Effective Forms of Community Consultation

Sigmund Fritschy

Department of Natural Resources & Environment
Cnr Ogilvie Ave & Annesley Street
PO Box 441 Echuca VIC 3564
Ph (03) 5482 0436, Fax (03) 5482 5405

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Abstract

Identifying factors that contribute to the success or failure of community consultation is vital for the efficient allocation of scarce resources. We are in the midst of a global trend towards companies and governments spending more time and money on addressing public concerns. However, as yet there have been few systematic attempts to identify what works in consultation and what does not. Presented here is a description of some of the few attempts to describe what might work. Attempts to define success, whether they be achievement of outcome or process goals are outlined. Factors that are associated with successful consultation are identified and guidelines for implementation detailed. Special attention is paid to the role structured decision making can play. The costs and benefits of these processes are difficult to determine, yet net benefits can be substantial. Tentative conclusions are made about factors likely to increase the success of consultative efforts.

Key words: Community consultation, public participation, stakeholder involvement, and economics.

Introduction

Wills & Fritschy (2001) found that community consultation as practiced in Victoria, Australia is an effective policy tool for improving environmental performance. However, the study identified a "need to investigate other examples of community participation in decision-making to better identify important factors influencing the benefits and costs of consultation". This paper outlines some of the attempts made to identify success factors in consultation and describes how these factors might be incorporated into participatory efforts.

What is Consultation?

The literature often makes use of the following terminology:
☑ Consultation: the seeking of information or advice.
☑ Deliberation: weighing in mind, careful consideration.
Consultation and deliberation are terms that are used interchangeably. Deliberation has a focus on the decision process and consultation an emphasis on the participation of various stakeholders.
☑ Analysis: resolution into simple elements, in all senses.
The term used here has been consultation or community consultation rather than public participation or stakeholder involvement.

What is Success?

The great variation of criteria for success in consultation studies can generally be condensed into two broad categories: processes and outcomes (Chess, 1999). Process goals address the means rather than the results used in consultation programs. These include issues such as fairness, information exchange, group process and procedures. Outcome goals examine whether participation achieved results, such as the degree to which community values are heeded, better accepted decisions and improved quality of decisions. Chess (1999) argues it is useful to examine the extent to which both process and outcome goals have been achieved when assessing success.

Success Factors in Consultation

Characterisation of success factors in consultation is a new and emerging field of study. In 1996, the National Research Council (USA) found:

> *"There is little systematic knowledge about what works in public participation, deliberation and the coordination of deliberation and analysis. When government agencies and other organisations have promoted or created specific deliberative processes they have rarely reported the results of their efforts." (NRC, 1996)*

Even so, there are a number of attempts to describe success which have qualitative results and tentative findings. Beierle & Konisky (2000) of Resources For the Future, made an attempt to correlate success in outcomes to specific attributes of consultation. Success was measured against three social goals:

- Incorporating public values into decision making;
- Resolving conflict among competing interests; and
- Restoring a degree of trust in public agencies.

The study found that:

- When done well, consultation can achieve important social goals;
- Successful models of consultation share common characteristics:
  - ☑ Good deliberative processes;
  - ☑ Good communication between community and government;
  - ☑ The commitment of the lead agency.
- Turning over a level of control to the community may not be required for the process to be successful. As long as agencies are flexible and responsive, even tightly managed and strictly advisory processes could be successful.

In a separate study, Chess (1999) also found commitment of the lead agency to be an important factor in determining the level of satisfaction with results and processes. Chess and Beierle studied consultation between government and the community but where industry is involved the commitment of industry is a key factor (Wills, 2001). EPA Victoria's ten steps to successful community/industry consultation illustrate how that commitment might be shown (EPA, 1996).

- ☑ Listen to the community and accept that individual's perceptions of your company are real for them. Resist the urge to defend yourself – especially in the early stages of consultation. You will find out more and develop credibility if you are prepared to listen.
- ☑ Don't think the problem is that the community doesn't understand: instead consider what you do that makes it hard for them to understand.
- ☑ Be prepared to share decision making.
- ☑ Be willing to be open to scrutiny.
- ☑ Be sure to allow enough time for consultation to occur.
- ☑ Involve senior staff in the consultation process.

Beierle has identified some important determinants of success in consultation but does not describe how these characteristics should be integrated into practical processes.

Implementation of Success Factors

Within the literature there does exist a number of tentative attempts at formulating guidelines for consultation. Interestingly, findings of various studies tend to support and reinforce one another. The following five rules of thumb are based on a literature review (Chess, 1999) and supported by recommendations of the National Research Council (NRC, 1996) where appropriate:

1. **Clarify goals:** Appropriate goals are likely to be influenced by situation specific factors, however it may be useful to incorporate the following NRC recommendations:
   - ☑ Consultation should be a decision driven activity.

- ☑ Aim to gain a broad understanding of differing perspectives, how different stakeholders are affected by actions from their own point of view.

