

COMMUNITY TRUST Engagement & Communication

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Effective community engagement from the start of any project is critical to gaining public support. The geothermal industry in Australia faces particular challenges in consulting with the community because its technology is relatively unknown. The challenge includes:

1. a process of public education;
2. a process of managing public perceptions of risk.

Add to these the range of views about climate change and confusion around the role of renewable energy in general and the community engagement task can seem daunting.

Local community concern about geothermal projects in their vicinity should therefore come as no surprise.

Planning for community concern and taking an approach that prioritises long-term relationship building with the community is critical to successful project management. This presentation will provide a practical introduction to community relations and consultation management drawing on lessons both from the geothermal and the broader renewables sector. The presentation will provide a brief outline of the context of community consultation, a consultation framework, as well as some practical Do's and Don'ts.

Keywords:

Stakeholder relations, community relations, consultation and engagement; outrage mitigation; action research; public relations, Strategic communications; risk; consultation tools and methods; program evaluation.

Introduction

Stakeholder and community relations (SCR) is a complex and demanding aspect of corporate management and design and construct project delivery. SCR is now very much part of the industry and business landscape and is seen as an integral aspect to Corporate Social Responsibility (CSR) and Public Relations (PR). In the coming pages, an introduction to PR, CSR and SCR and their differences will be provided, followed by an overview of community consultation practice. This will include an illustration of the distinct aspects of SCR and what differentiates it from PR and reputation management. This will be followed by an

explanation of community consultation principles, frameworks, and tools. Finally, an illustration of how SCR is used in a practical context will be provided with an explanation of some 'rules of engagement' or practice Do's and Don'ts. This will provide an ability to identify the practices and skills required to perform in the field of stakeholder and community relations.

Stakeholders and communities

Stakeholder and community relations (SCR) is a field of practice that demands expertise, and professionalism. It has emerged from a range of industries and professions and covers a wide variety of work practices and organisational functions. Understanding this diversity and intersections will assist in grasping the competing expectations of the field.

Public relations (PR) can be defined as "the ethical and strategic management of communication and relationships in order to build and develop coalitions and policy, identify and manage issues and create and direct messages to achieve sound outcomes within a socially responsible framework" (Johnston & Zawawi, 2004). Through this definition the PR profession is often seen as 'the custodian of reputation management.' As such PR often overlaps many aspects of organisational management such as marketing, media and crisis management, investor and community relations, internal communications, ethical conduct and strategic planning.

If PR generally (in all its forms) is about communicating a message and "staying on message" then SCR is the ability to adapt and change the message in order to prioritise relationships. SCR is about 'winning trust' and understanding the community in a manner that impacts on actions and words for the long-term. SCR professionals are ideally the first to identify issues and challenges and must then manage the discussion on behalf of the organisation (Moore, 1996).

Corporate Social Responsibility (CSR) has also emerged as an important corporate function in recent years. CSR is recognition by corporations and organisations that they exist in a social environment. It is a reflection of the 'triple bottom line' and the need for organisations to address public concerns of 'accountability and responsibility' (Regester, 2001). In fact, CSR has

developed to the point where it is no longer "Do no harm" and it is "Do good beyond the narrow limits of making profit" (Argenti and Forman, 2002). With this has come a sophisticated understanding of public communications on CSR matters. Aside from issues of ethical conduct communities have grown to understand that PR is the outward sign of an organisations inward character (Moore, 1996), resulting in a growing paradigm shift towards social responsibility.

CSR has growing recognition by management of its importance and influence in creating positive outcomes for organisations and achieving long-term goals. As a result of CSR expectations governments, organisations, and companies are now investing time and energy into SCR. Typically SCR exists on two levels (Tymson and Lazar, 2002). 1. The local level: to help an organisation communicate with local leaders, residents and organisations to facilitate positive relations and good outcomes. 2. The corporate level: to acknowledge an organisation as a citizen within a wider social framework.

