

Typology of Consultation Process

Purpose

Why carry out a consultation process at all? One of the most common arguments against consultation is that it is costly and time consuming. However, it is important to calculate the costs of not carrying out good consultation in terms of time and lost good will or existing conflict and of possibly getting it wrong.

The development of management thinking away from a purely scientific approach to management towards a more organic and people centred approach has highlighted the importance of understanding customers. Indeed, quality has been defined by one writer as being "what the customer wants". TQM (Total Quality Management) is based on the principle that it is more cost effective to get things right first time than correct mistakes later. Research carried out by Peters and Waterman into top American companies concluded that one of the critical success factors for these companies was being "close to the customer"¹.

Current government policy stresses the importance of participative democracy, consulting and engaging the public in decisions that affect the quality of their lives. Legislation increasingly requires public bodies to consult with stakeholders and recognises the importance of engaging stakeholders in the process of decision making that will affect the quality of their lives.

Consultation is more than just good government and good business. It is a strategic tool. It is used to assess markets, research need, find solutions to problems, build mutual understanding, build consensus and is, of itself, an important expression of accountability. An organisation that consults its stakeholders (and listens to them) is a learning organisations.

What is consultation?

Consultation means many different things to different people. Done badly it has negative effect. To ask stakeholders their views and then to fail to act on them can be more damaging than not consulting them in the first place. This is a process that leaves people feeling disempowered and unvalued and undermines trust and mutual respect.

Sherry Arnstein, writing in 1969 about citizen involvement in planning processes in the United States, described a ladder of participation with eight steps. The ladder is graded in terms of participation, power and

¹ In Search of Excellence, Peters & Waterman, 1982

control. It does not advocate any particular level as being universally right. Different levels are appropriate at different times to meet different needs and situations.

The Arnstein model.

1 Manipulation and 2 Therapy. Both are non participative. The aim is to cure or educate the participants. The plan proposed by the manager is best and the job of participation is to achieve public support through a public relations exercise and to achieve the acceptance of a predetermined point of view

3 Informing. An important first step to legitimate participation. The flow of information is one way. There is no feedback.

4 Consultation. Surveying views and needs with a view to informing managerial decisions.

5 Placation. For example, co-option of stakeholder representatives onto committees. It allows citizens to advise or plan but retains for managers the right to judge the legitimacy or feasibility of the advice and to implement what they chose. The term "placation" could be construed to be pejorative and is therefore probably not a good one.

6 Partnership. Power is distributed through negotiation between citizens and managers. Planning and decision-making responsibilities are shared e.g. through joint committees. This is currently a popular approach, however within it there are still variations of power sharing. Although equality of power is often assumed in this approach it is rarely a reality with senior and junior partners being the more likely scenario. Again it is not necessarily the case that there should be equality within partnerships as long as the process is transparent and everyone is clear at the outset how much power or influence they have. Partnerships can also take different forms whereby power is delegated for a specific area of responsibility, e.g. the development of minimum quality standards by those stakeholders affected.

7 Delegated power. Citizens hold a majority of seats on committees with delegated powers to make decisions. The public now has the power to assure accountability of the programme to them.

8 Citizen Control. Community organisations are directly funded to deliver services themselves. As with public bodies even this scenario takes place within boundaries and with caveats as to how they may act and exercise power. There is also an argument that democratically elected public bodies are community organisations. This raises the issue of how

close a representative body is to its constituents and customers whether it is a public body or a community organisation.

Consultation or Engagement – boundaries to decision making

If good relations are to be built with stakeholders and there are to be real strategic benefits to consultation then there is clearly more to be gained from the higher levels of engagement as opposed to pure consultation. Set against this are the boundaries of decision making. This will help in choosing what level of engagement to adopt.

Decision making boundaries are determined by a number of issues. What are the legal obligations of the responsible body? Where does technical expertise, knowledge and experience reside and how transferable is this? What are the terms of reference and organisational objectives of the responsible body and is there any scope to change these? Does the executive have power to delegate as opposed to just listening?

The type of information needed will also affect which level to use. Quantitative information can be gained from non engaging levels and methods such as surveys whereas the more interactive levels favour qualitative information.

Engagement processes can have other boundaries. What are the budgetary limitations to developing an adequate process? (Decisions about setting a consultation budget need to take into account the cost benefits and also the potential costs of not doing it). Is there scope to delay decisions until stakeholders have been engaged to lead to adequately informed recommendations in what can be a lengthy process? The more complex the decision making the longer the consultation process and the more expensive it could be.

