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CONSENSUS BUILDING BEST PRACTICES

Facilitation... or Something More?

By **Patrick Field**

At two recent collaborative events facilitated by CBI, I was struck by similar comments from highly proficient, technical participants. The comments went something like this: *"I found out this workshop was facilitated, and thought, 'Great, another facilitator calling on speakers and keeping the time. Is this really necessary?' Then, CBI facilitated the workshop. You do something different – and I like it."*

So, just what is different about the services and skills CBI brings to bear for convenors and stakeholders alike? Are CBI practitioners just facilitating, or, are we doing something more?

Clearly, most facilitators or meeting managers provide a basic set of useful functions in large groups (roughly greater than 10), and particularly in large, contentious groups. Facilitators of all backgrounds and training help organize agendas, open meetings, suggest and enforce ground rules, call on participants, summarize statements of participants from time to time, keep track of time, and prepare meeting summaries. At most meetings, workshops, or events, these actions prove quite useful. Facilitators often serve as both "chairs" of meetings, effectively running them, and as staff, doing the work needed on behalf of the group, without the group having to take on such tasks themselves.

But CBI does more than this. We are not solely meeting managers. CBI offers five additional benefits to stakeholders that stand out and make our work much more than just facilitation.

Practitioners at CBI:

- Actively manage the process;
- Engage deeply in the substance;
- Think strategically about negotiation;
- Conduct policy analysis and synthesis; and
- Strengthen facilitative leadership and organizational capacity.

First, CBI practitioners actively manage the process. Often projects involve numerous stakeholders, complex issues, citizen engagement, and tight deadlines and budgets. Success is more than running a series of "good" meetings. Success is only achieved if the overall process is managed and organized in such a way that it leads to the intended and expected outcomes desired by stakeholders. That is why CBI actively conducts careful assessments to ensure the right parties are at the table, the information they need is available or can be found, and the issues are framed appropriately. We engage participants in extensive pre-planning to develop not only meeting agendas, but also complex work plans and schedules. We use web-based polling to advance issues and ideas between meetings. We strategize frequently with convenors and stakeholders to ensure progress is being made, to

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adjust the process as needed, and to efficiently allocate scarce resources to complete the job.

Second, CBI practitioners are knowledgeable about and interested in the substantive issues before our clients. It is critical to the process to understand technical, legal, and policy context by drawing on experience, training and the ability to learn quickly and in-depth "on the job." CBI practitioners are as enthusiastic about the substance of our work as we are about the process expertise we bring to bear. We see it as our job to be fluent in the substance, so that we can do more than play "traffic cop" in managing the flow of conversation. We use our understanding of substance to help stakeholders clarify issues and interests and identify potentially viable options. We seek to engage in and understand the substantive issues at stake while maintaining neutrality towards particular outcomes. Our stakeholders expect we can aid actively in discourse around a wide range of issues such as: obscure elements of the Clean Air Act; complex funding formulas of Section 8 housing; site design for a town center; and community benefits from gas and oil development in the Niger delta. Our value comes not only from our process expertise, but also from our comprehensive knowledge in the areas where we typically work.

CBI practitioners are knowledgeable about and interested in the substantive issues before our clients.

Third, CBI practitioners bring negotiation analysis to our work. Not every process or collaboration is considered a negotiation. Stakeholders may need to explore interests, identify a common vision, develop options, and only sometimes, negotiate a final agreement or settlement. But most collective action is at some level a negotiation, where stakeholders seek common benefit that exceeds what each could accomplish alone, and they are willing to make a trade or exchange of some kind (for instance, their time and energy in exchange for an agency sharing information). CBI practitioners are steeped in multi-party negotiation theory and practice; draw on negotiation experiences across sectors and countries; and think actively about what stakeholders can do together to create value that they cannot create without one another. Our negotiation expertise helps us to identify common negotiation pitfalls among parties, to sequence conversations, issues, and ideas in a strategic way, and to assist participants to strike a balance among their interests.

