



# Mainstreaming Participation



## Multi-stakeholder management: Tools for **Stakeholder Analysis**: 10 building blocks for designing participatory systems of cooperation

From the series: Promoting participatory development in German development cooperation

gtz



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Sector Project: Mainstreaming Participation

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On behalf of the  
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This evaluation was prepared on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ).

We wish to point out that the authors were entirely free to engage in independent research and formulate their own assessments. BMZ provides this evaluation with the aim of fostering the international debate on promoting participatory development in German and international development cooperation. The study commissioned by BMZ comprises seven country studies and four thematic papers. These papers, and abridged versions of the country studies, have been prepared in German; some of them are also available in English and the lingua franca of the countries in question. As a rule, the full reports were prepared in the respective national languages and can be found on CDs accompanying the publications in some cases. The Stakeholder Analysis is also available in French and English.

Eschborn, Germany 2007

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## Foreword

**F**or some years now, participation has been one of the fundamental principles on which German and international development cooperation has been built. This is a result of the major role played by participation in determining the success or failure of development projects and their sustainability. Participation is a crucial factor in the achievement of development-policy objectives. In the Development Policy Action Plan for Human Rights 2004–2007, this is expressed clearly and comprehensively: we do not speak for or about people. It is the role of development policy to help people voice and assert their interests and rights. Participation plays a vital part in safeguarding human rights, good governance and a living democracy. Citizen participation fosters transparent governance and puts an end to arbitrary rule and corruption. Moreover, participation in policy-making by the poorer sections of the population is indispensable if we are to fight poverty effectively. One important step on the road to achieving the Millennium Development Goals (MDGs) and to realising the Millennium Declaration and Poverty Reduction Strategy Papers (PRSPs) in our partner countries is that citizens can exercise active influence on the setting of priorities, on the distribution of resources and on access to public goods and services. And finally, the active participation of our partners is a precondition for effective development cooperation. Participation is the underlying element common to all principles laid out in the Paris Declaration on Aid Effectiveness. These are closely interwoven and mutually reinforcing. The principle of ownership in particular, the very foundation of legitimate, sustainable, results-based

development cooperation, is the result of successfully involving all the relevant stakeholders. For these reasons, participation is a cross-cutting issue that must be taken into account in all projects.

This publication takes a realistic look at practical development cooperation. Selected projects implemented by various German development cooperation organisations in seven partner countries were studied in terms of the contribution to promoting participation, and lessons learned were identified. German development cooperation has given a positive impetus to participation in many areas. The promotion of participation in our partner countries has proved to be a lengthy and difficult process. A comprehensive strategic approach, cultural sensitivity and process-oriented flexible procedures are vital to provide effective support for the emergence of participatory processes in a difficult political and cultural setting. This publication aims at generating important impetus and providing ideas for further work in this field. On the basis of the lessons learned, the range of instruments used has also evolved, in response to the great diversity of stakeholders involved in the political process. By taking a look at participation in programme-based approaches, the publication series tackles a highly topical issue that will continue to be of vital importance in the future.

**Dr Eduard Westreicher**

Director of Governance, Democracy, Human Rights and Gender Division in the German Federal Ministry for Economic Cooperation and Development (BMZ)

# Introduction to the series

## Promoting participatory development in German development cooperation – from a guiding vision to practical development work

The way participation is seen is subject to constant change due to the very dynamic environment in development cooperation.

For a long time, participation was equated with the use of participatory methods. Despite the undisputed importance of these methods, today the concept of participation has to be seen as the constitutive value of any successful democratisation and decentralisation reform process. Thus, participation finds its way into national policy processes, and is becoming increasingly important as a political paradigm in partner countries.

In 2002, taking these developments into account, Germany's Federal Ministry for Economic Cooperation and Development (BMZ) contracted the Deutsche Gesellschaft für Technische Zusammenarbeit GmbH (GTZ – German Technical Cooperation) to implement a sector project entitled „Mainstreaming Participation“. This project aims to focus and further develop the existing concept of participation in line with the new understanding of the term. Moreover, the broad experience gained by organisations in the field of participatory development had to be evaluated, and on this basis, recommendations were made for the operational work of German development cooperation. In a BMZ workshop at the end of 2003, German development cooperation organisations were invited to propose successful examples of participatory development to be part of the evaluation and to ensure the inclusion of the full spectrum of German development cooperation instruments and approaches. When the case studies were finally selected, care was taken to ensure a broad regional and sectoral dissemination, so as to clearly illustrate the nature of participation as a cross-cutting issue. In line with the country case studies, a variety of studies were selected. Based on the range of different evaluation methods, interesting results were obtained that highlighted the potential for their mainstreaming in projects. Implementing organisations and NGOs agreed with the BMZ on the following case studies: in Latin America, the promising approaches of the KfW

Entwicklungsbank (KfW development bank), the German Development Service (DED) and GTZ in Bolivia, Ecuador and El Salvador were examined. In Africa, German and local consultants studied a cooperative project implemented by DED, GTZ and KfW in Mali, as well as the programme by the German Agro Action (DWHH), one of Germany's largest NGOs, in Ethiopia. Finally, in Cambodia, the contributions of Capacity Building International, Germany (InWEnt) and the Church Development Service (EED) were evaluated, as well as a GTZ programme in the People's Republic of China.

The results of these country evaluations have been analysed and compiled in this publication series. One publication has been dedicated to each country evaluated.

We would like to take this opportunity to thank the various organisations of German development cooperation for their excellent collaboration. The series also contains conceptual and methodical studies and inputs, which take an in depth look into the current state of the international debate on the topic of participation. This includes the „knowledge architecture“ available on CD-ROM, which provides interested readers with more background information on the concept and history of this complex topic, along with a detailed analysis of the case studies. A study on the approaches in which various bilateral and multilateral donors deal with the issue of participation and its key role played in programme-based interventions place the topic in the international context. The „building blocks for designing participatory systems of cooperation“ and the study „cultural aspects of participation“ are important methodological aids to development cooperation interventions.

The whole publication ends with a summary that reviews the key hypotheses emerging from the country evaluations.

**Dr Claudia Maennling**  
Sector project "Mainstreaming Participation"

# The individual publications in the series

## Promoting participatory development in German development cooperation



### **Promoting participatory development in German development cooperation** *(available in German)*

From a guiding model to practical development work

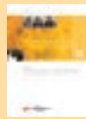
- > Summary of the key hypotheses to emerge from the country evaluations
- > Includes: CD on knowledge architecture „participation for sustainable development“



### **Ethiopia** *(available in German)*

On the path from an authoritarian past to a democratic future

- > Includes: CD photo campaign "take part – participate!"



### **Bolivia** *(available in German and Spanish)*

Participation as a contribution to social justice



### **China** *(available in German and English)*

Authoritarian yet participatory? Governance in the PR China in times of change

- > Includes: CD photo campaign "take part – participate!", report



### **Ecuador** *(available in German, English and Spanish)*

Power redistribution and inclusiveness across cultural divisions

- > Includes: CD photo campaign "take part – participate!", report



### **El Salvador** *(available in German, English and Spanish)*

Bridging political divisions with citizen participation

- > Includes: CD report



### **Cambodia** *(available in German and English)*

Power redistribution through citizen participation and good governance



### **Mali** *(available in German, English and French)*

Power returns to the people

Local municipalities as arenas for participation and good governance



### **Multi-stakeholder management:**

**Tools for Stakeholder Analysis: 10 building blocks for designing participatory systems of cooperation** *(available in German, English and French)*



### **Cultural aspects of participation** *(available in German and English)*

dialogue of equals



### **Citizens' voices and accountability – participation in programme-based approaches** *(available in German and English)*

Discussion paper

# Participation for sustainable development – the conceptual approach

*"Participatory development is defined as a process in which people are proactively and significantly involved in all decision-making processes that affect their lives." BMZ Participation Concept 1999*

Participation is one of the elementary principles of the German development cooperation. The promotion of participatory development is becoming increasingly important as a goal per se in public sector reforms aimed at promoting good governance and greater democracy in partner countries of the German Government. The Paris Declaration on Aid Effectiveness (OECD, March 2005) has increased further the importance of participation as a crucial element of a result-oriented development cooperation. All public sector reforms are designed to achieve measurable progress towards the Millennium Development Goals

as overarching objectives including the significant reduction of poverty. Making globalisation inclusive and equitable, ensuring that human rights are respected; promoting the rule of law, conserving natural resources and designing a democratically and socially just society are critical elements of global growth through sustainable development. In this context the promotion of participation calls for more holistic and systemic approaches than in the past. German development cooperation focusses on three critical aspects of participation, which are interrelated and mutually reinforcing.

## Democratic participation

Enabling citizens to participate in a living democracy

There is no living democracy without vibrant citizen participation. To this end, it is vital to empower civil society groups and strengthen disadvantaged groups. German development cooperation supports citizens by enhancing their negotiating skills and facilitating their access to public services. We also help partners to articulate their interests, establish networks and exchange knowledge and information through tested methodological approaches.

## Participation as engaging in processes

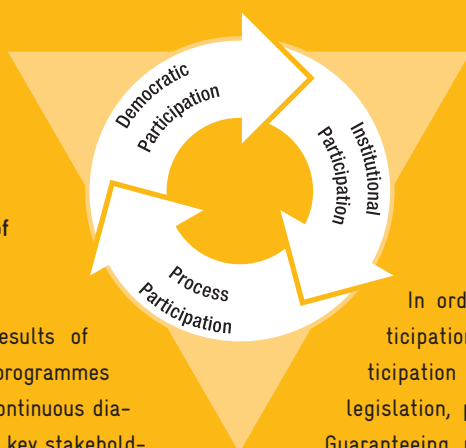
Involving stakeholders in the identification, planning, implementation and evaluation of projects and programmes

The attainment of intended results of development projects or programmes depends on the quality of the continuous dialogue amongst the participating key stakeholders: civil society interest groups, those directly involved in the project, political decision-makers and other donor organisations. The partner organisation is the central hub of this dialogue. It's through this dialogue that project responsibility emerges as a joint task in partnership with donors. German development cooperation has developed a comprehensive series of participatory instruments and methods to guarantee participation in this dialogue throughout the entire project cycle.

## Institutionalised participation

Anchoring participation in policies, standards and legislation

In order to mainstream citizen participation in political processes, participation must be integrated through legislation, policies and quality standards. Guaranteeing participation is thus not limited to state institutions, e.g. in the form of a financial or legal reform. Instead, it expands the myriad of inter-relations linking government, civil society and the private sector.





# Tools for Stakeholder Analysis: 10 building blocks for designing participatory systems of cooperation

The terms “stakeholder” and “stakeholder dialogue” have become en vogue over the last years, dominating the anglo-speaking debate on how to attain the Millennium Development Goals (MDGs) by means of sustainable, results-driven development cooperation. The term “stakeholder” has a variety of meanings; it includes the notion of “participant” or “involved party”, as well as that of “recipient” and “responsible party” in the context of development interventions. In German language usage, the term “stakeholders” is rendered succinctly by the word “Akteure”, or “actors”. Presently, the term “Akteur” is gradually beginning to replace designations such as “target group”, “partner” and “intermediary”.<sup>1</sup> In the following the terms “stakeholder” and “actors” are used synonymously.

“From target group to stakeholders” – this statement characterises not only a change in language, but signals above all a change in the way development processes are viewed. The dynamics of these processes now constitute the focus of attention. Processes of change do not unfold in a linear fashion, but rather involve constant negotiation concerning the interests, opinions and ideas of all those affected by the change process. These include target groups (the beneficiaries of development measures), political stakeholders responsible for designing development programmes, administrative staff (responsible for implementing policy), as well as parts of international development institutions, the private sector and civil society. The “stakeholder landscape” is by no means a stable one. It constantly changes according to interests, changes in external conditions and the different phases of the process. Supporting processes of change, then, involves the crucial task of assessing this diverse stakeholder constellation with their various interests, cultures, functions and roles. Stakeholder Analysis is therefore an important instrument used to implement interventions and, in contrast to the “participants’ analysis” of logical framework planning, plays an important role at every stage of an intervention. One purpose of Stakeholder Analysis is to identify the relevance of each role player for the process of change and to establish which goals they are pursuing, whether they do it more openly or less transparently “behind the scenes”, with a hidden agenda. Their strengths and weaknesses are noted, gender issues identified and patterns of communication and relation-

ships made transparent. The more precise and updated the information about stakeholders, the more accurate is the assessment about their potential as change agents in a specific environment. To increase the impact of an intervention, it is particularly important to have a constructive way of dealing with resistance from specific roleplayers, as well as to build alliances and develop joint activities aimed at achieving common goals. In this way, it becomes possible not only to reach particular vulnerable groups of a community, but also to include them as participants.