Managers are sometimes concerned that people engaged in dialogue may have more rights than responsibilities and that they can afford to promote “unsafe” recommendations if they do share not responsibility for the outcomes. This of itself demonstrates the importance of investing adequate time in the dialogue process so that the consequences of strategic options can be fully explored.

This typology will now focus on consultations levels that are participative and involve dialogue, specifically the “placation” and “partnership” levels. These levels are appropriate where there is benefits in developing trust and shared ownership of processes. It is also valuable where developed stakeholder dialogue can improve products and services either to increase competitive advantage or quality of services and products.

Key principles of effective consultation

- a commitment to engagement from all participants and that they accept that their views can change and that they are there to listen and learn as well as promulgate their own point of view;
- consultation is started as early on as possible in the design process;
- top level involvement - those involved in the consultation process need to be able to make decisions and deliver action. Where junior members of staff are sent without full delegated authority significant time delays can occur and the message is sent that the organisation does not value consultation;
- excellent communication – the method of communication needs to reflect the culture and needs of stakeholders. If stakeholders do not have time or are not able to read large documents or the documents are not comprehensible then a different form of communication is needed. For some communities reading documents is not part of their culture.
- don't make empty promises – to promise action and not deliver is worse than not promising anything and causes resentment and distrust;
- transparency and honesty – own up to errors and where actions had to be carried out differently or not at all explain why. Where sensitive information cannot be shared explain why. Are there any hidden agendas? These will undermine trust.
- respect – stakeholders may have different or opposing points of view but it may still be possible to learn from them. If they are prepared to give their time to the process they deserve to be treated with respect;
- active listening – any constructive dialogue requires not only hearing what people are saying but trying to understand it. Where there are differing or opposing views this can be difficult. Taking defensive positions can work against active listening. If this sort of dynamic takes over then people become entrenched and progress is halted.

These principles will have implications for the culture of the initiating / managing organisation. If these principles are not already reflected in the culture and management style of the managing organisation how easy is it going to be to carry them out in a consultation process? How will staff feel if they see external stakeholders treated with more respect and openness than themselves?

Representation Types

When embarking on consultation at whatever level some consideration needs to be given to representation. If carrying out a survey then the direct views will be sought of a representative sample. The quality of the sample will determine the value of the results. This approach tends

towards a broad base for effectiveness. If a dynamic level of consultation involving dialogue is entered into then representatives who are opinion formers and leaders are more likely to be involved. As one of the aims of the process is to change views, on both sides, over time then the mandate that these representatives have from their own constituents may be important. This approach is more narrow based and therefore the communication and influence these representatives have is important. Any consultation process can use both approaches. Surveys can be useful in checking out the validity of views of representatives.

There are two principle models of representation that need to be considered.

- 1) Democratic representation. This familiar model provides a mandate through election of representatives with regular accountability mechanisms. Voluntary and charitable organisations will have elements of democracy written into their constitutions. Democratic representation has positives, e.g. a clear mandate, wide acceptance as a model, and negatives, the bigger the constituency the more difficult it is to represent views accurately and can lead to estrangement and alienation. Central government is actively concerned about low turn outs in local elections for example and is promoting more participative approaches to compensate. For a representative to say that they are elected does not mean that they are fairly representing their constituents views. It is worth noting at this point that many local councillors spend much time consulting their constituents. An active local councillor is often a real community leader and can be invaluable in a consultation process. Community organisations that are well run may well have local community leaders within them that accurately reflect the views and experiences of the group they represent. These representatives need to have a process whereby they refer back to their constituents to maintain their validity as representatives.
- 2) Experiential representation. This is where representatives are chosen by virtue of their personal experience. As this will be, in large part a shared experience by virtue of their circumstances they are deemed to be valid representatives of the views of others that share that experience. Consideration should be given about how many representatives are needed to reflect the experience and to give validity. Some examples of where this form of representation can be used appropriately are;
 - disabled people; it is important to distinguish between different types of disability. Someone with mobility impairment might not be a good representative of people with sensory impairment
 - black and minority ethnic people; this may be valid in relation to issues of racism. Again there are complications that need to be considered

- people from disadvantaged areas or neighbourhoods. This may be valid where individuals share the same experience of limited opportunity and disadvantage

One form of representation is not universally more valid than the other. A consultation process may use both types of representative at the same time to represent different stakeholder groups. The important consideration is to use the best and most appropriate form of representation for each identified group of stakeholders.

Core processes for consultation

Stage 1. Initial Planning

Establish principles and boundaries of the process at corporate level. This can be one of the most difficult parts of the process. If there is not a serious commitment and clarity about what is involved at the top of the organisation then the process may well flounder at the first difficulty.