Fourth, CBI practitioners frequently conduct policy analysis and synthesis. In many cases, involved parties have reached an impasse, not only in terms of conflicting interests, but also in terms of ideas and options to move the conversation forward. CBI listens carefully to participants in individual conversations and joint dialogue, thinking about how issues are framed, how approaches or ideas might fit within a policy framework or structure, and whether the options on the table will meet their substantive interests. We may conduct policy research for stakeholders (e.g., how long-term leaseholders are handled by state and federal government landowners), or what governance structures of regional transmission organizations might look like. We may gather and synthesize technical materials on wind siting, climate change adaptation, and fisheries management. We may organize and manage peer reviews of complex epidemiological studies of cancer rates in particular geographic areas. In short, we see it as our job not only to manage an effective meeting, but also to help stakeholders organize and advance their thinking with viable, supportable policy approaches.

Finally, where appropriate, CBI practitioners can help coach groups to strengthen their capacities of facilitative leadership – a core ingredient in motivating individuals toward a culture of joint learning and teamwork, when needed. Skilled coaching is particularly important when diverse parties seek agreement but need a guiding voice to reach higher levels of accountability and performance. CBI seeks to help organizations, not just individuals, build capacity for collaboration and mutual gains negotiation. Through training, assessment, and coaching we seek to help organizations, whether a Fortune 50 company or a town of 5,000, embed collaboration in their structures and culture.

In short, CBI practitioners are skilled not only at managing meetings, but also at designing and managing complex multi-stakeholder processes; working in depth with stakeholders on both substantive issues and negotiable interests; and helping leaders and organizations build collaboration into their ongoing work.

That's a mouthful, and it's often easier to say we "facilitate" or "mediate" than to spell out the larger value that we bring. But in fact, here at CBI, we pride ourselves on doing much more. ★

Patrick Field is Managing Director of North America Programs at CBI and can be reached at pfield@cbuilding.org.

New | Upcoming | Ongoing...

CBI was pleased to receive an "Innovation in Technology and Environmental Conflict Resolution (ECR) Award" in May from the U.S. Institute for Environmental Conflict Resolution for, **"Stories from the Borderlands: In their Own Voices."** Nominated in the 'Visioning Technologies' category, this winning podcast was developed as part of CBI's Village Innovation Pilot, funded by the Orton Foundation with the Nature Conservancy. **Listen to the podcast at: www.cbuilding.org**

CBI Assists US Chamber of Commerce with "Let's Rebuild America Infrastructure Index Project"

This spring, CBI associates Kate Harvey and Ona Ferguson began the process of helping US Chamber of Commerce members explore why and how infrastructure is central to their business operations, in order to provide feedback for the Chamber's "Let's Rebuild America Infrastructure Index Project." The Index will track US infrastructure performance on an annual basis, and its correlation to economic performance. Member engagement was designed to ensure that tracked items overlap the infrastructure issues businesses care about. In four CBI-facilitated meetings held across the U.S., business representatives were asked why and how investment (or lack thereof) in transportation, energy, broadband and water systems impacts their operations. Participants shared stories of offices closures during storms, enduring power outages, and creating elaborate workarounds when critical systems became overloaded. They shared their desire to maintain internationally competitive through access to high-speed internet and more dependable infrastructure. The project continues as CBI gathers additional information from members.

Don't Miss These Upcoming CBI Events!

\>> **Dealing with an Angry Public**
November 2 - 3, 2010 | Boston Marriott, Cambridge , MA
Co-presented: MIT-Harvard Public Disputes Program and CBI. Details at: www.dealingwithanangrypublicprogram.com

\>> **Local Communities Adapting to Climate Change: Managing Risk in Decision Making**
November 4-5, 2010 | Lincoln Institute of Land Policy, Cambridge, MA Co-presented: Lincoln Institute of Land Policy and CBI. For more information email: tschenk@cbuilding.org