The contributions that follow are dedicated to this fundamentally new way of engaging with people – or as we now understand them as important role players. Since many different aspects of knowledge about actors are required, the Stakeholder Analysis tool is subdivided into individual “building blocks” that can be used in a flexible way depending on the context.

The tool box contains ten building blocks that have been tested in practice. The criterion used to select from the large number of tools available was their capability of being used as widely and flexibly as possible. The building blocks can be used either in workshops with selected stakeholders or as an instrument for developing and weighing up strategic options.

This volume was designed to serve practical aspects. The first part illustrates the various building blocks, with procedures and suggestions for visualisation for practical use. This is followed by a presentation of the wider conceptual context of Stakeholder Analysis for the interested reader. The volume ends with lessons learned from a pilot application in Senegal.

Should you have any questions or suggestions concerning individual building blocks, or if you need support in making practical use of the various tools, please do not hesitate to contact the Section for Organisational Development in GTZ’s Strategic Corporate Development Department or the MODeLS consultancy team (MODeLS@gtz.de; capacityWORKS@gtz.de).

Dr Claudia Maennling  
Sector project “Mainstreaming Participation”

<sup>1</sup> High-ranking representatives of BMZ make use of this umbrella term, although the term “target group” continues to be used in the relevant strategy paper, which is still valid. Cf. BMZ strategy paper “Participatory Development Cooperation – Cross-sectoral Strategy”, Bonn 1999, pp. 10ff.

## Some notes on using the Stakeholder Analysis building blocks:

### When do I use the Stakeholder Analysis building blocks?

Every change intervention, from inception to its final evaluation, questions about stakeholder involvement need to be asked. Who should be involved in the design of change? Who is affected? Who has which interests in the objectives of the change process? The building blocks shed light on different aspects and issues of stakeholder management in complex social systems of cooperation. While we may not be able to simplify the complexity of a stakeholder landscape, the building blocks are a promising set of analytical instruments that can help to single out specific stakeholder issues. However, this also means that each building block has its methodological limitations. The relevant stakeholders are identified and their capabilities and skills analysed. The knowledge thus gathered is then visualised in a systematic way. Moreover, using the building blocks in participatory stakeholder events in a multi-cultural context promote joint learning and reflection (action-learning processes). It encourages mutual understanding and development of an approach that is sensitive to cultural differences. The individual building blocks can be used independently of one another during a process of Stakeholder Analysis – without following a fixed order.

They are not very useful when used as a blueprint – they have to be adapted to the context and to the characteristics of the stakeholders involved. Their use requires a certain degree of experience in facilitation, as well as sensitivity in dealing with different participants' perspectives. The point is not to have the final word, but to appreciate differences in perspectives and interests and to identify them in a systematic way.

The user decides in which order and at what stage the building blocks are to be deployed.

### How often can the Stakeholder Analysis building blocks be used

In general, it is helpful to repeat the use of the building blocks several times. Firstly, this is a good way of becoming familiar with them, and secondly, it clarifies how they may be utilised in different contexts, which may not be apparent when they are applied for the first time. Success is by no means guaranteed on first application. It is definitely worthwhile to apply them repeatedly and to show some courage to experiment. For example, the same building blocks could be used every year in the annual planning of a poverty reduction strategy. This would not only help to have a systematic record of the relevant stakeholders, but it would also ease the comparison with the previous year's assessments. This in turn could provide a basis for a participatory monitoring and evaluation system as well.

### How do I use the Stakeholder Analysis building blocks?

Every building block can be adapted in a flexible manner depending on the situation, the needs, wishes and ideas of the stakeholders involved. The building blocks can also be combined with one another. There is no single best way and no prescribed order for their use. They can be used either by one person or in groups. In the context of an intervention, they may be used in a workshop, a series of workshops, or even by an individual. It is important to use work processes and procedures that are customary in the country concerned. Cultural dimensions, organisational forms and the stage of a change process must all be taken into account.

Existing formats and procedures should provide the framework for the appropriate Stakeholder Analy-



sis building blocks. The building blocks can also be easily combined with other tools, such as interaction analysis (a matrix used to illustrate service relationships) or with those used to clarify roles of different stakeholders.

**What technical know-how and inputs are needed when using Stakeholder Analysis?**

One advantage of Stakeholder Analysis is that it is flexible in terms of its technical inputs. No training is required beforehand nor specific equipment. What is needed are the general visualisation techniques used in workshops, such as metaplan, pens and paper. If necessary, Stakeholder Analysis can also be used, when appropriate, alongside other computer-based systems – such as EIDOS (also known as “think tools”). A good, experienced facilitator who is aware of the sensitivities of participants plays a crucial role in achieving a successful outcome.

**What are the costs involved in using Stakeholder Analysis?**

As indicated above, the aims of a stakeholder analysis and the preferences of the responsible implementer influence overall costs and effort. They will vary according to the number of participants and the number of stakeholders to be analysed, the duration of the workshop, its different stages (e.g. separate and combined perspectives of the participants) and the decision about how often a Stakeholder Analysis is to be used to update previous records and to keep track of changes in the programme environment.

## Building blocks

**Building block 01:  
Identifying key stakeholders**

**Building block 02:  
Stakeholder mapping**

**Building block 03:  
Stakeholder profiles and strategic options**

**Building block 04:  
Power and power resources**

**Building block 05:  
Stakeholders’ interests and scope for action**

**Building block 06:  
Influence and involvement**

**Building block 07:  
Force field analysis**

**Building block 08:  
Building trust**

**Building block 09:  
Exclusion and empowerment**

**Building block 10:  
Gender (cross-cutting building block on gender equality in development)**



# Building block 01: Identifying key stakeholders

## WHAT IS IT FOR?

1. To identify and describe key stakeholders based on three core functions
2. To discuss the forms of involvement of the key stakeholders

## Background and focus

The aim of this building block is to identify, in relation to the issue at stake and the objective of the change process, those stakeholders who are significantly able to influence decision-making by virtue of their position, capabilities, knowledge, connections and scope of influence. This influence may exist in relation both, to achieving the objective and to the process of collaboration that can lead to it. Key stakeholders, for example, have considerable influence on the participation of other role players; they allow the participation of others along a continuum that ranges from full inclusion to total exclusion.

Key stakeholders have also powerful connections, meaning they have numerous relationships with other role players both institution-bound and personal. Finally, key stakeholders without whose explicit consent the reform process cannot be initiated are veto players. They can build the momentum and the space to the intervention to develop, but they can also block it.

The analysis is focussed on three core functions of key stakeholders:

**Legitimacy:** Institutional position, ascribed or acquired rights, e.g. which are formalised by law; the task being undertaken or through public consent and which are considered to be legitimate.

**Resources:** Knowledge, expertise and capabilities, as well as material resources that allow the key stakeholder to exert a formative influence on the issue and the change objective or to manage and monitor access to these resources.

**Connections:** The number and quality of relationships to other actors who are under obligation to or dependent on the key stakeholder.

The process of identifying key stakeholders generally starts through conversations with different informants (resource persons) who are familiar with the issue and the change objective. The interviews are then analysed. These conversations may focus on the following four questions:

- (i) Who would you go to in order to learn more about the given issue?
- (ii) Who defines the rules in relation to the given issue?
- (iii) Who has particular knowledge and important resources in relation to the given issue?
- (iv) Who has a variety of relationships to other actors concerned with the given issue?

In a conflict-laden environment characterised by mistrust and fear, questions have to be put in an indirect way. For example, questions may refer to past experiences as a means to focus the issue. In an environment marked by conflict, a distinction needs to be made between two groups of stakeholders:

- (i) stakeholders whose actions tend to accentuate and reinforce conflict ("dividers") and
- (ii) actors whose actions have more of a calming, mediating effect ("connectors").



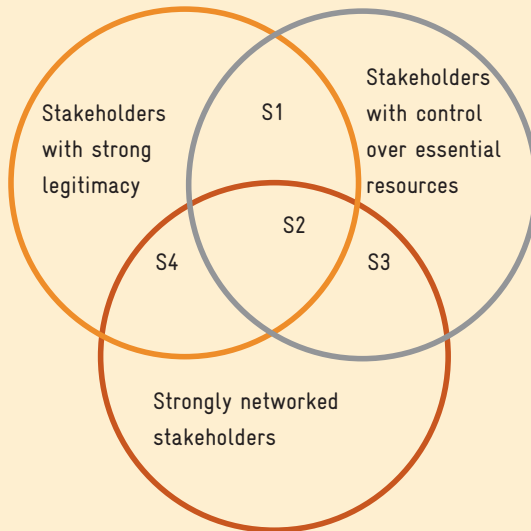
## Procedure: Identifying key stakeholders

Putting the interview results into the matrix

Potential key stakeholders in relation to issue and/or change objective	Position and core functions of the Stakeholder			Discussion on forms of key stakeholder involvement
	ROLES AND LEGITIMACY	RESOURCES AND RESPONSIBILITY	RELATIONSHIPS	
Stakeholder 1				
Stakeholder 2				
Stakeholder 3				
Stakeholder n				

Assessment:  strong  
 medium  
 weak

Discussion on the forms of involvement serves as a way of critically checking whether key stakeholders have been appropriately involved in the planning, implementation and evaluation of a development intervention. Forms of involvement include: information, consultation, involvement in decision-making, as coordination partner (symmetrical exchange of information about intentions and plans), as cooperation partner (continual exchange of information and use of complementary resources), as co-production partner (continual exchange of information and pooling of resources to achieve an agreed objective).



Graphic representation of key stakeholders

*Stakeholders S1 to S4 are key stakeholders. They have at least two important core functions that distinguish them as outstanding.*



# Building block 02: Stakeholder mapping

## WHAT IS IT FOR?

1. To visualise the stakeholders relevant to the development intervention
2. To characterise the relationships between stakeholders and the respective networks
3. To locate the issue at stake and the objective of change within the field of stakeholders

## Background and focus

A map of stakeholders is produced by identifying the relevant actors and their relationships to one another and representing these in diagrammatic form. In addition to depicting the key stakeholders, the representation includes those actors who are connected with them or who have an influence on them (primary and secondary stakeholders).

The representation provides an overview of the field of stakeholders and enables the analyst to formulate some initial observations and hypotheses about the various kinds of influence the stakeholders have on the issue and the change objective of the reform intervention, as well as about the relationships and mutual dependencies. The map enables to draw conclusions regarding alliances, problematic relationships among stakeholders and their power relations. The discussion can also be used to formulate hypotheses about especially powerful stakeholders without whose participation and active support the envisaged impacts of the intervention cannot be achieved (the "veto players").

**Blank areas:** As a rule, the map of stakeholders also reveals gaps in information and areas of insufficient participation. It indicates which stakeholders and relationships we know too little about or nothing at all, where additional information needs to be gathered, and which stakeholders ought to be definitely incorporated into the intervention. The map of stakeholders also corrects all the preliminary assumptions about individual stakeholders and the

network of connections between them. The status of stakeholders that have been assumed to be important is modified in the field of the other stakeholders, while apparently insignificant stakeholders come under the spotlight.

**In order to produce a map of stakeholders that provides**

**useful information, three points need to be paid attention to:**

**(i) Defining and delimiting the specific area of analysis**

The diagram should be based on a clearly defined set of questions in order to delimit the number of stakeholders and to guarantee visual clarity.

*Key question: Which issue and change objective is being addressed?*

**(ii) Establishing the point in time and deciding on periodicity**

Stakeholders form a dynamic system of mutual dependency. This network of relationships can change rapidly. This is why the timing of an analysis of stakeholder relationships is significant.

*Key question: At what point in time do we produce the map of stakeholders and when are we going to update it?*

**(iii) Separating out different perspectives**

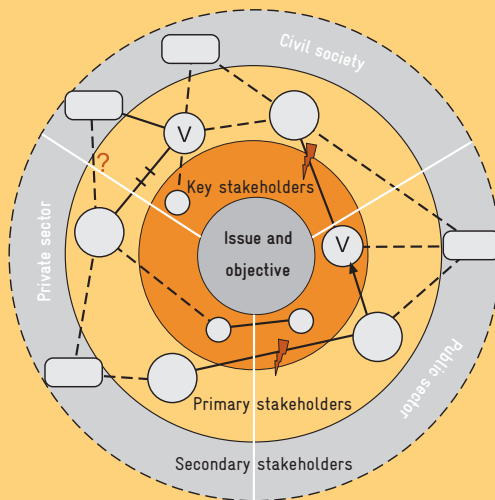
Every stakeholder has his/her/its own perspective. A map of stakeholders can only represent the perspective of the people or groups involved in producing it.