Decide what level of consultation is to be aimed at. See Arnstein's ladder above.

Identify and commit resources including staff, budget, skilled support and time. This will include identifying resources to manage and facilitate the process. Skilled facilitators or researchers are necessary. Decide whether the facilitators or researchers can be employed internally or externally. This decision will partly be based on whether the subjects for consultation are contentious. If so then independent facilitators need to be appointed. Resources may also be needed to support the stakeholders. Is their time going to be paid for? Although there is potential for mutual benefit they are being recruited as "consultants" to assist the delivery of your business and as such merit the consideration of payment. This also makes the process more even handed as the staff or managers attending will be doing so in work time and will therefore be paid. It may be that some are only going to be able to afford to come if they are paid to do so. Payment may be to organisations. Stakeholders may need resources to enable them to participate properly, e.g. internet access, office space, word processing facilities, interpreting.

Where complex technical issues are to be considered then it is important to provide independent technical advice. This will be essential to building trust, facilitating informed dialogue and enabling decision making.

Determine subject areas open for dialogue. This will need to be reviewed once engagement with stakeholders has started.

Identify internal stakeholders, communicate corporate intentions, possibly through a visioning process, and identify training needs.

Establish how consultation outcomes will be fed back, to whom and how action will be delivered.

Following stages will be carried out by the project manager in close liaison with facilitators or researchers.

Stage 2. Stakeholder Identification and Recruitment

Decide how to identify stakeholders. This can be done through advertising in media that stakeholders are likely to use, reviewing mailing lists and contacts with the managing organisation. Public Relations will have important information. A second trawl should be carried out once an initial list has been established by asking those stakeholders what contacts they have that may wish to be involved. This type of "networking" approach is usually highly successful. Stakeholder groups are likely to include:

- Funders
- Staff
- The local community
- Customers
- Campaigning / lobbying organisations
- Businesses, e.g. contractors, suppliers
- Government organisations

If consultation is to be broad based then it is important to meet with key stakeholders first. Initial discussions with leadership figures are often important before widening out the stakeholder base. It is important to get them signed up to the process otherwise they could scupper it before it has begun. It is likely to be more beneficial to carry out these meetings on a one to one or small group basis to communicate genuine intentions and establish good working relations. There may be a need to sell the value of consultation and to convince stakeholders that your organisations intentions are honourable.

Small community organisations are often very poorly resourced. Much of their time is given on a voluntary basis and they may have little capacity to extend what they do to meet a well resourced organisation's needs for consultation. At the same time these organisations are often good representatives of community views. Requests for large amounts of their time can over-stretch individuals and lead to "burn out". In the worst case the extension of their resources can lead to a collapse of the organisation itself. If community organisations are worked with sensitively there may be ways in which the company can support their activity and build their capacity.

Invite stakeholders to become involved in dialogue.

Arrange an initial meeting with those agreeing to participate to discuss

- the purpose of the consultation - it is necessary to agree on the objectives of the consultation. Managers may have proposals but external stakeholders will have their own agendas. Consultation can only proceed with agreed common ground. This can take time to hammer out. If agreement cannot be reached then there are no grounds for participative consultation. If this is the case then one of the lower stages of consultation such as "informing" may be more appropriate.
- Method of consultation and recording. This is also an opportunity for the stakeholders to meet the facilitators
- terms of reference including issues such as confidentiality, boundaries of consultation, use of substitute representatives (see stage 3 on group dynamics)
- frequency of meetings, levels of expected commitment, communications, responsibilities
- principles, transparency, respect
- ground-rules need to be developed and mutually agreed
- resourcing of stakeholders and practical arrangements
- logistics - If the consultation is going to be carried out through a series of meetings agree on times that are mutually convenient. This may mean having to work outside of normal office hours. This can be an indicator to stakeholders of how seriously their contribution is valued. If other methods are going to be used, exhibitions, surveys, site visits, what roles are participants going to play?

This part of the process is critical as it determines expectations. It is important not to set up expectations that cannot be met to avoid disillusionment. Be clear about the boundaries of consultation and why those boundaries exist. This may mean that some stakeholders drop out at this stage if they feel their needs cannot be met or that there is not enough mutual ground for dialogue.

Explain the processes for decision making. Will direct decisions be made within the dialogue or will recommendations be made that then have to go to management for decisions? Determine how the results of those decisions or actions carried out will be conveyed to the participants. Transparency is essential to building trust and respect.

