Forum South

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Stakeholders, relationships and results in development cooperation

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CONTENT

- Stakeholders
    - Categories of stakeholders
- Relationships
    - Types of relationships
- Projects
    - Some examples from projects
- Results
    - Intended and unintended consequences

STAKEHOLDERS

- What is a stakeholder?
  - A group/category, not an individual
  - Other stakeholders vs. us
- What characterizes stakeholders?
  - Values
  - Preferences
  - Means
  - Goals
  - Reapolitik: relativity vs. absolutism

On stakeholders

Classification of stakeholders
- Donor countries
  - Financing
  - Project adm.
- Recipient countries
  - Public, civil society and private sectors
  - Adm. levels: from govt. to village / population
  - Recipient/user and resource provider
  - Critical/neutral and opportunistic
  - Relationship to local population and the state

RELATIONSHIPS

- Stakeholders to be understood in relation to other stakeholders
  - Relationships and relativity
- Stakeholders' actions are not pre-determined, over time nor in relation to actors that they interact with
- Relationships have a formal aspect and a practical/realpolitik aspect: theory and practice

Stakeholder models, I

From the simple to the complex:

- Line – 2 stakeholders
  - Donor and and recipient, nation level
  - To be understood horizontally and vertically

- Triangle – 3 stakeholders
  - Local population added
  - To be understood horizontally and vertically

Stakeholder models, II

From the simple to the complex:

- Square – 4 stakeholders
  - Civil society in donor countries added
  - More stakeholders means more relationships
  - Stakeholders have to relate to increasing numbers of other stakeholders

Stakeholder models, III

From the simple to the complex:

- Pentagon and further ...
  - "Everybody" are key stakeholders: self-identification
  - Different types of rationality
  - Example from Yemen
    - Only actors in Yemen included
    - Key stakeholders in sectors and adm. levels
    - Diff. types of rel.ships between these stakeholders

Stakeholder analysis, I

- Originally prepared by the World Bank
- A method to describe and analyse relationships between stakeholders
- Very important for analysing and understanding interests, including conflicts and conflict resolution

Stakeholder analysis, II

- In connection with planning of projects

- In connection with implementation and evaluation of projects

- Also used at the sector level

- Used in combination with two other methods: social assessment and social analysis

Stakeholder analysis, III

Stakeholder analysis, with reference to a project and its stakeholders, consists of 4 steps:

1. Identify key stakeholders

2. Assess their interests and the potential impact of the project on these interests

3. Assess their influence and importance

4. Outline stakeholder participation strategy

Stakeholder analysis, IV

Stakeholder analysis consists of 4 steps:

1. Identify key stakeholders

   – Who are potential beneficiaries?

   – Who might be adversely affected?

   – Have vulnerable groups been identified?

   – Have supporters and opponents been identified?

   – What are the rel.ships among the stakeholders?

Aktør analyse, V

Stakeholder analysis consists of 4 steps:

2. Assess their interests and the potential impact of the project on these interests

   – What are their expectations of the project?

   – What benefits are there likely to be?

   – What resources might they mobilize?

   – What stakeholder interests conflict with project goals?

Stakeholder analysis, VI

Stakeholder analysis consists of 4 steps:

3. Assess their influence and importance

For each stakeholder, assess:

– Power & status (political, social, economic)

– Degree of organization

– Control of strategic resources

– Informal influence (e.g., pers. connections)

– Power relations with other stakeholders

– Importance to the success of the project

Stakeholder analysis, VII

Stakeholder analysis consists of 4 steps

4. Outline stakeholder participation strategy

   Plan stakeholder involvement acc. to:

   – Interests, importance and influence of each stakeholder

   – Particular efforts needed to involve important stakeholders who lack influence

   – Appropriate forms of participation throughout the project cycle

On networks, I

- Stakeholders constitute a network
- The stakeholders are the *nodes*, and the relations between the stakeholders constitute the *links* between these nodes
- Network analysis addresses the nodes and links: they can be strong and weak
- Increasing network complexity: pro et contra

On networks, II

A simple network can look like this:

- Nodes / stakeholders
  - Peripheral vs. central
  - Power vs. powerlessness
- Relations
  - Strength
  - Direction
  - Content
- Example: Ghana
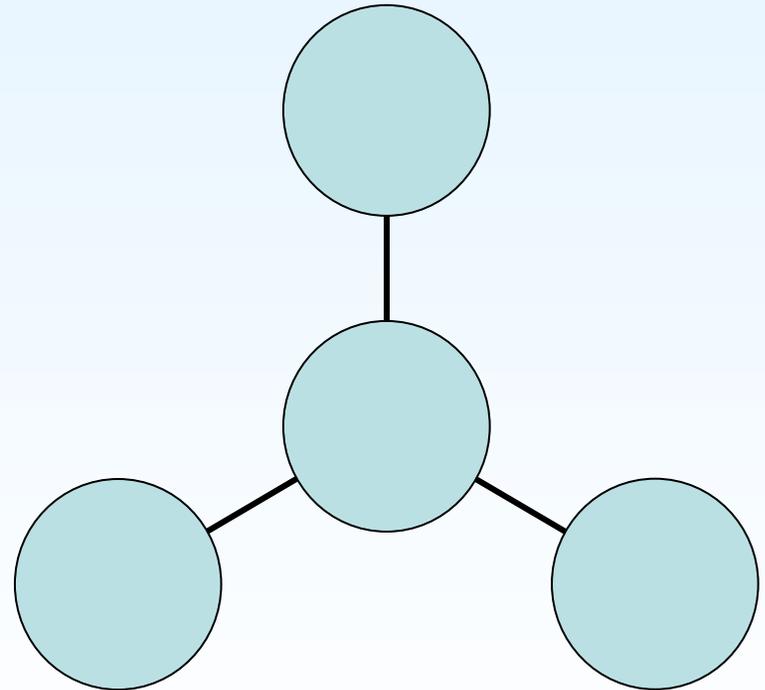
PROJECTS

- Project organization and implementation
  - Many stakeholders involved on donor side
  - Several countries involved
  - Several consulting companies as sub-contrators, often located at different levels
  - Complex sets of means and goals
  - Stakeholders have values, and accordingly means, that often conflict
    - E.g.: religion, market capitalism, trad. culture

Projects, II

Examples of stakeholder analyses from some projects I have worked on

- Ghana
  - Strong civil society
  - Increasing regional differences
  - Consequences of modernisation
  - Problem: support civil soceity, connect public sector and civil society

Projects, III

- Bangladesh
  - Weak civil society, especially at local level
  - Several marginal stakeholders
  - Weak presence of public sector / govt. at local level
  - Example: fisheries sector
  - Problem: overcome class divisions, religious conflicts, gender issues and corruption (bokshish)
- Ethiopia
  - Ethnic conflicts
  - Problem: connect ethnic groups and regions

Prosjekter, IV

- Serbia
  - Rasicm
  - Problem: get serbs to accept Roma

- Lake Chad basin
  - Desertification
  - Population growth
  - Problem: get the 5 riparian countries to cooperate

Projects, V

- Mauritania
  - Ethnic problems
  - Laws do not protect the environment
  - State owns all natural resources, and the population receive userights
  - Problem: make government understand that population and drought, together with inadequate legal system, destroy the environment

Summary, so far

- Those involved in a project on the donor side are also stakeholders that impact own values

- Stakeholders have official and hidden goals

- Projects are increasingly process oriented

- Project adm. is hierarchic (communication)

- Relate not only to local stakeholders but also to colleagues and partners

- Often difficult balancing act: compromises

- One learns as one go along

RESULTS

Stakeholder analysis important for under-standing what is happening in the recipient country

- – Increase effect and goal attainment
- – Decrease negative impacts

- Decreasing negative impacts is little understood and even less focussed on

  - – Counterpart does not understand project cooperation and impacts
  - – Counterpart is not interested

Harmony model

Support $\longrightarrow$ Support $\longrightarrow$ Incr. democracy
org.   civil society   & economic dev.

- Building organizations = building societies
- Context free
- Supporting civil society is positive in itself, anytime and anywhere

Harmony model, analysis I

- Lacking understanding of conflicts and differences of interest

- Development is a transformation: new interests win and older ones disappear

- Strong organizations for new interests can support development, and vice versa

- Dev. cooperation: strong *external* force
  - Interfere in social, political and ec. processes

Harmony model, analysis II

- Developing countries: explosive growth in organizations, with varying legitimation

- Local partners receive resources, which in turn disturb the balance between groups and interests

- Often local elites are contracted that become dependent upon the development cooperation setup

Challenges, I

- Get civil society to contribute to political and ec. dev. that benefits the people

- Strong org. that are *not* integrated in society contribute to segmentation, opposition and conflicts that hamper dev.

- Modernisation: develop political and adm. institutions that can handle such conflicts and overcome obstacles to development

Challenges, II

- This necessitates cooperation between civil society and politics that can become more difficult because of development cooperation intervention

- Concern: combination of strong external invervention and weak local basis for own autonomy

DISCUSSION

- Think of your own projects in terms of:
  - Values
  - Means
  - Goals
  - Stakeholders
    - Beneficiaries
    - Other stakeholders that support, oppose or exploit the project
  - Results

FINALLY

- The presentation together with diagrams and other material is available here:

  - supras.biz/library/doc/training.html

- Contact me if you would like to discuss this further!