*Key question: Whom do we want to involve in producing the map of stakeholders?*



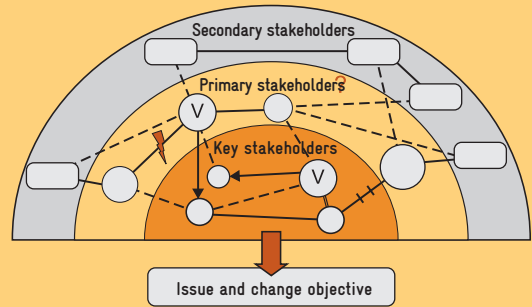
## Procedure: Stakeholder mapping

Two examples of visualisation:



### Onion:

Has the advantage that stakeholders can be allocated initially to three sectors, public sector (state), civil society, private sector.






### Rainbow:

Has the advantage of greater clarity. Stakeholders can be allocated to the three sectors using three rainbows. This gives rise to a network architecture and explicitly raises the question of the interfaces between the sectors.


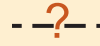



1. Identification of stakeholders, representation of the individual stakeholders by circles and squares of different sizes.

#### Graphic elements:

-   The circles represent the primary and key stakeholders who have a direct influence on the project; the size of the circle stands for the degree of influence this stakeholder has in relation to the issue and the change objective. The letter V means that this is a veto player.
-  The squares represent secondary stakeholders who are not directly involved but still (potentially) have an influence.

2. Representation of relationships between the stakeholders (strength of relationship, alliances, cooperation, conflict, etc.) using lines and arrows:

#### Basic graphic elements:

-  Solid lines symbolise close relationships in terms of information exchange, frequency of contact, compatibility of interests, coordination, mutual trust, etc. Dotted lines symbolise weak or informal relationships. The question mark is added if the relationship is unclear.
-  Dotted lines with a question mark symbolise weak or informal relationships that are unclear.
-  Double lines symbolise alliances and cooperation that are organised contractually or institutionally.
-  Solid lines crossed by a bolt of lightning symbolise tensions, clashes of interest and conflict-laden relationships.
-  Short lines crossing a solid line symbolise relationships that have broken down either temporarily or irreparably.

# Building block 03: Stakeholder profiles and strategic options

## WHAT IS IT FOR?

1. To generate informative profiles of stakeholders
2. To identify differences and similarities among actors: clustering
3. To test and discuss strategic options

## Background and focus

Different stakeholders' perspectives and interests are represented by an inventory of stakeholder profiles. This overview helps facilitate the discussion of the following questions:

- > What are the stakeholders' various agendas?
- > What are their fields of action and how far does their influence reach?
- > Who are the stakeholders' allies and what is the nature of these mutual connections?
- > Which strategic options come into view?

The stakeholder profiles offer a useful basis for visualising stakeholders' relative importance and for deciding which relationships among which stakeholders need to be built up and consolidated. The profiles also provide leads as to how to group stakeholders which share a similar profile. Such groupings are significant for change management because stakeholders with a similar profile mutually reinforce one another in their positive or negative attitude towards the change objective.

The profiles provide a solid basis on which to discuss and compare strategic options. With regard to the field of stakeholders, there are three basic options that can be combined with one another. These are presented in the procedure set out below.

## Procedure 1: Stakeholders – Agenda – Arena – Alliances

### Issue and change objective

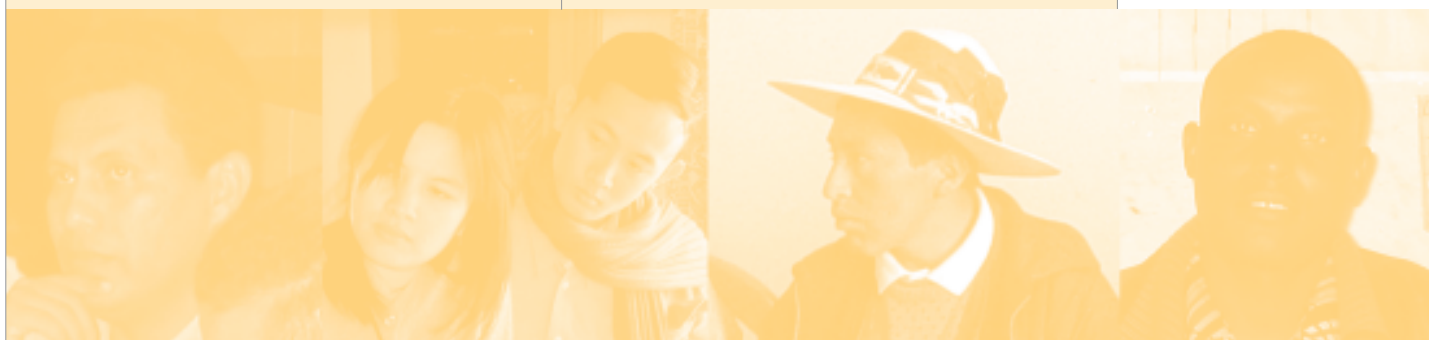
Stakeholders Name, core function	AGENDA Mandate/mission, strategic objectives	ARENA Field of action, scope of influence	ALLIANCES Relationships with other stakeholders in terms of ABCD
Stakeholder 1			
Stakeholder 2			
Stakeholder 3			
Stakeholder n			

A Institutionally regulated dependency  
C Coordinated action

B Ongoing information exchange  
D Co-production with common resources

The matrix is also suitable for periodic use as a monitoring instrument, as a means of observing changes in stakeholder profiles over time.

The findings from the matrix can be transferred into the following profile for a core group of important stakeholders.






## Procedure 2: Stakeholder profiles and strategic options

### Criteria (items)

	--	-	+	++
1 Development vision: The stakeholder supports a constructive vision of development based on democracy and the balancing of interests.				
2 Operational effectiveness: The stakeholder works in a goal-oriented and results-driven way and periodically checks the extent to which goals have been achieved.				
3 Flexibility and innovation: The stakeholder is open to new ideas and adapts his/her/its organisation to new challenges.				
4 Contractual fidelity: The stakeholder keeps to agreements and fulfills the relevant requirements on schedule.				
5 Communication: The stakeholder keeps others informed of his/her/its activities, participates in the exchange of information and answers queries promptly.				
6 Relationships: The stakeholder facilitates contacts, creates spaces in which encounters can occur and adapts his/her/its actions to the capacity of his/her/its external partners.				
7 Management: The stakeholder acts on the basis of transparent guidelines and strategies, and clarifies roles and responsibilities in his/her/its organisation.				
8 Trust: The stakeholder informs others proactively about his/her/its intentions, objectives and expectations, and shows understanding for other interests.				
9 Conflicts: The stakeholder is quick to flag tensions and conflicts and is prepared to tackle them constructively, openly and quickly.				
10 Capitalising on experience: The stakeholder evaluates his/her/its experiences, is open to criticism and shows a willingness to learn and to change.				


 -- / ++ Degree of agreement with the statement.  
 / / Profiles of different stakeholder

The ten criteria can, of course, be adapted and expanded as required. The knowledge to be gained from the diagram results from a comparison of the different stakeholder profiles. Sometimes socio-cultural patterns of behaviour also become apparent (e.g. clientelism, authoritarianism, religious orientations), which may play a major role in both public administrations and private organisations.



### Strategic options

A discussion of strategic options has the effect of setting the course of a reform intervention. The associated process of weighing potential impacts, risks and possibilities must make the field of stakeholders a focus of attention. Strategic options based on supposedly objective analyses of the problem can easily overlook the fact that, ultimately, it is the stakeholders' capacity and their ability to engage in cooperation that is decisive in terms of both tackling the task of the reform intervention and making the most of new knowledge.

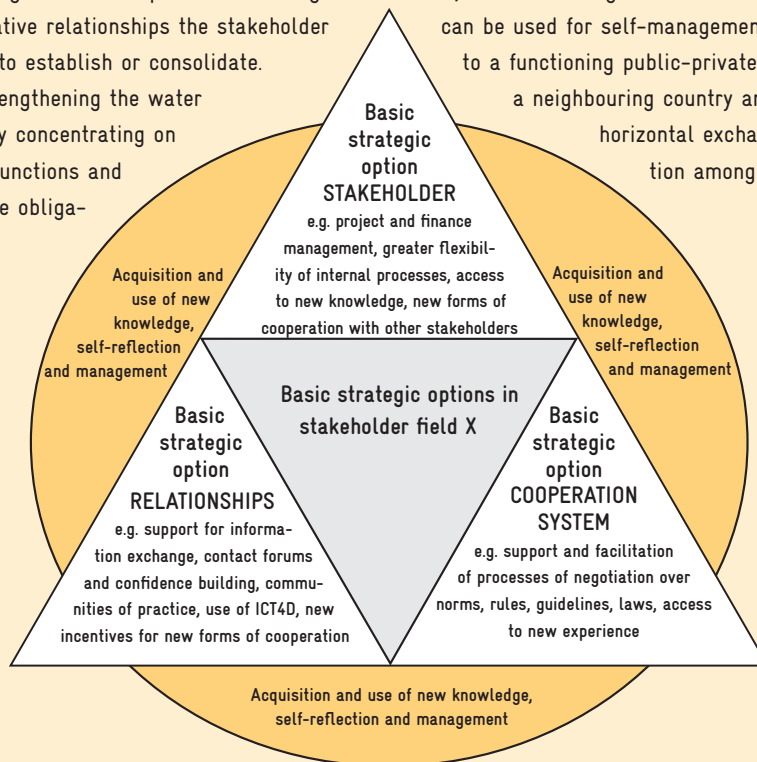
Strategic options emerge from the range of scenarios, risk assessments and opportunities. They generally consist of a mix of four basic options (paths), which are combined with one another in practice:

(i) There is always the obvious possibility of influencing a stakeholder's performance, both through internal management development and through the collaborative relationships the stakeholder is supposed to establish or consolidate. Example: Strengthening the water authorities by concentrating on supervisory functions and public service obligations.

(ii) There is the possibility of establishing and consolidating specific relationships between stakeholders. Example: Establishing and consolidating the collaborative relationship between the centralised state water authorities, private companies and local government administrations.

(iii) There is the possibility of redefining and agreeing rules for the system of cooperation in a process of negotiation. Example: Development and negotiation of standards and tariffs for public-private partnerships for the construction and maintenance of drinking water supply systems.

(iv) There is the possibility of feeding-in new knowledge into the system as a whole and encouraging the stakeholders to engage in a process of self-reflection, which in turn generates new knowledge that can be used for self-management. Example: Visit to a functioning public-private partnership in a neighbouring country and support for a horizontal exchange of information among stakeholders.



## Building block 04: Power and power resources

### WHAT IS IT FOR?

1. To visualise the differences among stakeholders in terms of power and influence
2. To identify options for action to change power relations
3. To monitor how the change objective impacts on power relations

### Background and focus

**Relationships of power and violence pervade all areas of life.** No stakeholder analysis can be complete, or more than superficial, without an exploration of the issue of power relationships and power shifts. Power may be exercised protectively and in ways that are conducive to development; it may also be exercised in ways that are restrictive and discriminatory. Its authority is based on the threat or actual use of force. Power signifies the opportunity for a stakeholder to assert his/her will and impose his/her decisions on another even if this runs counter to the latter's subjective interests.

Based on Johan Galtung's "violence triangle", it is helpful to distinguish between three different levels of violence:

- (i) personal or direct physical violence or the threat of violence involving a stakeholder;
- (ii) structural or indirect violence which does not involve a stakeholder, but which entails the denial of access to resources (exclusion), imposes limitations on expectations, assigns social positions and expresses itself in unequal power conditions and unequal chances in life and prospects of development; this violence is inherent in the system and involves executive bodies and bureaucratic procedures rather than an individual perpetrator;
- (iii) cultural violence, which may be used to legitimise structural or direct violence.