As a result, SCR has developed as a distinct area for four important reasons. First, it is concerned with outcomes and impacts rather than image and message. That is it is concerned less with how something will look in the media and more with what will happen as a result (Fletcher, 1999). Second, SCR emphasises 'outside-in' thinking and the ability to see an organisation from the outside point of view inwards (Regester, 2001). Third, SCR is crucially distinguished by "two-way communication". Communication is an interactive process between parties rather than a process of 'delivering on message'; it requires a dynamic ability to listen, reflect and respond to concerns and desires (Forrest and Mayes, 1997). Finally, SCR is about developing and maintaining positive long-term relationships (Forrest and Mayes, 1997).

Changing socio-political environment

Communities are increasingly active and informed. We live in a media environment where information is more accessible than it has ever been, and an increasing number of technologies assist communities to network and (if necessary) mobilise against projects. Both new technology and changes in legislation are creating more opportunities for communities to engage in and influence individual project proposals.

Globalisation described as a process by which regional economies, societies, and cultures have become integrated and shrinking through a global network of communication, transportation, and trade (Appadurai, 1996) has had an acute impact on community, government and corporate expectations.

Social media, mobile phones and the internet enables social networks to activate with a speed

that was unthinkable until recently. The expense of media access no longer impedes community participation in the public sphere as new media is widely accessible for minimal cost, and reaches broad audiences. Evolution of Web 2.0 through applications that facilitate interactive sharing, inter-operability, user-centred design, and collaboration on the World Wide Web is also key (Tim O'Reilly 2005. retrieved 2006-08-06).

Traditional modes of PR communication using static and mass communication channels are becoming less relevant and proving less effective as people rely on alternative sources of information (represented below). One-way channels of connecting with the target are "a typical monologue model with little if any open exchange of ideas, thoughts, or information. The one-way arrows represent one way information flows, as opposed to dialogue." (Mark Parker. retrieved 2010-09-04).

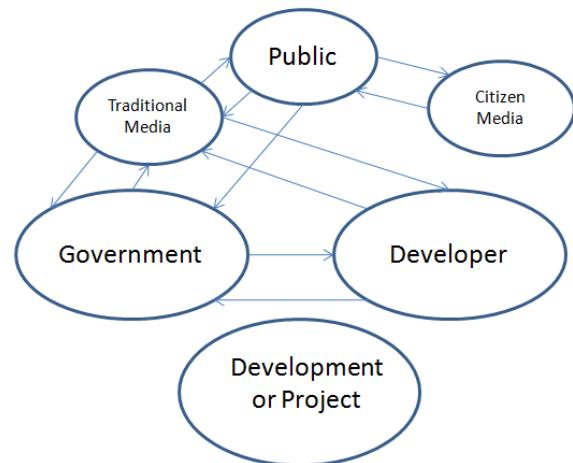


Figure 1: <http://smartselling.wordpress.com/tag/web-20/>

In this context, and the growth of the 'information age' there is a higher demand on corporations "to manage the establishment and maintenance of credibility and trust" (Tymson and Lazar, 2002).

Johnston and Zawawi (2004) also point out that a reflexive and socially conscious management of communications within a socially aware and informed environment is critical. People today want to and do know more about organisations generally. "More people want to know more about the organisation they are working for, the organisation they are buying from, and the organisations they are investing in" (Tymson and Lazar, 2002).

In recent years, community engagement has become part of business as usual for capital intensive projects and their proponents. While stakeholder engagement has always been required to some extent, the geothermal industry (along with others) is now being asked to formalise and improve its approach.

Community expectations

The increase in community activism and awareness has been facilitated by changes in legislation that reflect the public's desire to be involved in helping guide how their communities grow and adapt to projects. Often projects now have federal, state and council triggers in planning processes that require public consultation to be included in any planning process. Importantly these triggers mean that the support of key stakeholders such as government for a project, hinges on what benefit the project has for the wider public.

At the most basic level these new technologies may be restricted to email, blogs or basic websites. However, improvements in communications technologies have allowed even the smallest groups to advocate for or express their concerns about projects in very polished, convincing campaigns using technologies such as interactive websites such as, Facebook, YouTube or Twitter.

These technologies are not only being utilised by the public, but increasingly by developers and project proponents to effectively engage a wider range of people, improve the effectiveness of communication strategies and gather critical information from the public that may affect the community. For example, VicRoads is undertaking a consultation process for its Hoddle Street Study by using an online tool called "Bang the Table" to gather feedback from the wider community about key considerations in their planning study such as existing operations, the role of public transport and bicycle access.