Decision making has consequences for both sides of the dialogue. If external stakeholders are representing a wider group of people than themselves then they need to have a mandate, decision making responsibility and a clear communication process with their constituency. Without this being established it is possible to carry on with the

assumption that the organisation or set of interests being represented are fully on board whereas the individual alone has moved with the process. It is possible for the representative to be unaware that they are not taking their organisation with them. Again responsibilities exist on both sides of the dialogue. These issues need to be aired and agreed at the set up meeting. If an individual does start to take a different view from those that they are representing then this needs to be conveyed to other participants within the dialogue and consideration should be given to that individual's continued involvement. See "representation types" above.

Agree timeframes although these are likely to be revised.

Stage 3. Implementation

Much of this stage is initiating and reviewing what has been planned and agreed on in the previous stages. However this is where the difficult work begins. It will be through dialogue and engagement that genuine understandings and trusting relationships are built. This phase will require sensitivity, conflict resolution and skilful management if the process is to deliver. An awareness of how the dynamics of the relationships are developing is useful. The facilitators will need to have skills in managing and supporting these.

If regular meetings are run then an understanding of group dynamics is important. The initial stages are likely to be conflictual and will certainly be less productive than the later stages. This is normal and should not be a cause for concern. Relationships have to be established, trust has to be developed and roles bedded down before a group will start performing to its optimum. This process can be speeded up using team building exercises. This is worth doing if the cost in time taken out is going to be less than the time saved by speeding up the productivity of the group.

An important consideration where dialogue mainly takes place through group meetings is whether group membership is closed or open. If new members can join the process then this will slow down the productivity of the group and result in higher levels of conflict. It will also slow the development of understanding of issues or leave people behind. Closed groups are usually preferable unless it is important to ensure attendance and involvement for credibility and reasons of openness.

Where there are perceived differences in social status, e.g. professionals consulting with local residents who have experienced poor educational opportunities, there is likely to be a difference in levels of confidence. This can lead to an imbalance of contributions. Sensitive facilitation will help with this and time will also build confidence but it is also important for those of perceived higher status to be active listeners and sensitive to their impact on other group members, especially in the early stages. It

can be beneficial for the facilitator to set up a caucus of lay participants to help them with the process initially.

It may be the case that professionals feel threatened by dialogue. They may not warm to having their expertise called into question or may feel that they know better and therefore have the right to make decisions. This relates to earlier comments about organisational culture. Is it right that professionals should have a monopoly of knowledge? (They usually don't). How do professionals view accountability to the people that experience the effects of their work?

Consideration needs to be given to how information can best be imparted. For example is it easier to explain a particular process by organising a site visit or bringing in someone with a specialist responsibility. If this is done do non participants brought in to the process for a particular purpose understand the objectives and are they properly briefed? Is it better to use visual aid, drawings, plans and models rather than the written word to communicate ideas? Is there a need for an independent technical adviser to run specific sessions for lay representatives?

There is a need to regularly review how far stakeholder representatives are reporting back and how far they are bringing their constituents with them.

It is useful to take a "human resources" approach to participants. How committed are they to the process? Are their have legitimate needs being met? Is anyone being left behind? Are participants dropping out needlessly?

The maintenance of the process may be aided by carrying out "health checks" with individuals who are showing signs of disengagement. This may take the form of one to one phone calls to check that everything is still okay.

It is beneficial to take time to regularly review the process within the context of the meetings. The regularity of reviews can depend on how well the process appears to be going.

Attention needs to be paid to quality of communication, recording and facilitation.

Stage 4. Endings and Evaluation

There is often value in building an ongoing dialogue process whereby new issues can be discussed as they arise. If time and resources have been invested in building a successful dialogue process then careful

consideration needs to be given to ending it if there is more work to be done. Relationships can not be turned on and off at will and survive. On the other hand it is important not to waste people's time. Do not arrange meetings to keep someone in a job or because they have become a comfortable habit. It can be difficult to accept that a process has outlived its usefulness when strong personal friendships have developed.

It is important to evaluate the process. Did it achieve what you set out to do? Has it been cost effective? Has it added value? What were the outcomes of the process, both predicted and unpredicted? It can be difficult to put a financial value on benefits such as acceptance, trust, good will and respect. Commercial organisations however do make frequent decisions about how much they will pay for public good will. Marketing and competitive advantage may depend on this. It can also be difficult to evaluate the financial benefit of improvements in goods and services that are attributable to consultation without a comparison with a baseline sample or control group. Although evaluation is the final stage it is a process than needs to be planned at the start of the process. This will be important in setting up a baseline or control sample.