Climate Change Conversations in Cambridge

CBI associates Ona Ferguson, Patrick Field, David Plumb, and Todd Schenk, worked with the City of Cambridge, Massachusetts to facilitate dialogues about climate change policies. Between December 2009 and March 2010, they facilitated citizen-led sessions of the 100-person "Climate Emergency Congress", helping to develop three proposals and a comprehensive list of actions that city staff, elected officials, community members, and others can take to reduce carbon emissions and respond to the impacts of climate change. A group of citizen leaders, working together in these sessions, formed the Cambridge Climate Emergency Action Group (CCEAG). CBI then facilitated a series of meetings between CCEAG and top-level city staff and elected officials. Discussions centered on topics such as: what municipal and non-governmental actors are currently doing to address climate change; areas of opportunity for further action and efficiency; the possibility of an overarching campaign; and ongoing collaboration across the many initiatives underway. Discussion results included identifying areas for new action as well as current areas of success, plans for awareness and action campaigns, future meetings, and ongoing communication. At the conclusion of the process, a CCEAG member shared, "CBI's guidance and fairness during the entire process was essential to the success of these important discussions... [and] have established a framework for optimism and success." Read Summary of Meetings here.

Photo by Johanna Hull.

CBI Senior Associate David Plumb interviews Peruvian community leaders for a documentary on efforts to address conflict between communities and natural resource companies through dialogue. This project is part of CBI's collaboration with the Corporate Social Responsibility Initiative at Harvard's Kennedy School of Government. Learn more on page 8.

\>> ***Our DC Office has moved!*** Our new DC location as of September 1st is 1220 L Street, NW. Suite 901, Washington, DC 20005

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The Consensus Building Institute (CBI) is a not-for-profit organization created by leading practitioners and theory builders in the fields of negotiation and dispute resolution. CBI works with leaders, advocates, experts, and communities to promote effective negotiations, build consensus, and resolve conflicts.

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Facilitating the Creation of a Global UN Development Strategy

The United Nations provides more than 130 developing countries with an enormous range of assistance and advice, on issues as diverse as AIDS prevention, election monitoring, disaster risk reduction, improving rural livelihoods, and life-saving humanitarian action. This broad array of advice and support comes from twenty-two specialized agencies, funds and programs (each with its own independent Board, budget and program), along with ten offices and commissions based in the UN Secretariat. In any given country, there may be as many as thirty agencies and offices in operation. Though the diversity of these agencies and offices is often a strength, it also creates a significant challenge: ensuring that the advice and support provided by UN actors within a country is well coordinated, efficient and effective.

Since 1997, agency leaders have been meeting at the global level as the United Nations Development Group (UNDG). The UNDG has made significant progress in improving operational collaboration, efficiency and transparency. However, the agency leaders have never jointly set priorities on which to base their work. One reason is that there are still significant differences of interest and different levels of capacity for collaboration among the UN agencies and offices.

Last December, the UNDG asked CBI to help facilitate an effort to reach agreement on the first-ever global strategy for the group. CBI Managing Director David Fairman spoke individually with the 13 agency Deputy Directors charged with developing the strategy, and then facilitated their dialogue and negotiation over a series of retreats and working group meetings. Strong agreement emerged on a clear set of priorities:

- Make UN Country Teams the central focus of the joint work of the UNDG, and give them the tools, incentives, accountability and support they need to collaborate effectively
- Increase the effectiveness of the UN's country-level development work by helping Country Teams work "upstream" with senior policy makers, and align their joint priorities with national priorities and UN comparative advantages
- Streamline the way that the UNDG works globally, and make it more responsive to the operational needs of UN Country Teams and less directive of those teams

At the same time, significant differences became apparent among the agencies on how best to achieve these goals, and on the effectiveness of some of the existing UNDG incentives, supports and global working groups. CBI helped the Deputy Directors to clarify and jointly investigate differences in understanding and interpretation of facts; to negotiate for joint gains to bridge differences in agency interests; and to use dialogue and a collegial spirit to overcome tension and miscommunication in inter-agency relationships. To their credit, throughout the process they maintained a constructive approach and carried out complex consultations within their agencies in tandem with meetings.

In April 2010, the heads of all 32 UN agencies, funds, programs and offices approved a two-year UNDG strategy for the years 2010-2011, reflecting the consensus recommendation of the Deputy Directors, and also approved several shifts in roles and responsibilities to support its implementation. Currently, CBI is facilitating the UNDG Advisory Group's efforts to implement a work plan for the strategy.