The wider public is also becoming better educated, improving their ability and desire to engage in policy and planning processes in increasingly sophisticated ways. Further, there are increasing expectations for companies to measure up to community expectations of social responsibility and to earn their 'social license to operate'. These expectations are often shared by the bodies responsible for approving projects.

This can translate into unexpected and unforeseen demands on companies to deliver in areas that were previously viewed as outside their area of responsibility. Relevant recent examples of this include the \$5 million Regional Benefits Program undertaken as part of the Sugarloaf Pipeline Project (Melbourne Water, retrieved 2010-09-02) or the AGL Hallett Wind Farm Community Fund with total annual total grants \$22,000 available for communities and communities in the Northern Areas Council (NAC, retrieved 2010-09-02).

Government expectations

Governments also expect an in-depth level of community consultation as part of corporate and industry performance.

Directions to proponents for the preparation of development approvals often include specific elements relating either to community consultation and/or social impact assessment.

Local government in particular is establishing consultation requirements as part of approvals processes above and beyond regular public exhibitions and notices.

Funding and tender requirements now emphasise community consultation obligations forcing industry to respond to contractual and approvals requirements.

Industry expectations

There is a growing awareness by industry that effective community engagement rather than being a regulatory burden, provides opportunities to improve project delivery through the early identification of issues, contribute to social wellbeing, and to deliver on CSR and sustainability agendas.

Corporations (venture partners, banks and financiers) now have high expectations that companies will manage community relations in a proactive and responsible manner.

For these reasons, community expectations of companies to deliver open and accountable consultation processes are now, as great as they have ever been. Community engagement strategies for geothermal projects must acknowledge and navigate through this environment.

Effective engagement

Geothermal energy, like many renewable energy sources, is a relatively new industry in some regions. In these cases communities are unlikely to have an understanding of what potential development projects involve. As a result, any community engagement will also need to play an educative role with the public, shaping community perceptions of the industry.

Consultation methodology

A number of effective consultation methodologies are available to guide public engagement. The two major approaches utilised in Australia are the Organisation for Economic Co-operation and Development (OECD) model and International Association of Public Participation (IAP2) spectrum of engagement.

The OECD model provides three different approaches to consultation depending on the context in which it occurs:

- Notification
- Consultation
- Participation

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Notification in itself is not consultation as it is a one way process in which the organisation informs the public. This is often the first step in consultation where people are notified about the project;

Consultation involves the two-way flow of information between the project and the wider community. This process may be used to allow groups to voice their concerns about the project, ask questions or provide feedback.

Participation involves the public in the decision making process.

The IAP2 spectrum, which shares a lot in common with the OECD model, is fast becoming accepted as a baseline by a range of stakeholders in Australia and internationally.

The IAP2 spectrum has five engagement approaches:

1. Inform
2. Consult
3. Involve
4. Collaborate
5. Empower

Each type of engagement is tailored to desired engagement goals as shown in the table below.

Approach	Goal
Inform	Provide the public with information about a project, plan or action
Consult	Obtain feedback from the public about a project, plan or action
Involve	Continually obtain feedback and consideration from the public at several stages throughout the project
Collaborate	Work with the public on the project, involving them in the planning and decision making
Empower	Providing the public with decision making power on a project.

Figure 2: IAP2 Approaches and Engagement Goals

These approaches are not mutually exclusive. Often, several different approaches are used with differing aspects of a project. For example, a proponent may inform the public about a project, consult landholders about land access, involve local government in traffic management plans during construction, and empower landholders in the reinstatement process.

In the context of a single project, the project team needs to continually assess the tools and approaches used for their efficacy with the public. Where appropriate, tools should be adapted to

accommodate differences in the public and the socio-political environment.

Importantly, where a community engagement program has worked well for a project, it is critical to review and reassess before reapplying it. Different communities, environments and technologies will require a different approach.

Planned and structured approaches to community consultation not only produce the best results but also leave a lasting impression and community confidence in corporate processes.

Action research

A good practical approach to evaluating SCR methods and tools is to adopt an Action Research Methodology (ARM). Action research is simply a form of self-reflective enquiry undertaken by participants in social situations in order to improve the rationality and basis of their own practices, their understanding of these practices and the situations in which the practices are carried out. (Carr & Kemmis, 1986).