**Power relations should not be demonised as inevitably repressive.** Power is a constituent element of all social relations. It is productive and ever-present, it

sets limits and creates opportunities. The exercise of power need not conflict with self-determination and the assertion of individual interests. Power and influence, for example, are a constituent element in the peaceful settlement of violent conflicts. Power relations feature not only in confrontations and conflicts but also pervade the process of information, consultation, negotiation and advice. They include "softer" forms of power, such as influence and persuasion, structuring and mediation through dialogue, interest and attention, the offer of rewards, access to relevant knowledge, the power to communicate in a comprehensible way, the defining power of capable leadership, and the opportunity to establish new rules of conduct and incentives. Assigning responsibilities for resources or a leadership role is also based on power, which may take account – to a greater or lesser extent – of the articulated interests of stakeholders, or may be based on overarching interests defined by the organisation or institution involved. The way in which power is exercised is regulated differently in every society, organisation and smaller social unit. Cultural orientations, expectations of life and traditional attitudes pervade the power relations established by the individual society, its culture and institutions. The exercise of power is always linked to stakeholder interests, and shifts in power relations always give rise to new types of authority which, again, are rooted in power.

**We are witnessing an increase in overt violence.** Since the 1990s, protracted intrasocietal violent conflicts in fragile states/systems have markedly increased and the threshold for the use of violence in conflicts has fallen. Many partner countries are either in a post-conflict situation or are embroiled in political and social conflicts that have already erupted into overt violence or are at risk of doing so. Of the world's 40 poorest countries, 24 are suffering, or have just emerged, from large-scale violent conflicts. More than 40% of post-conflict countries



relapse into political violence within five years. The aims of balanced, equitable and sustainable development can only be achieved if people are able to resolve the conflicts associated with social change peacefully. Development and peace are inseparably linked. Violent conflicts cause immense human suffering, devastating the livelihood base and human institutions. Human losses and social traumatisations are accompanied by a clear decrease in growth and investment, a high level of youth unemployment, a flourishing shadow economy and a weakening of the state. Illegal arms, drugs and human trafficking and migration divert resources away from reconstruction. Conflicts are often associated with a significant increase in HIV/AIDS; other phenomena which can be observed include psychosocial traumatisations of several generations, the continued easy availability of small arms and an increase in domestic and family violence.

Poverty, violence and human rights violations are mutually reinforcing. The attainment of the MDGs depends to a large extent on whether violent conflicts can be identified, managed and resolved at an early stage. Against this background, conflict prevention and conflict transformation are the most effective means to create the prerequisites for peaceful development, reduce the structural causes of conflict and detect and avert escalations of violence in crisis situations early on.

**The most blatant way in which power is exercised is outright violence.** This means the power to inflict harm on others and cause suffering, making them helpless victims. In such scenarios, people's fear and terror of others can never be assuaged entirely. In these situations, social relations involve a fear of others and a need to protect oneself. Power may be exercised through direct violence if:

- >> there is socially entrenched indifference to the victims' suffering and scruples are brushed aside; and

- >> violence is carried out by technological means, making the exercise of power an automatic, faceless and anonymous process.

We can distinguish between three types of action that entail the threat or use of force:

- >> actions which safeguard or harm material security,
- >> actions which strengthen or reduce social status and the individual's scope for action,
- >> actions which create physical security or cause bodily harm.

These three types of action are mutually reinforcing: for example, loss of access to resources to the point where individuals forfeit the bases of their livelihood may lead to exclusion from a particular group. Social exclusion, marginalisation, punishment and loss of liberty are often accompanied by the loss of social recognition and by economic discrimination.

**Power relations are always pervaded by structural, institutional and personal violence.** Power relations are based on dependence and vulnerability: physical, psychological, social and economic. Social conflicts – e.g. over access to scarce resources or triggered by the failure to guarantee basic rights – develop a dynamic of their own because power relations are always pervaded by structural and personal violence. The following diagram (page 21) illustrates this link.

**Power relations are intimately linked with the entire stakeholder structure.** If we analyse scenarios in which power is acquired and maintained, we see that the actors – either those exercising power or those who are subject to it – anticipate the entire structure more or less consciously; they are familiar with the power relations and form a mental image of them. This knowledge and the mere threat that power will be exercised define the fundamental patterns of relations between the stakeholders, such as trust, recognition of power, obedience, avoidance of insecurity, willingness to participate, power distance, and organisational capacities. Participatory proce-

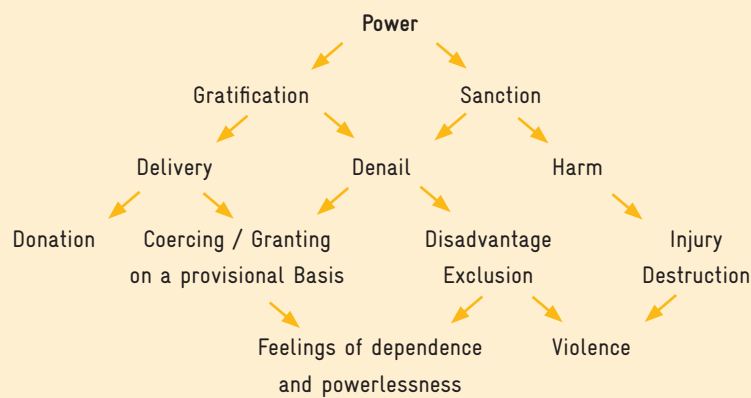


dures among the actors have a power-dampening effect; they distribute power in the stakeholder field through a series of checks and balances, alleviate burdens and strengthen the actors' self-confidence and identity.

**Change processes are always linked with power shifts.** Roles, relationships, access to resources and cultural focal points may all change. Dealing constructively with these sometimes conflict-laden changes is an integral part of our development inter-

ventions, which intervene in existing power relations.

**Where power relations change, tensions will inevitably arise.** These may erupt into overt and sometimes violent conflicts. This is the case if dialogue is broken off and individual actors consider that a more effective alternative exists outside the negotiation process to assert their will, also against the will of others. Force does not rely on dialogue; it is wielded and entrenches the power held by individual stakeholder groups by means of gratification and



Based on: Reemtsma, 2000.

sanctions, denial and harm, and finally through overt violence. The trigger may, for example, be the access to water from an irrigation canal. In this context, the lines of conflict over the control of scarce resources may intersect with ethnic, gender-specific, economic and other interests, and the conflicts become emotionally charged, e.g. through prejudice, racism, anger and hatred, reinforced by a sense of powerlessness and humiliation.

**Power is distributed differently in groups, organisations and networks.** The distribution of power requires explanation and justification, whether it is based on a

technocratic division of labour between management and executives or on traditional and cultural values. In either case, it is a human invention: created by people and open to change by them. For a power relationship to operate between stakeholders, there must be some form of dependency between them, which often involves several different components: economic, social and psychological.

**Power has a material basis.** Power is always overlaid symbolically: spatial configurations demarcate distance, while ceremonial acts and symbols heighten, consolidate and legitimise that distance.



But even if power has been transfigured in this way and is safeguarded by traditional ties, it is generally based on unequal access to scarce resources, e.g. land, water or capital. This inequality is reinforced by disparities in access to education or opportunities to assert legal entitlements.

**Power relations are based on symbolic forms of interaction.** The anticipation of rewards or sanctions surrounds power-holders with an aura which makes it easier for them to exercise power and which promotes a sense of identification with them. The mere opportunity to exercise power is enough, in many cases, to ensure that power relations work. Reproach and admonition are “soft” mechanisms which precede many direct actions. The exercise of power may

sometimes force people to act in a certain way simply due to the pressure of threatened sanctions or future reward, especially if they aspire to acquire power themselves or extend their own influence.

**An organisation's structures and rules are entrenched forms of power.** They regulate access to responsibilities, and are reinforced by norms, habits, routines and symbols. If structures change or dissolve, established power balances also shift in favour of individual stakeholders. These shifts are generally regarded by the stakeholders as a crisis, creating disorientation and uncertainty. Old rules are jettisoned but new rules are not yet in sight or do not yet apply.



## Procedure: Power and power resources

In order to understand power relations in the stakeholder structures, we must focus on three key questions:

- > What is the basis of the stakeholder's position of power (or, in the terminology of sociologists, "legitimate power" in the sense of recognised formal authority)?
- > How does power impact on relations with other stakeholders?
- > When and why do power relations shift between stakeholders?

The dynamics underlying the allocation of power within relations are highly diverse. We will confine our observations to two aspects:

- (i) The stakeholders' legitimate power: what is the basis of the power that stakeholders derive from their status?

- (ii) Power resources: to which power resources do stakeholders have access?

### Legitimate power

Members of groups and organisations have an assigned or acquired position of power, reflecting their status and function in the hierarchy. This "legitimate power" is assigned by the organisation, which also consolidates, safeguards and surrounds it with status symbols. Legitimate power is associated with a sphere of influence and leadership. The extent of this power may be limited: for example, it may include the right to issue instructions to subordinates in a department, but may not include the right to set their wage levels or promote them. Financial power alone is not subject to spatial boundaries. This makes it unique.

In practice, legitimate power is expressed in a range of types of authority that may vary considerably. We will confine ourselves here to seven key types of authority:

### Issue and change objective

Types of authority	OQ	RS	TR	SP	CI	RS	CM	Total
Stakeholder 1	3	1	2	2	1	3	3	15
Stakeholder 2	1	1	2	2	2	1	2	11
Stakeholder 3								
Stakeholder n								



Score 3 denotes strong, score 2 intermediate and score 1 weak authority.

OQ - Setting objectives, norms and quality control

RS - Allocating or denying resources

TR - Defining roles, tasks and responsibilities

SP - Structuring the participation in decision-making processes

CI - Controlling access to information and knowledge

RS - Allocating rewards, recognition and sanctions

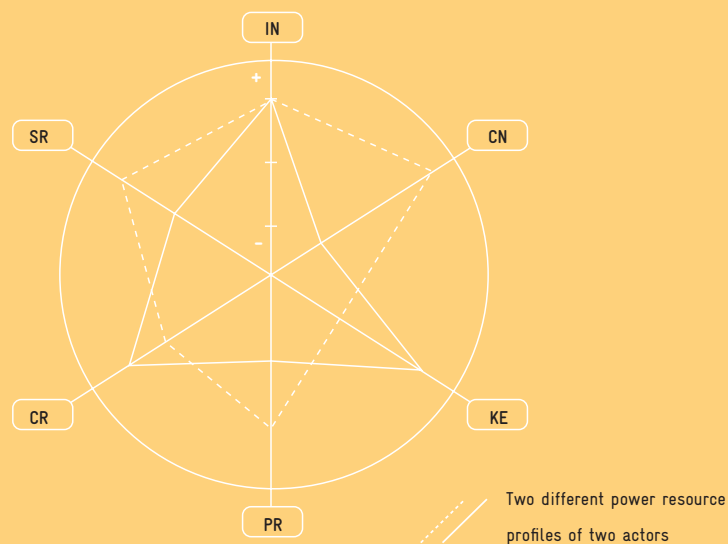
CM - Channelling messages to superiors and external bodies



It may be useful if the assessment is conducted separately in different groups (functional groups within an organisation, outsiders, men and women, etc.) in order to highlight differences in perception. There is a widespread view that in performance-oriented organisations, legitimate power is assigned solely on the basis of expertise or leadership skills; however, this belief is erroneous. In all organisations, positions

of power are legitimised in ways which are specific to the organisation; they may also be legitimised by social connections/networking. Individuals' own testimonies about the basis of their position of power are often instructive and may include origin, gender, age, property, influence, merit, hard work, professional experience, knowledge, social and practical skills.

### Which resources may be included?



**IN - Information:** Power deriving from the control of the flow of information and influence over information content.

**CN - Communication and negotiating power:** The power to grasp the crux of the issue and to communicate clearly and concisely, conveying a coherent message, persuading others and thereby asserting one's own interests.

**KE - Specialist knowledge and expertise:** Power based on specialist knowledge others do not possess, but which is crucial in achieving the desired goal.

**PR - Practical relevance:** Power that arises from learned skills and experience and is expressed in the ability to solve practical problems and thus bring about change.

**CR - Creativity:** Power arising from the ability and skills to utilise knowledge and experience in such a way that they generate new ideas, concepts and solutions and provide an innovative view of existing systems.

**SR - Social relations:** Power derived from membership of a social group, class, peer group etc. and safeguarded by relations with other stakeholders.





### Power resources

A stakeholder's legitimate power is linked to specific resources – such as information – which may strengthen or weaken his/her position depending on the skills in utilising these resources. It is easier to tap into and exploit these resources from a strong position which has institutional backing than from a weak position. The expansion of power and processes of empowerment are generally geared more towards the progressive harnessing of new power resources than to attaining legitimate power.