According to several members of the Advisory Group, the experience has demonstrated the value of CBI's approach to facilitation: understanding in depth the substantive and organizational issues that drive stakeholder representatives; developing one-to-one dialogue, rapport and trust with individual stakeholders before facilitating group discussion; and being able to move between "pure" process facilitation; energizing and motivating a group; summarizing and synthesizing discussion at key points to capture progress and agreement; and offering constructive criticism and "what if" options at moments when the group is bogged down.

For CBI, it has been another opportunity to support the UN development system in its efforts to improve the lives of people in countries around the world, and to hone our ability to facilitate strategic planning in highly complex, inter-organizational contexts. ★

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Building Organizational Capability to Drive Business Results

In *Built to Win, Creating a World Class Negotiating Organization* (Harvard Business Press) Larry Susskind and I argue that improving negotiation outcomes requires treating negotiation as both an individual and organizational capability.

The notion of organizational capabilities has been catching on. Recently *McKinsey Quarterly* surveyed a range of organizations and leaders about what they are doing to build organizational capabilities to drive business results. McKinsey defined an organizational capability as "anything an organization does well that drives meaningful business results." Their survey asked executives how well their companies create and manage training and skill-development programs, and how effective those programs are in maintaining or improving on their priority capabilities.

Nearly 60 percent of respondents said building organizational capabilities was a priority for their companies, but 75 percent said their companies weren't good at building the most important capability.

The survey also found that:

- Narrow incentives were often seen as undercutting the behaviors required for the organization to collaborate effectively.
- Involving senior executives in defining capabilities made it more likely that capabilities would actually improve.
- Training methods were ineffective when they did not target the key problem or behaviors that needed to be addressed, or failed to think beyond individual skill building to organizational systems such as knowledge management and performance reward systems.

While McKinsey's echoes a number of points made in Built to Win, it does not spell out a clear remedy. How can leaders systematically implement a cost-effective change program that targets both individual skills and organizational capabilities? In the area of negotiations we offer the following prescriptive advice. **1) Start with a Negotiations Audit.** A negotiations audit done by an expert with deep understanding of negotiation theory can help organizations to get their arms around where they are falling short – before they commit significant training dollars. **2) Invest in Tailored Training.** Content that is perceived as more relevant is more likely to be encoded and retained by learners. By investing in tailored training, companies can build their long-term intellectual capital and target the particular issues that are preventing them from doing better. **3) Build Coaching Capabilities.** By building their internal and external coaching capability, organizations can ensure that gains from training are sustained over time. **4) Commit to Measuring Impact.** By committing to measuring business results (rather than just participant reactions to training) through post-training evaluations, companies can ensure that the money they are spending is generating a real return on investment.

In times when dollars are short, globally competitive companies simply cannot afford to continue with training-and-more-training as a leadership development strategy. There is a more powerful, less expensive way to improve negotiations. If companies and other organizations took only these four steps, they would greatly improve the effectiveness of their programs.

In future articles, I'll describe more steps that best-in-class companies are taking to build their negotiations capability. If you have examples or ideas to share, please email me at the address below. ★

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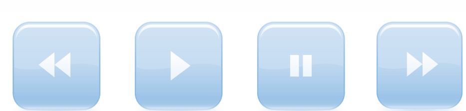
The Negotiation Pedagogy group at the Program on Negotiation at Harvard Law School (NP@PON) invited CBI's Hal Movius to present **"Reel Life: Making and Using Films to Teach Negotiation"** at a recent Spring Faculty Dinner. Read more about this presentation in Orlee Rabin's article, **"Making and Using Films to Teach Negotiation"** (NP@PON Summer 2010 "Teaching Negotiation" e-newsletter) and watch a video clip from Hal Movius' training video, **"The Linder Negotiation"**.