Action Research does not set out to answer a hypothesis or find a single 'objective truth'. It focuses on a development process that engages individuals and enables change and improved performance.

Action research can be done through a range of 'typical' survey and interview research methods. A crucial aspect is that each method should inform a circular model of inquiry. This allows for the building of improvements into practice. To do this it involves participants in a collaborative approach to investigation in order to resolve specific problems or create systematic (change) actions (Stringer, 1999).

The action research cycle, involves four key steps; planning, action, observation, reflection:

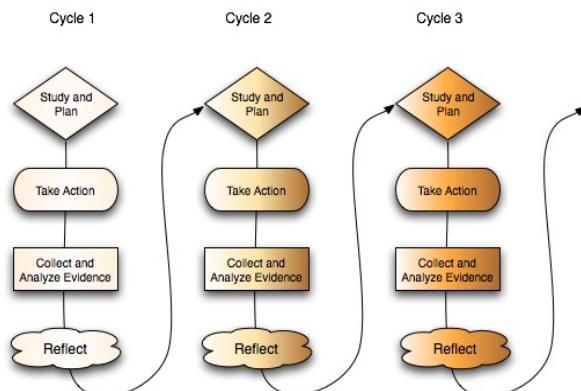


Figure 3: <http://cadres.pepperdine.edu/ccar/define.html>

Action research is particularly well suited to SCR as its intent is not only to 'get the job done' but to facilitate improvements. It does this by taking an 'organisational change' approach based on participation and involvement.

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Consultation tools

There are a number of tools available for use to engage the community. As shown in the IAP2 spectrum below, these can be grouped according to the engagement approach used. Typical examples include:

- Information sheets / community bulletins
- Web sites, blogs and email
- Community Information sessions
- Focus groups, surveys
- Public meetings and public comment
- Workshops and advisory committees
- Community reference groups
- Citizen juries and community ballots

IAP2 Public Participation Spectrum

Developed by the International Association for Public Participation



Figure 4: <http://iap2.org.au>

These tools need to be selected on the basis of the engagement goals of the project. Engagement goals should be determined by a number of factors, most importantly the possible risks to the project, the organisation and its reputation.

While risks are best determined in terms of specific issues relative to a project, they are often a product of a number of factors, as follows:

- The number and type of stakeholders
- The characteristics of the community
- Potential issues associated with the project (perceived or real)
- The potential benefits of the project for the community (perceived or real)
- Stage of the project

For example, undertaking a number of upgrades to an existing plant that may have short term construction noise impacts in a sparsely populated during the day may be determined to be a low risk activity from a community consultation perspective. Therefore it may be

decided to not undertaken any engagement or to use an inform approach to let any adjoining landholders know. As such, a letter to local households about the project may be all that is required.

However, a greenfield development that will occur in close proximity to adjoining properties may require a different approach. The possibility of community concerns about issues such as property acquisition, noise, vibration and amenity issues may mean that failure to consult the public may result in community outrage, confusion and misinformation. To avoid this, a consulting approach may be deemed most appropriate with adjoining landholders. This may involve in person meetings, a public information session or other tools that are appropriate in this context.

Advantages/Disadvantages

Different engagement approaches create different levels of expectations within the public. These engagement approaches carry implicit undertakings. These are described as follows:

Goal	Undertaking
Inform	We will keep you informed.
Consult	We will keep you informed, listen to and acknowledge concerns and provide feedback on how public input influenced the decision.
Involve	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.
Collaborate	We will look to you for direct advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.
Empower	We will implement what you decide.

Figure 5: Source: <http://iap2.org.au>

The tools used often vary according to the engagement goals. Using the right tools allows for targeted community engagement that is cost effective, timely and addresses risks posed by potential public outrage.

Each approach has a number of advantages and disadvantages when they are used with different communities or in a particular context.

Consideration of these aspects when determining which tools to use is a worthwhile exercise. This

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should not deter taking a certain approach, but rather allow strategic consideration and planning for some of the challenges that may face a particular project.

The following table contrasts the advantages and disadvantages of each public participation goal and will help in evaluating program planning and decisions.