The use of the various power resources is markedly affected by three factors:

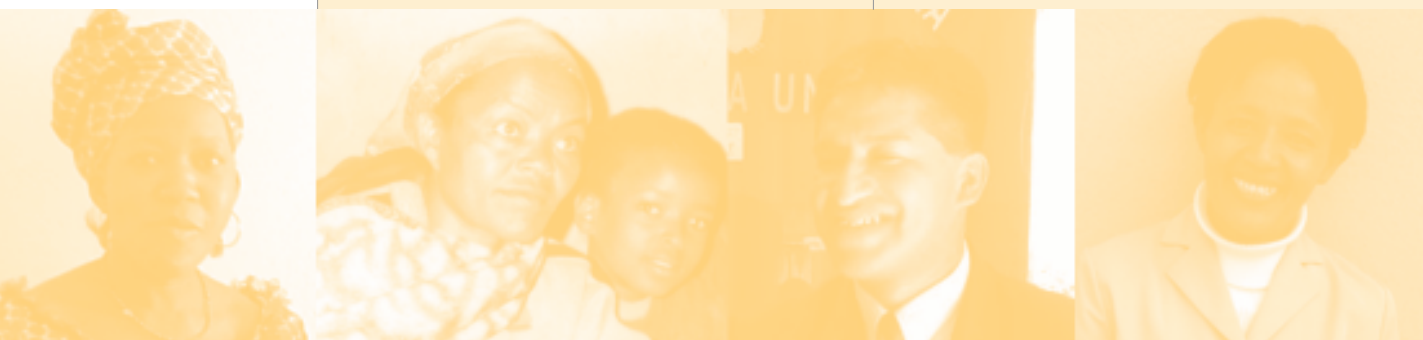
- > **legitimate power:** this regulates access to power resources;
- > **organisational structures and culture:** they create better or worse conditions for the utilisation of individual power resources;
- > **social characteristics of the stakeholder, such as gender, age or educational attainment:** the value placed on these attributes and the expectations relating to their utility are socially determined.

Hexagrams showing power resources vary considerably according to the perspective of the person drawing them up. The procedure can involve self-appraisals as well as others' perceptions. In every case both the differences between the various

stakeholder hexagrams and the differences between self-appraisals and external perceptions are enlightening. The process raises various questions, including the following:

- > Which differences can we observe between stakeholders?
- > Which of the power resources can be utilised more effectively without major additional inputs?
- > Which power resources amplify or weaken legitimate power?
- > Which alliances between stakeholder are complementary?

Comparative assessment is based on the fundamental recognition that power relations can always be viewed as relative balances in a power field. In a cooperation network the stakeholders assign positions to each other and steer their behaviour on the basis of their perceptions and the interests of power holders. This dynamic geometry, which varies over time, can be significantly altered by external events and inputs, e.g. through a development intervention which offers the prospect of new rewards and incentives. Through processes of negotiation the variable geometry of power relations becomes fluid in a network of cooperation: individual actors develop new forms of behaviour, stakeholders' relationships change and new rules are negotiated and agreed.



# Building block 05: Stakeholders' interests and scope for action

## WHAT IS IT FOR?

1. To describe the stakeholders' interests in relation to the issue and the change objective
2. To identify behavioural constraints and the stakeholders' scope for action

## Background and focus

This building block aims to clarify the stakeholder field in terms of its interaction with a development intervention's issue and change objective. In general it is safe to say that stakeholders' interests are not coherent with the change objective. Given that the reform intervention has an innovative character, this is an inevitable fact. Overall framework conditions are only partially coherent with the change objective. This has an impact on the development intervention and should, wherever possible, be taken into account at an early stage when selecting strategic options. A stakeholder's verbal endorsement of change in the early stages may turn into reluctance or even resistance later on.

In order to avoid any blocking of a desired reform intervention, it is essential to consider the various stakeholders' interests. By viewing the situation from the key stakeholders' perspective, it should be possible to address and dismantle uncertainty and resistance early on in order to create a positive atmosphere that facilitates the negotiation process and promotes the desired reforms.

Stakeholders observe the dissonance between their interests and the change objective when they are called upon to move away from their customary practices and learn new methods and approaches. This may trigger various forms of covert or overt resistance: reluctance, sceptical distancing, objection and openly organised resistance to the objectives of desired changes.

Key stakeholders can only learn lessons from resistance if they deal with it positively. Yet this is only possible if resistance can be expressed openly. Motives for resistance are diverse and are closely linked with the actual process of change: stakeholders' vested

## Procedure: Stakeholders' interests and scope for action

Matrix 1: The first analytical step focuses on providing answers to the following questions:

- > What are the interests of the (key) stakeholders in relation to the issue and the change objective?
- > Are these interests coherent with the overarching change objective? (YES – NO – INDIFFERENT)
- > How is assertion of the stakeholders' interests likely to impact on the change objective?

### Issue / change objective

Stakeholders' interests in relation to the issue and the change objective	Coherence with the change objective			Possible impacts of coherence / dissonance / indifference
	YES	NO	INDIFF	
Stakeholders	YES	NO	INDIFF	
Stakeholder 1	X			
Stakeholder 2			X	
Stakeholder 3		X		
Stakeholder n				



interests and fears (e.g. their fear of forfeiting power) are reinforced by entrenched values or mistrust of other stakeholders. Information about the development intervention and its change objective may be confused or lack transparency, and this also plays a role in triggering resistance. If the resistance is based on suspicion and speculation because it cannot be expressed openly or is not taken seriously, it is likely to intensify. In such a situation an actor may feel that his/her scope for action is constrained, making it impossible to endorse and promote the change objective. These constraints can initially be subdivided into three categories:

- › **Lack of knowledge:** The stakeholder lacks knowledge of the benefits of the desired changes, the way to

achieve them and his/her potential role in this process.

- › **Lack of capacity:** The stakeholder lacks the material resources and the specific skills necessary to pursue a strategy that is coherent with the change objective.
- › **Lack of will:** The stakeholder lacks the political will to embrace change; for institutional, ideological or personal reasons, he/she clings to the status quo, which – although unsatisfactory – does at least have the advantage of being predictable.

Targeted measures can be adopted to remove these constraints on stakeholders, thereby creating new scope for action.

**Matrix 2:** With regard to the constraints on the actions of (key) stakeholders, the following questions arise:

- › What are the constraints on action by stakeholders whose interests do not harmonise with the change objective, or who are indifferent to it?
- › Which options does the situation offer to expand the scope for action and thus gain the support of these actors or dismantle obstacles?
- › How must the participatory change process be structured so that constraints on action can be dismantled?

**Issue and change objective**

Stakeholders	Constraints on action	Options to expand the scope for action (e.g. in relation to information and communication, participatory structures, strengthening the relations between stakeholders, access to new knowledge, supporting negotiation processes)
Stakeholder 1	Lack of knowledge: Lack of capacity: Lack of will:	
Stakeholder 2		
Stakeholder n	Lack of knowledge: Lack of capacity: Lack of will:	



# Building block 06: Influence and involvement

## WHAT IS IT FOR?

1. To assess stakeholders' influence on and attitude towards the change objective and the progress of the reform intervention
2. To analyse and form hypotheses about potential strategies for involvement

## Background and focus

The field of stakeholders in cooperation systems is generally so broad that it is not practicable for all stakeholders to be involved to the same extent. This building block enables critical analysis of strategies for involvement. The stakeholders' involvement needs to be planned and structured. Two overarching questions are key to the analysis:

- > The stakeholders' attitude towards the reform intervention: How do stakeholders see the issue and the planned change objective? Do they have a rather negative attitude towards it or are they basically in favour of the intervention?
- > The stakeholders' influence on achieving the planned change objective: How much influence do stakeholders have on the reform intervention? Are they key stakeholders or just passive players?

Such analysis allows development planners to formulate hypotheses about the strategy to be adopted in order to involve stakeholders, that is, about the extent to which stakeholders are to be integrated by means of information, consultation, communication, and participation in the management process and (evaluation of experience).

## Procedure: Assessing stakeholders against two indicators

### Indicator 1: Approval/rejection

#### Key question:

**How does the stakeholder see the change objective?**

Stakeholders	Assessment
Stakeholder 1	0
Stakeholder 2	+1.0
Stakeholder 3	-1.0
Stakeholder 4	+1.0
Stakeholder n	+1.0



#### Scale for indicator 1:

- +2 strong approval, also expressed towards other stakeholders and in public; active participation.
- +1 moderate approval with some constructive suggestions for improvement; participation variable.
- 0 indifferent, waits and observes further developments.
- 1 moderate rejection, offers few suggestions; passive participation.
- 2 strong rejection, also expressed towards other stakeholders; refuses to participate.



Indicator 2: Considerable influence/little influence

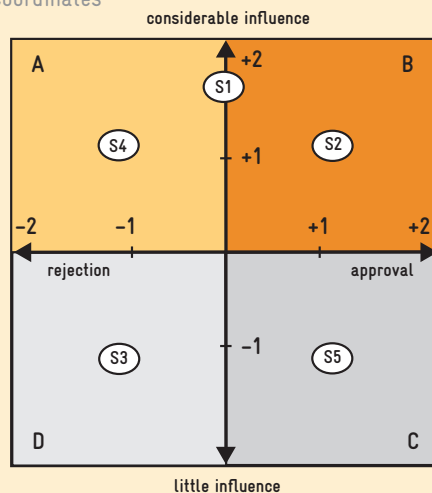
Scale for indicator 2:

Key question: How much influence does the stakeholder have on achieving the planned change objective?

Stakeholders	Assessment
Stakeholder 1	+2.0
Stakeholder 2	+1.5
Stakeholder 3	-1.0
Stakeholder 4	-0.5
Stakeholder n	-1.0

- +2 very influential: key stakeholder with power of veto, change objective cannot be achieved without the explicit consent of this stakeholder.
- +1 influential: the stakeholder is in a position to support and speed up or obstruct and block the process at several points.
- 0 influential in some areas: the stakeholder has influence regarding certain issues; however, the change objective could still be implemented against his/her will.
- 1 little influence: the stakeholder has a few limited opportunities to influence progress towards the change objective.
- 2 minimal or no influence on progress towards the planned change objective.

Visualisation of assessments in a system of coordinates



Interpretation

Each of the four quadrants A-B-C-D contains one potential strategy for involvement, which needs to be discussed in the relevant context:

A The stakeholders need to be spoken to directly in order to integrate them into the reform intervention. The way their involvement is structured must ensure that the reasons and arguments put forward for their negative attitude and scepticism can be made explicit

and taken into account. The active participation of this stakeholder group in experience utilisation evaluations is crucial.

B The stakeholders are to be involved in all information and decision-making processes as well as in the experience utilisation evaluations; their connections with other stakeholders, especially those in quadrant A, must be examined more closely so that they can be used to get quadrant A stakeholders on board; care should be taken not to enter rashly into an alliance with quadrant B stakeholders.

C The stakeholders are kept regularly informed about the progress of the reform intervention and the results of the experience utilisation evaluations; they may, in certain circumstances, play an important role in alliance with other stakeholders.

D The stakeholders are kept regularly informed about the progress and outcomes of the reform intervention and are involved in decision-making processes to do with concrete issues; they are consulted in order to ensure that their experiences and the reasons for their critical stance are integrated into the process.



# Building block 07: Force field analysis

## WHAT IS IT FOR?

1. To identify stakeholder-specific patterns of behaviour in relation to the change objective
2. To discuss strategic options for reducing resistance

## Background and focus

Scepticism and resistance always accompany change. What matters is that they should be used as a resource for process management. The aim of this building block is to document arguments and patterns of behaviour that the stakeholders express in favour of or in opposition to the change objective, or that they reveal through their own conduct. All forms of overt and covert resistance should be seen as a positive expression of interest and participation. If stakeholders withdraw or fall silent, they must be supported in such a way that they can express their concerns and objections to the change objective.

Professional change management avoids entering rashly into alliances with stakeholders that are enthusiastic in their support for the change objective; instead, it pays particular attention to those actors that put forward objections or are sceptical and reserved. For one thing, much can be learned from these stakeholders because, after all, they have their reasons for resisting. Furthermore, expressing

an interest in the arguments put forward by these stakeholders is a way of integrating them.

The force field analysis focuses on the following questions:

- > Which arguments and observable behaviours can be identified, and how should they be understood in relation to the change objective?
- > Which arguments and behaviours occur on a frequent basis?
- > Which arguments and behaviours reinforce one another or point to alliances among the stakeholders?
- > How must the change process be managed so that specific arguments or behaviours are reinforced or mitigated?
- > Which relationships among the stakeholders need to be built up and consolidated?