Water Research Foundation: Developing a Roadmap for U.S. Source Water Protection

In March 2010, CBI assisted the Water Research Foundation (WRF) in developing a roadmap for source water protection for U.S. drinking water utilities. The purpose of the plan is to develop a national strategy that will establish common, agreed-upon goals and objectives for source water protection, allow for the sharing of expertise, and help identify knowledge gaps. WRF's roadmap is governed by the vision that source water protection is essential and by 2025 every public community water supply will be protected by an active source water protection program. This work is part of CBI's on-going involvement in drinking and wastewater cases, from local water conflicts to international sustainable water use standards.

Drinking water comes from a great variety of natural sources, including ground water, rivers, and springs. Protecting these sources is crucial for providing a reliable supply of high-quality drinking water into the future.

Despite the importance of source water protection and the intricacy of its processes, no specific federal mandate exists for the development or implementation of source water protection programs. Some utilities have implemented highly successful protection programs, while many others have done little or nothing in this area.

During an intensive two-day workshop convened by WRF in Boulder, Colorado and facilitated by CBI, a team of experienced water professionals gathered, reviewed, and discussed a wide range of information on source water protection efforts. During the workshop, four themes emerged: raising awareness for prevention, enhancing coordination among stakeholders, providing utilities with necessary support, and increasing public recognition for effective programs.

Working within these themes, the participants, identified several major obstacles to source water protection including the lack of a mechanism for sharing expertise between different utilities, and the difficulty many personnel have understanding the combined effects of numerous contaminants on source water quality. Another challenge involves ascribing a monetary value to the benefits of source water protection. Most utility managers need to be convinced that source water protection is worth the effort and expenditures before they will authorize protection activities. However, there is a general lack of information on the costs and benefits of source water protection, and since source water protection is a preventative measure, it does not answer a particular crisis that can be easily monetized.

Over the two-days, specific solutions emerged to address each issue, including:

- Developing descriptions of the potential costs of not undertaking source water protection
- Recognizing and educating utilities managers on the difficulty of quantifying the monetary benefits of source water protection.
- Performing knowledge gap analyses for individual water utilities and stakeholder groups
- Working with local schools on educational programs
- Developing a system for educating key decision-makers on the importance and benefits of source water protection
- Taking a more proactive approach with the media
- Effectively leveraging the Clean Water Act to improve protection of water sources
- Developing a plan by 2012 to recognize and identify components of a voluntary program

Written in the form of clear, precise recommendations for action, the Water Research Foundation's roadmap serves as a practical, focused strategy to promote source water protection for U.S. drinking water utilities.

PJM Interconnection: Assessing a Stakeholder Process

In June 2009 PJM Interconnection asked CBI and Raab Associates, a long-time CBI partner, to conduct an assessment of PJM's stakeholder process and overall governance structure. PJM is the US' largest regional transmission organization (RTO) and coordinates the movement of wholesale electricity in 13 states and the District of Columbia. With over 600 member companies, 56,000 miles of transmission lines, and 51 million customers, PJM utilizes a complex governance structure for coordinating its members. PJM's stakeholder process includes a broad, multi-layered system for making decisions and providing recommendations on two of PJM's primary objectives: ensuring reliability and maintaining competitive markets.

Working closely with PJM's Governance Assessment Team (GAST), CBI and Raab Associates created a carefully tailored, participatory approach to gather and inventory PJM member concerns. To acquire a broad understanding of stakeholders' views, CBI interviewed 75 member companies, staff, management, and the PJM Board; conducted focus groups; and observed meetings. Using this information, CBI developed an online survey for all PJM member companies to complete.

Survey results provided CBI and Raab Associates with extensive insight into members' overall goals, objectives and satisfaction level, as well as detailed information on more specific issues within the stakeholder process.

Among its findings, the assessment team noted that:

- Members had a high degree of agreement regarding what the stakeholder process does well and does not;
- Members regard the process as an excellent arena for them to express their views and understand each other's perspectives;
- Respondents also stated that the process is not particularly effective at helping stakeholders reach consensus;
- All sectors strongly agreed that it is beneficial for issues to be vetted through the stakeholder process even when members can't reach agreement;
- Most members believe a more effective stakeholder process is necessary to ensure that PJM fulfills its mission of providing reliable service and competitive markets.