Goal	Advantage	Disadvantage
Inform	<ul style="list-style-type: none"> ■ Inexpensive ■ Allows control of information ■ Wide dissemination of information 	<ul style="list-style-type: none"> ■ Limited information can be meaningfully communicated ■ Community concerns can be ignored
Consult	<ul style="list-style-type: none"> ■ Allows for community feedback ■ Inexpensive ■ can reach large numbers of people ■ Improved decision making 	<ul style="list-style-type: none"> ■ Can be difficult to manage public expectations ■ Superficial issues can be raised ■ Potential for small vocal groups to dominate public consultation
Involve	<ul style="list-style-type: none"> ■ Provides greater insight into public issues and perspectives and how these were formed ■ Creates community ownership of the project 	<ul style="list-style-type: none"> ■ Can be resource intensive ■ Smaller cross section of the public engaged ■ Can lead to direct conflict with the community about project goals
Collaborate	<ul style="list-style-type: none"> ■ Creates community ownership of the project ■ Increase public trust in the organisation ■ Can foster innovative local solutions ■ Well suited to smaller issues 	<ul style="list-style-type: none"> ■ Can be resource intensive ■ Smaller cross section of the public engaged ■ Public decisions not always feasible, leading to conflict between proponents and the community
Empower	<ul style="list-style-type: none"> ■ Creates ownership in the community over the project ■ Can increase community support of a project ■ can increase public trust in the organisation ■ Can create innovative local solutions ■ Well suited to small localised issues 	<ul style="list-style-type: none"> ■ Can be resource intensive ■ Smaller cross section of the public engaged ■ Public decisions not always feasible, leading to conflict between proponents and the community ■ Not suited to technical solutions

Figure 6: Advantages and Disadvantage of IAP2 Goals

Do's and Don'ts

While each consultation program must be tailor-made to particular project circumstances, it is possible to draw out a number of 'consultation do's and don'ts' from past experiences; including:

Trust and transparency

- Following through on what is promised. If you can't commit to a date, action or event, then don't promise you will.
- It's never enough to say 'trust me' to the public, be prepared with evidence to support any claims made.
- Inform the community where and to what extent they can influence a decision and where they cannot.

Timeliness and planning

- Provide the opportunity for the public to participate as fully as possible within the timeframe established
- Ensure that Community engagement is an integral part of the project planning process

New technology

- Don't be afraid to use new technologies, particularly where they can help you engage
- Don't assume that everyone has access to or is comfortable with the internet

Integrated design processes

- Community engagement needs to be integrated into the design process. Involving it at this stage allows for the identification of likely issues early in the process where they can be addressed in a cost effective manner. Failure to do this can result in costly revisions and risks of project delays during the construction stage.

Evaluating Choices

- Don't be afraid to ask for help from within the industry or outside of it. If you're not sure you are better off getting some specialist advice.
- Do take a systematic approach to considering tools, methods and consultation approaches.

Respect and Recognition

- Do acknowledge that local communities have an interest in your project and will want a say and input.
- Don't treat communities as 'stupid' or unable to grasp technology; if you do they may go elsewhere and get the 'wrong' information.
- Do try to simplify things and use common 'spoken' language to explain difficult concepts or technology.
- Do involve the community early and establish a 'bank of goodwill' that you can draw on if something goes wrong or a future presents itself.

Summary

As a fledgling industry in Australia, geothermal energy developers have an opportunity to 'stand on the shoulders of others', drawing on lessons learnt by other industries and sharing experiences from within the geothermal sector. This presentation aims to pool that knowledge and link it to the engagement challenges faced by the industry today.

Stakeholder and community relations is clearly about communicating 'early and often' establishing associations, mutual worth and investment in publics (Forrest and Mayes, 1997). Investing in a long-term relationship to understand community views, predict issues, reflect concerns, communicate on target, and maintain credibility can only be done with pro-active and comprehensive relations (Ledingham and Bruning, 2000). If SCR is about establishing credibility and trust then maintaining positive enduring relationships becomes the cornerstone of SCR practice.

This puts the industry in a unique position. Geothermal power doesn't have a legacy of negative community perceptions based on noise, amenity or other factors and has the opportunity to create an enduring positive image made possible by clear communication and a 'mature', and sensible approach to community engagement.

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