Many stakeholders initially have an ambiguous attitude towards proposals for change: they weigh up the benefits and disadvantages and put forward both arguments in favour of the change objective as well as objections against it. Thus, the stakeholders cannot be assigned unequivocally to one camp or another, especially since their patterns of behaviour change in the course of the change process.



## Procedure: Force field analysis

This tool proves especially useful when used periodically in the course of a change process, making changes visible among the stakeholders themselves. The analysis of pro and con positions visualises various aspects that are important for the management of change processes. The tool in particular

- > draws attention to the forms of resistance against the change objective and enables involvement to be managed so that this resistance can be articulated;
- > reveals ambivalent positions and offers clues about the tendency of specific stakeholders to withdraw;
- > points towards gaps in information, areas where contact and communication is poor, where there is a lack of trust and inadequate involvement;
- > facilitates the formation of homogeneous or heterogeneous groups of stakeholders, depending on the purpose of forming the groups;
- > points towards potential alliances among stakeholders;
- > encourages reflection about potential points of intervention in the change process;
- > serves as a monitoring instrument for managing the process.

Arguments and patterns of behaviour that work IN FAVOUR OF the change objective		Key stakeholders  →) (← Stakeholder 1 Stakeholder 2 Stakeholder 3 Stakeholder n	Arguments and patterns of behaviour that are directed AGAINST the change objective	
++	+		--	-



# Building block 08: Building trust

## WHAT IS IT FOR?

1. To analyse the degree of trust that exists between stakeholders
2. To discuss options for strengthening the cooperation network
3. To analyse specific stakeholder relationships

## Background and focus

Trust is a valuable but intangible economic resource in cooperation networks. Trust reduces transaction costs, speeds up processes of cooperation and promotes innovation through knowledge exchange. The dilemma associated with trust is that while it promises great benefits, it is invested on the basis of an anticipated response from the other stakeholder, and this means that there is a high risk of abuse. The familiar saying that trust is good but control is better neatly sums up this state of affairs – and mistrust wins.

Since stakeholders in cooperation networks depend on each to achieve a change objective, building trust between them is extremely important. Trust reveals its potential especially when tensions are mounting and conflict transformation is required. Building trust entails a laborious process of communication that requires a considerable investment of time and money. Trust that has been built up can easily be put at stake and is quickly destroyed – and once trust is destroyed, it poses the greatest obstacle to building it up again.

Trust is based, first, on the assumption that the other stakeholder is well-meaning; at the very least it is based on the assumption that the other actor will not do anything to harm the one investing the trust. Second, it is based on a reciprocal, transparent and symmetrical exchange of information about objectives, intentions and plans. Third, it emerges out of and is strengthened by reciprocal action and a transparently fair distribution of advantages achieved. Fourth, in cooperative undertakings that

are hierarchically structured and where there is no symmetrical exchange of information, trust translates into loyalty demanded from above and latent mistrust of power from below, as a way of protecting oneself in advance against any possible abuse of power. In any case, the experiences of third parties play a crucial role in that actors watch the entire set of interactions and draw their own conclusions concerning the trustworthiness of the other actors.

Trust essentially comprises three facets:

- › trust in the process of interaction between the stakeholders: prior experiences of positive and negative interaction are used to make assumptions about the future behaviour of the other actors. If their behaviour appears predictable and not aimed at causing harm, trust is placed in them and they acquire “trust capital”;
- › trust in the personal attributes of the stakeholders’ representatives: age, gender, cultural affiliation, charisma and membership of a profession or social class can have an impact on the trustworthiness ascribed to stakeholders;
- › trust in institutions: trustworthiness is essentially the result of neutrality, adherence to rules, transparent decision-making, fairness and accountability; these elements create trust in an institution and this makes it considerably easier for it to fulfil its tasks.

When new relationships of cooperation are built up – and this occurs regularly in development interventions – trust building plays a crucial role in the process of achieving the objective. One way of breaking the ice of mistrust between the different representatives of organisations is for these stakeholders to go on a trip together; this may be just as important a contribution towards achieving the objective as solving a technical problem.





## Procedure: Building trust

### Numerical approximation for hypothesis formation

In a widely flung network of cooperation it will not realistically be possible to study all the relationships between the stakeholders. As far as trust building is concerned, however, this should be attempted at least with the key stakeholders.

This building block draws attention to the question of whether a basis of trust exists between two key stakeholders or whether there is a strong degree of mistrust between them. The analysis also provides clues along the way as to possible alliances, loyalties and networks. Relationships based on trust are self-referential insofar as they depend on a trust-based exercise of discretion. Trust is enacted, not discussed, so that it is generally not possible to pose a direct question about the trustworthiness of a stakeholder. The same goes

for questions about the reasons and motivations behind trust or mistrust. A study of relationships of trust, then, should above all be used to formulate working hypotheses that can then be tested in practice.

For the sake of discretion, the matrix below reduces the relationship of trust to a number. Some instructive comparisons can be drawn if the matrix is used with a range of actor groups.

### Analysis of specific relationships between stakeholders in flat cooperation systems

Trust is a peculiar thing because it is not available on demand. It develops slowly over time. It is given and it can be deepened. Sometimes it is lost or is silently withdrawn. It emerges from the experience of cooperation and from mutual assumptions in the process of working together. If there is a good match between assumptions and experience, trust will grow, in the sense of a prognosis of predictable behaviour that is projected onto the other stakeholder.

Theme and change objective of the cooperation system

	Stakeholder 1	Stakeholder 2	Stakeholder 3	Stakeholder 4	Stakeholder n	∅ "trusts others"
Stakeholder 1		4	5	4	3	16/4=4.0
Stakeholder 2	4		4	2	1	
Stakeholder 3	3	5		1	1	
Stakeholder 4	3	5	1		2	
Stakeholder n	2	3	1	1		
∅ "Is trusted"	12/4=3.0				6/4=1.5	



#### Assessment of relationship in terms of trust:

5 relationship characterised by trust  
3 little trust  
1 pronounced mistrust.

The direction of the arrow indicates that stakeholder 1 to n in the left-hand column trusts or mistrusts stakeholder 1 to n in the top row.

#### Examples:

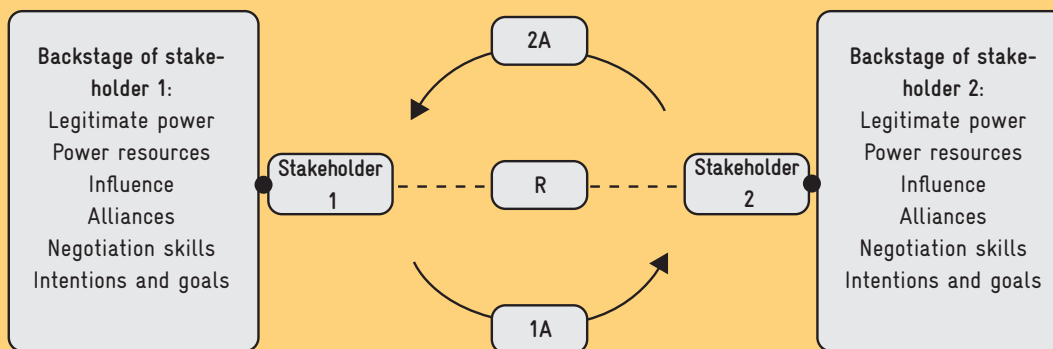
Stakeholder 5 is strongly mistrusted (average figure of only 1.5).  
Stakeholder 1 shows a lot of trust in the other stakeholders (average of 4.0).  
Stakeholder 3 shows a pronounced mistrust towards stakeholders 4 and 5; they reciprocate this mistrust.

The same matrix can also be used to depict service relationships or – in clarifying roles – the mutual expectations that exist among the stakeholders.



Processes of negotiation in flat cooperation systems involving stakeholders that are dependent on one another must therefore take account, first of all, of the stakeholder-specific perceptions and mutual assumptions held by the stakeholders, in addition to their specific and explicit interests. Trust develops in a dynamic interplay between transfer and counter-transfer, in which large elements of the intentions and influence of specific actors initially remain invisible – backstage, so to speak. The dynamics of creating trust become directly tangible whenever a stakeholder invests in building trust through commu-

nication, openness and influence, without this being reciprocated by the other stakeholder. This stakeholder will consequently withdraw again, their mistrust at times growing stronger than it was before. In other words, investment in trust building is based on the principle of balance, albeit a fragile balance. Trust between stakeholders settles at a level that is desirable and feasible for both stakeholders – usually at a low level that is determined by calculation of the risk of breach of trust on the part of one of the actors. The basic model looks like this:



1A = Investment in building trust and responses to similar efforts on the part of stakeholder 2 by: behaviour, mode of communication, openness and influence of stakeholder 1 on stakeholder 2, in order to win the trust of the other stakeholder and to control the risk of breach of trust.

2A = Investment in building trust and responses to similar efforts on the part of stakeholder 1 by: behaviour, mode of communication, openness and influence of stakeholder 2 on stakeholder 1, in order to win the trust of the other stakeholder and to control the risk of breach of trust.

R = Regulating mechanism (1A, 2A), which seeks to achieve a balance at the best possible lower level of stakeholder 1 and 2. If, over a longer period, greater imbalances arise between investments 1A and 2A because one of the stakeholders does not follow suit, the relationship tips over into one of mistrust.



The following analysis of trust building in a specific relationship between stakeholders focuses on eight elements; the total, average and variance of the assessment (1 to 4) may provide important clues for strategic options.

## Analysis of trust building from the perspective of one stakeholder

1 Positive experience of cooperation in the past					
No experience or only negative experience of cooperation.	1	2	3	4	Important, positive and useful experience of cooperation.
2 Transparency and predictability of intentions and goals					
Intentions and goals are unclear and veiled.	1	2	3	4	Intentions and goals are made explicit and are clear.
3 Communication between the stakeholders					
There are hardly any opportunities to meet and communicate.	1	2	3	4	Regular meetings and intensive communication.
4 Adherence to agreements and contracts					
Agreements are ignored and rarely adhered to.	1	2	3	4	Agreements are negotiated openly and are adhered to.
5 Fair distribution of benefits and gains					
One-sided appropriation of benefits and gains.	1	2	3	4	Distribution is negotiated openly and a fair solution is reached.
6 Trust in the representatives of the other stakeholder					
Behaviour of representatives is unpredictable.	1	2	3	4	Representatives know one another and nurture the relationship.
7 Conflict transformation					
Tensions and conflicts remain unspoken and unaddressed.	1	2	3	4	Conflicts are dealt with early on in an open and constructive manner.
8 How the relationship is presented to the outside					
The relationship appears one-sided and presents us in a negative light.	1	2	3	4	Agreed presentation strengthens our relationship and is positive.



Analysis:

Total  $\Sigma$  =

Average  $\bar{\theta}$  =

Variance  $\Delta$  =

In order to observe changes in the process of trust building, it is helpful periodically to repeat both the matrix procedure described above as well as the analysis of a specific stakeholder relationship. The procedure is suitable for use both by outsiders, as a third-party observation and for promoting self-reflection among the stakeholders themselves. A measure of tact is called for. No one can be forced to talk about trust building or their doubts regarding the trust they have invested.



# Building block 09: Exclusion and empowerment

## WHAT IS IT FOR?

1. To identify disadvantaged and marginalised stakeholders
2. To discuss empowerment strategies

## Background and focus

Stakeholders do not have the same prerequisites for articulating their interests and participating in a reform intervention. In every society, including those with democratic legal orders, there are social, economic, legal and political institutions that disadvantage particular groups. Such discrimination exists when specific sections of the population are socially marginalised or economically disadvantaged on the basis of gender, race, religion, background or class, when they are not able to participate equally in the political process or when they have no equal access to resources. Often different dimensions of discrimination overlap with and reinforce one another, producing a pattern of marginalisation and exclusion.

Stakeholders are disadvantaged and poor because they are powerless and dependent; they are treated condescendingly, and experience discrimination and manipulation. Discrimination, exclusion and stigmatisation are generally reinforced by other, overlapping socio-economic and ethnic attributes. The stakeholders are largely at the mercy of prevailing circumstances and of those in power.

Discrimination and exclusion can pose considerable obstacles to a reform intervention, and overcoming them by developing greater democracy poses a crucial challenge to the way an intervention is shaped. In many cases the key issue of participation in the political process requires a deliberate intervention in existing power relations in order to promote social justice and democratic participation. The aim of the process is to ensure that disadvantaged stakeholders are able to participate actively in decision-making processes within the reform intervention and that they obtain equal access to resources.