Upon completion of the assessment, CBI and Raab Associates issued a report detailing the actions PJM should take in order to address the issues raised. PJM reviewed the report and decided to move forward to a phase two, facilitated process to optimize their stakeholder process. Phase two focuses on eight specific areas including building transparency among the Board and members; increasing clarity and expectations for participants' roles and responsibilities; and providing support for lower level standing committees.

PJM and CBI are developing a handbook and a detailed plan to implement these phase two recommendations.

When implemented, the recommendations will lead to:

- Greater efficiency in finding areas of consensus
- More consistency within working group processes
- Improved work planning and control of workgroup direction
- Enhanced stakeholder education on key issue topics
- Better informed members through improved reporting
- Greater clarity and separation of PJM's multiple roles in stakeholder process
- Clearer responsibilities for all
- Greater assurances for minority positions
- Improved transparency between members and the Board
- More efficient process for implementing tariff changes

In June of 2010, the PJM Members Committee received the recommendations of the Governance Assessment on improving the overall process.

THEORY IN PRACTICE

Expanding the Role of Mediation in Corporate Social Responsibility Disputes

By **David Kovick**

In today's global economy, corporate conduct abroad is governed by a range of frameworks, guidelines and principles – voluntary corporate social responsibility (CSR) commitments at the corporate level, industry-wide and multi-stakeholder initiatives, and even in the requirements of multilateral bodies. But what happens when stakeholders – communities, environmental or human rights NGOs, and other advocates – make claims that they are negatively impacted because companies are not living up to those commitments? Unfortunately, complaints often lead to extended court cases that provide limited relief. Worse, failure to resolve complaints can lead to violent conflicts between companies and communities. Today's global CSR discourse is moving beyond the need for credible reporting on CSR compliance, toward a focus on the question of effective remedies. In other words, remedies that actually address and attempt to resolve the fundamental sources of conflict between corporations and stakeholders.

Working under a UN mandate, John Ruggie and his team at the Harvard Kennedy School of Government's Corporate Social Responsibility Initiative (CSRI) have brought increased attention to this question of effective remedy. The three-pillared 'Protect, Respect, and Remedy' framework they have put forward places substantial emphasis on the need to ensure access to effective judicial and non-judicial remedies – so that those who believe they have been negatively affected by corporate conduct have somewhere to turn for redress.

To this end, CBI and CSRI have been jointly exploring the role that mediation and other problem-solving approaches can play in resolving disputes over business impacts on society. Mediation, here, refers not only to traditional concepts of mediating specific complaints, but includes the broader goal of proactively helping corporations and communities forge better relationships through the assistance of a neutral third party. From our own experiences throughout the world, we've seen the positive role that mediation can play in helping to resolve the fundamental sources of conflict and build stronger, more constructive relationships between companies and communities.

Through a joint research and design project, we have been interviewing global corporate and NGO advocacy leaders, to better understand what kinds of mediation resources at the international level would support more effective resolution of disputes at the local level. The ultimate goal of the research is to put forward a set of design recommendations for promoting and supporting the expanded use of mediation in global CSR-related disputes.

Many previous efforts to design international CSR remedies have fallen short on implementation because they lacked credibility among one or more key constituents. We know from our own field experience that, to be effective, any mediation resources need to be perceived as credible in the eyes of all potential users. The corporations, communities and NGOs need to be involved in the design of any CSR mediation resources.

Case in point, CBI and CSRI had originally planned to gain an understanding of community-level perspectives by interviewing community advocates and civil society leaders. However, in these interviews, community advocates stressed the need to go one level deeper and directly approach community members. In response, a second phase of research has been added to interview community-level stakeholders. To reach the local level, we are leveraging a global network of partner organizations – a combination of NGOs active in the CSR and public dispute resolution fields in: Argentina, Center for Human Rights and Environment; India, MetaCulture; Niger Delta, Africa Center for Corporate Responsibility; Peru, Futuro Sostenible; Philippines, Ateneo School of Government; and South Africa, Africa Institute of Corporate Citizenship.

Our research is currently underway and expected to conclude in December 2010. ★

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