2. **Begin participation early and invest in advance planning.**
3. **Modify traditional participatory forms to meet process or outcome goals:** Chess' findings suggest the form of consultation alone is unlikely to determine outcome success. The forms examined were public meetings, workshops and citizen advisory committees. While taking a flexible approach the form of consultation should consider (NRC, 1996):
   - ☑ Consultation models should be analytical and deliberative.
   - ☑ Analysis and deliberation should be mutual and recursive: deliberation frames analysis, analysis informs deliberation.
   - ☑ Early on match the analytical-deliberative approach to the needs of the project. While simple this has been "overlooked in a surprisingly large share of public involvement efforts" (McDaniels, 1999).
4. **Implement public participation with various forms of public participation:** Efforts in Victoria, Australia have found public meetings, followed by community liaison committees, community surveys and newsletters to be effective (EPA, 2001)
5. **Collect feedback on participation efforts:** Chess (2000) recommends using templates to record numbers of participants at meetings, minutes, names of stakeholder groups etc. In addition, short case descriptions also on templates, could describe goals of participation, methods of outreach, method of involvement and problems encountered. These would allow for cross sectional analysis of consultation efforts.

As well as these rules of thumb, the NRC recommends building organisational capacity to execute consultative processes. "At a minimum, building capacity should pay attention to organisational changes and staff training efforts that might be required, to ways of improving practice by learning from experience, and to both costs and benefits in terms of the organisation's mission and budget" (NRC, 1996).

Decision Support

As mentioned, the NRC (1996) recommends that participation should be a decision driven activity. Based on work by Gregory[1] the role of a decision driven process is worthy of further examination. The approach is best illustrated by two case studies.

For a proposal to mine coal in a Malaysian wilderness area, three interdependent steps were used to structure a decision with stakeholders. These were:

1. **Setting the decision context:** Disagreements tend to occur when the initial statement of the decision context explicitly or implicitly rules out either objectives or alternatives that stakeholders consider important. Consensus can be achieved by removing constraints until all objectives and alternatives are included. For example, with respect to Uranium mining in Kakadu, a decision context considering only alternatives of when and where to mine and omitting the alternative of not mining would likely not be acceptable to environmental stakeholders.

[1] See Gregory, 2001; McDaniels, 1999; Gregory, 1994.

2. **Specifying objectives to be achieved:** With an understanding of the decision context, each stakeholder is asked to list objectives. Techniques can be used to probe values and objectives can be organised to distinguish means from ends.
3. **Identifying alternatives:** Next stakeholders can identify alternatives that legitimately achieve stated objectives. Once basic alternatives are on the table it is useful to use stated objectives to create innovative alternatives and to enhance and better define existing alternatives (Gregory, 1994).

An important advantage of this approach is its role in diffusing the "we versus them" framing which is often present in environmental debate. The framing implies that key stakeholder groups hold very different, and fundamentally incompatible objectives. Gregory and Keeney (1994) state that "in our experience this is rarely the case. Rather, we anticipate that the classes of values held by different stakeholders, made explicit by their objectives, will be quite similar: when other things are equal, nobody prefers more environmental damage, fewer jobs, higher-priced products, or greater health risks. Instead, the disagreements between stakeholders are often due to different priorities for the objectives or different beliefs about the degree to which specific alternatives measure up in terms of objectives."

In the Malaysian example (Gregory, 1994) a workshop group began with two alternatives: conservation and mining. In thinking about how to achieve objectives such as environmental protection, job creation and development, six alternatives were identified: status quo, conservation, mining, mining & conservation, tourism and tourism & mining.

In Tillamook Bay, Oregon, a similar approach reduced approximately 150 catchment restoration actions to three critical actions (Gregory, 2001):
1. Limiting livestock access to streams.
2. Protecting and restoring tidal wetlands.
3. Upgrading forest management roads.

The approach involved:
- ☑ Separating means from ends to identify objectives.
- ☑ A review of available literature and 'expert judgement' elicitation to clarify impacts of actions.
- ☑ Community consultation to clarify stakeholder objectives and clarify cause-and-effect relationships (such as the expected impact of road improvement on sedimentation and fish passage).

In the Tillamook Bay case, decision support went further to assist various stakeholders to make trade-offs between key objectives. As with the Malaysian example, a number of innovative and broadly acceptable alternatives were identified. The study concludes that "linking scientific analysis and community consultation effectively will require greater use of analytical techniques such as elicitating objectives from community stakeholders, decomposing problems and actions into component parts and evaluating trade offs across multiple dimensions of value… For many environmental initiatives, we believe that adapting a structured decision process and clarifying trade-offs among different stakeholder objectives are essential to the development of more effective, cost efficient and broadly acceptable environmental policies" (Gregory, 2001).

Pitfalls

There are a number of reasons why consultation might break down or operate sub-optimally.

The NRC found "that huge costs and delays have sometimes resulted when:
- a situation was inadequately diagnosed,
- a problem misformulated,
- key interested and affected parties did not participate, or
- analysis proceeded unintegrated with deliberation" (NRC, 1996).