## Exclusion

The concept of exclusion goes beyond merely describing a state of affairs. It refers to the process of exclusion and to the dynamics of a society in which specific groups of stakeholders are denied rights and resources, in which they are allotted a marginal position and are kept in that position by violent means (withdrawal of resources and rights, repression by the police, cultural patterns, etc.). At the same time, however, those who are excluded are firmly integrated into society, both socio-economically (e.g. as cheap labour in agro-industrial enterprises or as housekeepers) and culturally (e.g. as objects of discrimination and prejudice or as a folkloristic resource for tourism). Thus, inside and outside are mutually constitutive. The specific form of exclusion serves as a platform for partial, interest-led inclusion. Exclusion and inclusion obey a certain culturally, politically and economically determined logic, which in most countries is reflected in the designations applied to those excluded and to relations with them: Dalit, Indio, Clientelismo, Padrinaje, etc. On the whole, exclusion increases social vulnerability, and this is maintained by degrading labour relations, poverty, poor health, social, gender-specific and institutional discrimination, constant experiences of disparagement and marginalisation. The excluded are de facto deprived of social assets and are at constant risk of drifting even further down the path of social degradation. Given these circumstances, strategies of organisation and political participation (empowerment), along with the discourses of identity associated with them, offer an effective response to exclusion. However, if it is to take full effect, it needs to be accompanied by processes of institutional reform and changes in behaviour among the elites.



## Empowerment

By "empowerment" – self-help and strengthening of autonomy – we mean an ongoing process that increases the self-confidence of disadvantaged stakeholders (population groups, organisations), which enables them to articulate their interests and participate in the community and provides them with access to and control of resources. This way they can exercise self-determination and responsibility in their lives and are able to participate in the political process. The term "resources" refers both to the material resources of basic needs provision, a secure livelihood and protection from violence, as well as to participation in political decision-making and access to education, knowledge and the law.

On the one hand this building block is intended to show which stakeholders are disadvantaged in the areas relevant to the change intervention; while on the other, it reveals what conditions ought to be created for these actors in order to promote self-reflection and to encourage initiative. The following key questions should be answered:

- Which stakeholders are unable – or insufficiently able – to take part in political life on account of

- their limited material and non-material resources?
- What form should empowerment of these disadvantaged stakeholders take with regard to the planned change intervention?

In order to identify stakeholders who are disadvantaged, two main indicators can be examined:

### › Access to and control of resources

This indicator shows to what extent a stakeholder has access to and control of resources. The term "resources" refers both to the material resources of basic needs provision, a secure livelihood and protection from violence, as well as to participation in political decision-making and access to education, knowledge and the law (equity and social justice).

### › Basic competencies of the actor

This indicator enables an examination of the extent to which a stakeholder is able to formulate his/her own interests and needs; this may be based, for example, on:

- › self-confidence and self-image,
- › ability to express him/herself,
- › ability to organise,
- › basic skills,
- › mobility and availability of time.

## Procedure: Assessment of stakeholders using two indicators

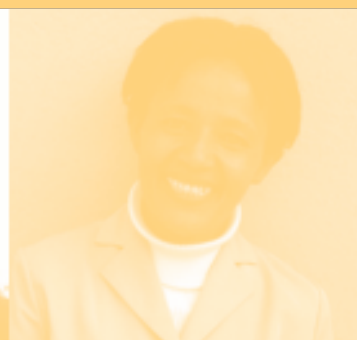
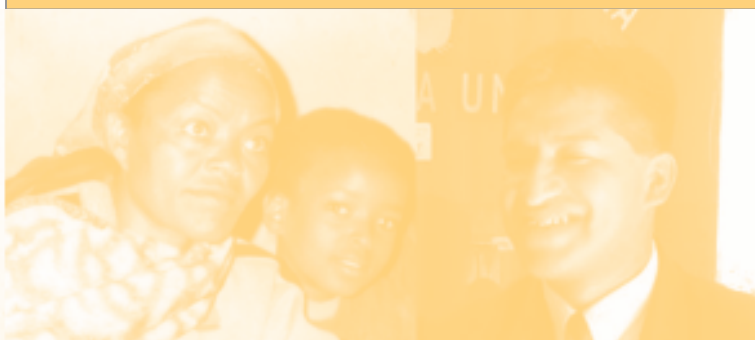
### Indicator 1: Access to and control of resources

**Key question: Does the stakeholder have access to and control of resources?**

Stakeholders	Assessment
Stakeholder 1	+1.0
Stakeholder 2	-0.5
Stakeholder 3	-1.5
Stakeholder 4	-1.0
Stakeholder n	+1.0

### Scale for indicator 1:

- +2 has full access to and control of resources
- +1 has limited access to and control of resources
- 0 has limited access to but no control of resources
- 1 has little access to and no control of resources
- 2 has neither access to nor control of resources



Indicator 2: Basic competencies of the stakeholder

Key question:

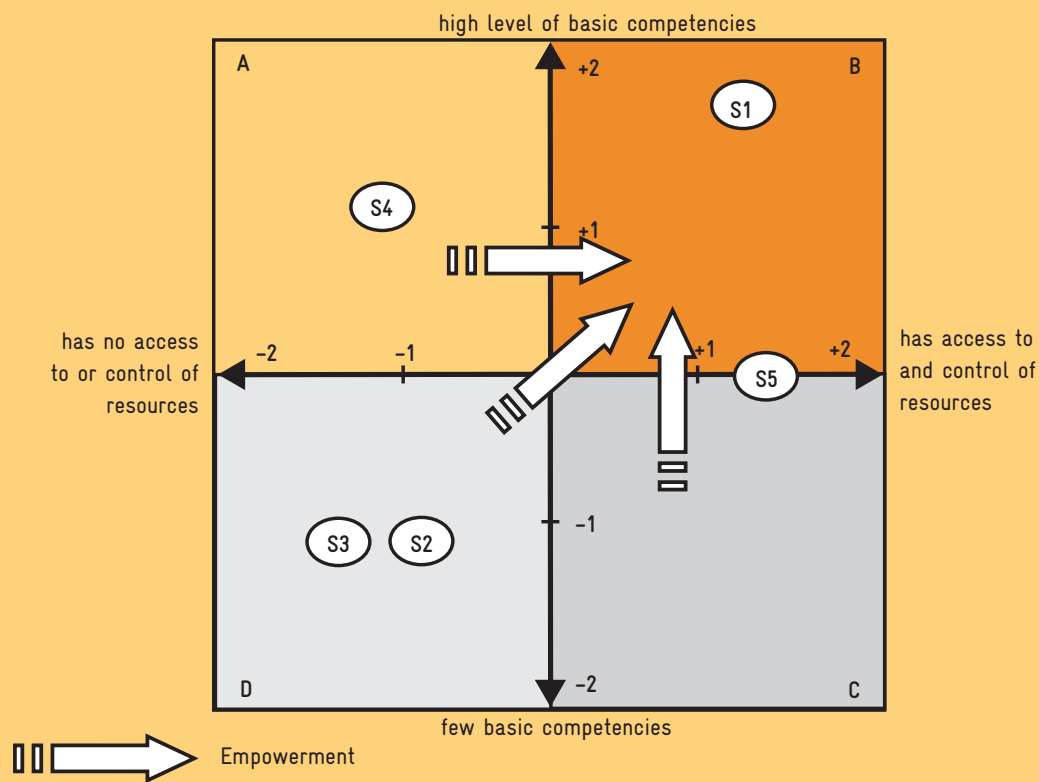
Does the stakeholder have the ability to formulate own interests and needs and to organise, and does the actor have basic skills, mobility and time?

Scale for indicator 2:

- +2 Is well able to formulate his/her own interests and needs and has the ability to organise.
- +1 Is able to formulate his/her own interests and needs, but lacks basic skills and the ability to organise.
- 0 Is able at least to put across his/her own interests and needs.
- 1 Is able to formulate some aspects of his/her own needs and interests, but lacks the ability to organise, lacks mobility and lacks time.
- 2 Does not have the capability to formulate his/her own needs and interests, lacks the ability to organise, and lacks basic skills, mobility and time.

Stakeholders	Assessment
Stakeholder 1	1.5
Stakeholder 2	-1.0
Stakeholder 3	-1.0
Stakeholder 4	+1.0
Stakeholder n	0.0

Visualisation of the assessments in a system of coordinates



### Interpretation

Each of the four quadrants A-B-C-D contains a potential strategy for empowerment which needs to be discussed in the relevant context:

**A** Stakeholders in this quadrant have good basic competencies but nonetheless have little access to resources and are largely excluded from relevant decision-making processes. Due to their basic competencies it is likely that sooner or later they will raise their voice and register their demands. These stakeholders need to be actively supported to be able to participate in negotiation processes about resource use and distribution and to represent their own interests.

**B** These stakeholders have both access to and control of resources, as well as a high level of basic competencies. It is not necessary to use empowerment measures for this group. However, if these stakeholders are disadvantaged in several ways, the reason for their disadvantage needs to be sought elsewhere.

**C** Stakeholders in this quadrant have access to and some degree of control over resources, but they have only few basic competencies. Since reform interventions usually present the stakeholders with a new challenge and require new forms of participation, empowerment measures should be concentrated first and foremost on the actors' capacity to organise themselves.

**D** The stakeholders in this quadrant are disadvantaged in several different ways, both in terms of their basic competencies and of their access to resources. There is a danger that no attention will be paid to them in the course of a reform intervention and that they will be disadvantaged to an even greater degree as a result. Empowerment measures need to begin with the few basic competencies these stakeholders have and reinforce them in order to encourage self-reflection, initiative and the capacity to organise themselves. Empowerment will help them, in a participatory process over a longer period of time, to develop the necessary capabilities to overcome the paralysing state of being at the mercy of external events. These capabilities include:

- › being able to formulate their own needs and interests;
- › being able to organise themselves in order to articulate their own interests;
- › being able to shape and change the circumstances of their lives with others;
- › being able actively to gain access to knowledge, services and resources and to use these for their own benefit;
- › being able to demand their right to a share and an active role in the community;
- › being able to make decisions for themselves;
- › being able to reflect critically on their own experiences.



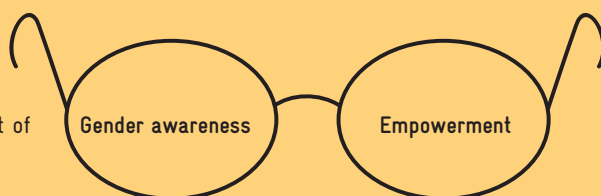
# Building block 10: Gender (cross-cutting building block on gender equality in development)

## WHAT IS IT FOR?

1. Mainstreaming gender equality in the processes and procedures of Stakeholder Analysis
2. To take into account the different situations and interests of women and men throughout the procedures and processes of Stakeholder Analysis
3. To achieve equal participation of women and men in development processes and in planned change interventions

the reform intervention to see whether they contribute to development based on equal rights and opportunities. In order to guarantee gender equality in development, all the existing building blocks of the Stakeholder Analysis are to be viewed through a pair of gender spectacles ("mainstreaming"). The two lenses of the spectacles relate to gender awareness and empowerment respectively.

Does the Stakeholder Analysis take account of gender-specific role allocations?



Which particular measures are needed to guarantee gender equality in development?

## Background and focus

Women and men are to have equal access to project services and be able to participate equally in project design and development.

The fact that gender discrimination poses an obstacle to balanced, conflict-sensitive social and economic development is considered common sense in development cooperation, as is the fact that equality of opportunity is a necessary prerequisite for the sustainability and effectiveness of development measures. This is why the equal participation of women and men in development processes is a major concern of German development cooperation.

Any judicious Stakeholder Analysis needs to take account of the different role allocations, life situations and interests of women and men and of girls and boys; it must examine the procedures deployed in

## Gender awareness

Gender roles are not neutral but are rather linked to different degrees of access to choices, rights and opportunities for influencing decisions. Women and men have differing needs and development goals that need to be taken into account in the Stakeholder Analysis. If no gender differentiation takes place, the Stakeholder Analysis runs the risk of indirectly supporting existing role allocations and forms of discrimination against women and men, thereby reinforcing them. If, for example, in an environment organised along patriarchal lines only those actors are taken into account who are already actively involved in political life, then this will indirectly reinforce the marginalisation of women.





**Key question: Does the Stakeholder Analysis take account of gender-specific role allocations?**

- › Does the Stakeholder Analysis take into account the differing life situations and interests of women and men?
- › Which actors have no access or only limited access to resources and to processes of political planning and decision-making on account of their gender?
- › To what extent do the key stakeholders in a reform intervention take account of the differing life situations and interests of women and men?