Chess found that "agencies have undercut effectiveness of public meetings through:
- poor outreach to potential participants,
- limited provision of technical information,
- procedures that disempower citizens,
- unwillingness to accommodate discussion of social issues and
- timing hearings to be held after a decision has been made or late in the decision making process" (Chess, 1999).

Rossi found that there was a risk that too much participation can have adverse effects. The effects can include:
- information overload,
- burnout,
- skewing of agendas and
- government reverting to political expediency or technical complexity (Rossi, 1997).

Industry representatives of Victorian Community Liaison Committees often mentioned a perceived risk of organised environmental organisations sabotaging consultation. In the eleven CLCs examined this did not occur, reactive environmental organisations did not join any of these committees in an official capacity. There is a need to investigate the role of these types of organisations further, currently there is no evidence to suggest whether their involvement would be beneficial or otherwise. However, Friends Groups such as Friends of Merry Creek did join committees and did provide valuable information and opinions.

Economics of Consultation

In economic terms the benefits of consultation are often described fairly vaguely:

> *"The push for more participation is being driven by considerable optimism about its ability to improve the substantive and procedural quality of decisions." (Beierle, 2000)*

More specifically, benefits that have been observed from consultation include:
- ☑ Government or industry proposals are endorsed by the community and do not end up in a tribunal or in court.

- ☑ Creative alternatives are identified which provide significant additional social benefits without significant additional costs.
- ☑ Community representatives identify procedures that improve industrial operations. For example, including an environmental component in employee performance assessment creates an incentive to avoid costly spills.
- ☑ Industry and government efforts address community concerns more accurately. In one example a chemical facility was planning to install expensive odour reduction technology on part of the plant. Community representatives however, identified an open pit at the plant as a significant part of the odour problem. A steel cover was fitted to the pit that reduced both odour and cost of odour reduction significantly.
- ☑ Greater communication and improved relations between the community and government or industry.
- ☑ Increased employee satisfaction with their workplace. Improving employee satisfaction can have significant cost savings in terms of improved performance and reduced turnover (Dunphy, 1998).

Evidence about costs is likewise qualitative:

> Inadequate consultation *"can result in huge expenses and long delays and jeopardise the quality of understanding and acceptability of the final decisions." (NRC, 1996)*

More specifically, the costs of consultation include:
- Time spent in meetings and reading to prepare for meetings.
- Conducting environmental studies to answer community questions.
- Implementing additional environmental works (these works can have operational benefits).

In Victoria most industry representatives did not know the direct costs of consultation (Wills, 2001).

There are likely to be additional costs where consultation does not work and the process has broken down:
- Mistrust of the organisations and communities involved may increase.
- The proponent may end up in a court or tribunal anyway.
- The project may be delayed further and cost more than it would have otherwise.

Perhaps one of the most difficult aspects of ensuring success in consultation would be persuading unwilling companies and government departments to show commitment. There is evidence that a farcical approach to consultation can make the situation worse, by reducing the prospect of a proposal being successful (Chess, 1999). On the other hand, there are examples of communities and industry approaching consultation with unreserved apprehension and eventually seeing the value of the exercise (Wills, 2001). The literature does suggest that where good deliberative processes, good communication and commitment from government/industry are present, a breakdown is unlikely.

The experience of Victoria's Community Liaison Committees suggests that community participation in environmental decision making can be socially beneficial. This will most likely occur where perceived environmental impacts are uncertain, severe and localised (Wills, 2001).

There are a number of reasons why more definitive descriptions of costs and benefits are not available:

- Consultation often results in a qualitative improvement in outcome, such as a community 'embraces' an environmental management plan.
- Thresholds mark the success of a project: in Victoria, addressing community concerns can prevent a proposal being held up in the Civil and Administrative Tribunal for six months or not.
- Consultation is not the only factor influencing the outcome of a particular project. For example, how much of the improvement in environmental performance of a chemical plant should be attributed to consultation and how much to the global trend of improving environmental performance in the industry?

Conclusions

At this stage it has been difficult to definitively measure costs and benefits and there are a number of reasons why this may remain the case. Suffice to conclude that the net benefits of consultation can be great and the net costs of not entering consultation can be substantial. On the strength of widely held beliefs about its benefits, consultation seems set to stay. It will continue to consume time and money for those involved. The most efficient allocation of those resources may be achieved by the following guidelines:

- ☑ Modify traditional forms of consultation to meet the needs of your project. The form chosen should be analytic and deliberative.
- ☑ Consider a structured approach to decision making. An appropriate decision making structure can help reduce conflict and find win-win solutions to natural resource problems.
- ☑ Foster positive communication. In particular listen to the community, even if you do not agree. Resist the urge to defend yourself – especially in the early stages of consultation. You will find out more and develop credibility if you are prepared to listen.
- ☑ Be committed to consultation. The level of commitment to the process by industry and government will have a large impact on the success of consultation. If industry or government thinks it is going to be a waste of time then there is a greater chance it will be.

As economists, it is important to be aware of how our work is used in a context of increasing scrutiny of the triple bottom line. Economists, who are often in a position of influence, can play an important role by recognising where there might be benefits from consultation and ensuring that those benefits are maximised.

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