**Empowerment**

In order to ensure that a stakeholders previously excluded from resources and political processes on account of their gender are able to participate equally in a reform intervention, specific measures are needed. The stakeholder's self-confidence needs to be strengthened, and the stakeholder needs to be enabled to articulate his/her interests and take an active part in the life of the community. Appropriate

conditions need to be created to support this actor's own initiative and self-reflection. Only in this way is it possible to achieve the strategic objective of gender equality in development.

**Key question: Which particular measures are needed to guarantee gender equality in development?**

- › How can it be ensured that gender-specific needs and perspectives are taken into account when a reform intervention is in the planning stage and strategic options are being selected?
- › What measures are needed to ensure that stakeholders are not discriminated against on the basis of their gender?
- › What needs to be done within the organisation and management of the reform intervention in order to guarantee gender equality in development?

In order to guarantee that a Stakeholder Analysis is gender-sensitive, a checklist is used with each of the nine building blocks. The gender spectacles shown above provide the contextual framework for these checklists.

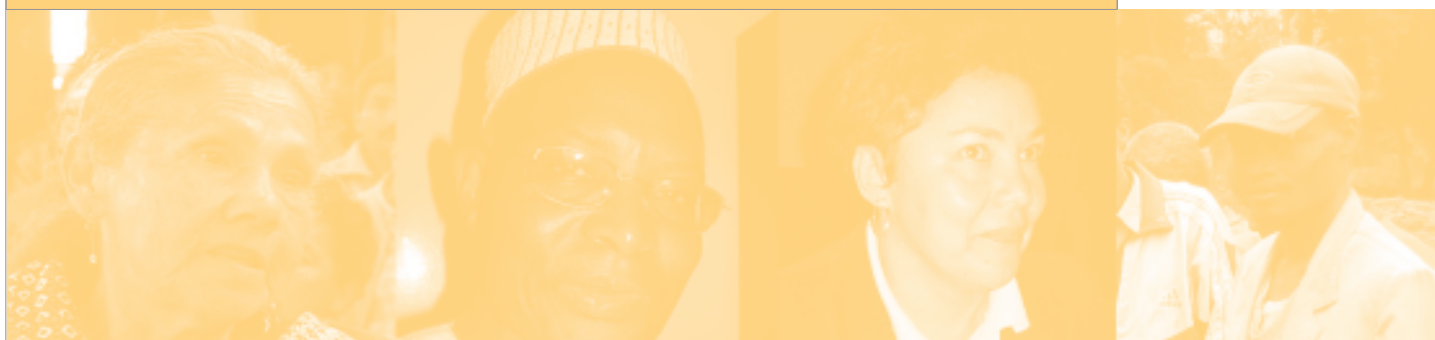
**Procedure: Gender (cross-cutting building block on gender equality in development)**

Building block	Key questions
Building block 01: Identifying key stakeholders	<ul style="list-style-type: none"> <li>› Which stakeholders exert a major influence on gender equality as a result of their legitimacy, resources and connections?</li> <li>› Which key stakeholders actively support gender equality?</li> <li>› Which stakeholders are sceptical towards gender equality or reject the idea altogether?</li> <li>› Which stakeholders need to be strengthened and supported in this regard?</li> </ul>



Procedure: Gender (cross-cutting building block on gender equality in development)

Building block	Key questions
<p>Building block 02: Stakeholder mapping</p>	<ul style="list-style-type: none"> <li>› What differences become apparent in the stakeholder maps when the stakeholders are differentiated according to gender?</li> <li>› Which stakeholders clearly have expertise when it comes to gender equality in development?</li> <li>› Which stakeholders have rather more of an indifferent or sceptical attitude towards the issue?</li> <li>› What gaps in information (blank spots) regarding stakeholders and their relationships become apparent on the map when the gender spectacles are used?</li> <li>› Which stakeholder relationships impede or promote gender equality in development?</li> </ul>
<p>Building block 03: Stakeholder profiles and strategic options</p>	<ul style="list-style-type: none"> <li>› Which capacities and alliances can be used and strengthened to promote gender equality?</li> <li>› When choices are being made about strategic options, what needs to be done to ensure that gender awareness is promoted and the reform intervention promotes gender equality?</li> </ul>
<p>Building block 04: Power and power resources</p>	<ul style="list-style-type: none"> <li>› Which stakeholders are disadvantaged, excluded and marginalised on the basis of their gender by existing power relations?</li> <li>› Through what mechanisms is power wielded in a gender-specific way?</li> <li>› Which power resources need to be especially supported among women and men in order to promote gender equality?</li> </ul>
<p>Building block 05: Stakeholders' interests and scope for action</p>	<ul style="list-style-type: none"> <li>› Which stakeholders have similar interests and goals regarding role allocations and gender equality?</li> <li>› Which stakeholder-specific limitations need to be dealt with and overcome in order to improve gender equality?</li> </ul>
<p>Building block 06: Influence and involvement</p>	<ul style="list-style-type: none"> <li>› Which stakeholders have a determining influence on the promotion of gender equality in the context of the reform intervention?</li> <li>› How can these and the more sceptical actors be integrated and involved?</li> <li>› Which stakeholders, although they have little influence on the reform intervention, should be integrated for reasons of gender equality in development?</li> </ul>



Procedure: Gender (cross-cutting building block on gender equality in development)

Building block	Key questions
<p>Building block 07: Force field analysis</p>	<ul style="list-style-type: none"> <li>› Which gaps in information and relationships regarding the issue of gender equality need to be closed?</li> <li>› Which stakeholder-specific patterns of behaviour indicate the existence of role allocations and forms of gender discrimination?</li> <li>› For what reasons are certain stakeholders sceptical and negatively disposed towards gender equality?</li> <li>› How can these stakeholders be involved in the reform intervention?</li> <li>› How can stakeholder-specific resistance to gender equality be dealt with?</li> <li>› Which stakeholders have inadequate information and are insufficiently involved?</li> <li>› Which capacities and relationships among the stakeholders need to be built up and consolidated?</li> </ul>
<p>Building block 08: Building trust</p>	<ul style="list-style-type: none"> <li>› Which relationships are characterised by different points of view regarding role allocations and gender equality?</li> <li>› What are the concrete interests, perceptions and assumptions on which these points of view are based?</li> <li>› How can trust be built up and consolidated specifically between stakeholders who mistrust one another?</li> </ul>
<p>Building block 09: Exclusion and empowerment</p>	<ul style="list-style-type: none"> <li>› Which stakeholders have, on account of their gender role, neither access to nor control of resources and have very few basic competencies to enable them to articulate their interests?</li> <li>› Which stakeholders have particular capacities in relation to gender equality that could be used in the context of the reform intervention?</li> <li>› Which competencies need to be supported among these stakeholders (empowerment)?</li> <li>› Which institutional rules and conditions need to be created so that gender equality in development can begin to take hold?</li> </ul>



# The concept of Stakeholder Analysis

## What changes when the stakeholders come into view?

Within the context established by international policy guidelines (e.g. the MDGs, the Paris Agenda or the German government's Action Plan for Human Rights (MAP), country strategy papers, sector strategy papers, thematic guidelines and orientation papers, the overall aim of reform interventions agreed with our partners in developing and transition countries is to have a significant impact at structural levels as a means of supporting sustainable political, economic and social change. In order to achieve this goal, interventions take as their starting point processes of societal structural change and foster the latter by focusing on various priority issues; the overall aim is to reduce poverty and contribute towards democratic development which is determined by stakeholders themselves. Stakeholders dismantle barriers to development and initiate new opportunities for action. Their aim is to establish democratic participation under the rule of law, to promote economic growth that benefits first and foremost poorer segments of the population, and to achieve a more just distribution and sustainable stewardship of resources. In addition, they encourage law-abiding and transparent administration and create new forms of cooperation between the state, the private sector and civil society. The women and men, organisations and institutions involved influence the planning and implementation of interventions by virtue of their various interests.

Effective, sustainable and conflict-sensitive development cooperation has to address various shifting interests, preferences and cultural orientations of actors involved, making pragmatic assessments of what is possible, and learning from the experience of engaging in dialogue with stakeholders. With their proven participatory procedures, development interventions implicitly make an important contribution towards peaceful change in social relationships and the development of democracy. Considerable patience

and dogged persistence are needed to ensure that stakeholders involved are able to enter into dialogues to negotiate acceptable and appropriate compromises. This is what development interventions help to bring about. What are the key elements in this process?

### Bringing many different stakeholders into view

Development interventions are joint ventures which are negotiated, planned and implemented by many different stakeholders. In view of the breadth of any given field of stakeholders, it is only sensible to replace "target group" with a different term, given that "target group" implies the rather passive role of beneficiaries located at the end of a "service chain". Stakeholders described as a target group are, as a rule, key stakeholders who have an especially active and dynamic role to play in development-related interventions and who assume responsibility for achieving agreed objectives (ownership). The stakeholders form a flexible system of interdependent relationships. It can be highly instructive to picture the large number of different stakeholders and their relationships in terms of a theatrical production. At the front of the stage, stakeholders can be seen playing their roles, representing their own interests and shaping their relationships to other actors. They act on the basis of their roles, scripts, expectations, influence and resources while keeping an eye on the other stakeholders and their relationships. Together, they form a network of mutual dependency. The stakeholders' power and influence is subject to change. People receive prompts, backdrops are shifted around, and, at the back of the behind the scenes, negotiations are in progress about how to assign new roles. Costumes are donned, the script is rewritten, props are distributed and strings are pulled from above the stage. The spotlights are focused on individual stakeholders, while others remain in the shadows. The almost unlimited possibilities for directing the action are constrained and channelled by the stakeholders



themselves: It is they who form their relationships on the stage and who create the structural conditions for doing so. Finally, one further peculiarity of a theatrical production is that the actors create an artificial reality. They invent an outside world that is either well disposed or hostile towards them, and they either admire or demonise events and other stakeholders. Much is kept impenetrable and hidden, because its revelation would disrupt the image they wish to project to the outside world. Information is exchanged or withheld, or rumours are spread.

#### Taking different interests into account

Stakeholders are affected in different ways by reform interventions; they have different kinds of resources and possibilities for influencing events and adopt different stances towards the objectives of reform, depending on their interests and relationships. Development interventions create and structure the field of stakeholders by placing emphasis on a particular issue and on specific objectives. They provide opportunities, open up access to new knowledge and create systems of incentives with the intention of achieving a balanced, socially just and peaceful development – although other, undeclared goals may be served in the process as well, often unintentionally.

#### Encouraging communication in the process of negotiation

Development cooperation programmes are considered to be complex undertakings, because they are planned and implemented by several different stakeholders in what is frequently a volatile environment; furthermore, they are based on objectives formulated elsewhere

that are by no means coherent (stakeholders' interests, national reform agendas, MDGs, instructions regarding the mix of instruments, and so forth). Communicating about this is often difficult because the range of strategic options is wide (contingency). Due to the stakeholders' different interests as well as the aim to achieve innovations geared towards sustainable structural change, actors have to be involved in planning and managing programmes from the very beginning and in monitoring their results.

#### Identifying and taking into account different perceptions and discourses

Stakeholders construct the world on the basis of their own lifeworld, experiences, perceptions, expectations and perspectives. Development interventions cannot assume that the problems they seek to address have been identified in an objective way. Actors see and interpret these problems in different ways. This means that the different perspectives and interests of the actors involved must be taken into account during planning and implementation. In order to respond appropriately to the stakeholders' dynamics of change, interventions must create space for dialogue and negotiation. This stakeholder-based perspective makes it possible to identify the different discourses used by actors to address the issues and problems they perceive. These discourses reflect their knowledge about a given issue, which includes the interests, societal perspectives, prevailing norms and power relations that are associated with it. These discourses consolidate their identity as stakeholders and also serve to distinguish them from others. They are a reminder that reality<sup>1</sup> is perceived and shaped in specific ways

<sup>1</sup> Drawing on the concept coined by Peter L. Berger and Thomas Luckmann (The Social Construction of Reality, New York: Anchor Books, 1966) and Michel Foucault (The Order of Things, London: Tavistock, 1970), constructivist discourse refers to a network of authoritative statements about a particular topic, which either binds stakeholders together or distinguishes them from one another.

Discourse reflects knowledge about a topic, including the societal perspectives of the stakeholders, prevailing norms, interests and power relations, and these are consolidated in turn through the discourse. Discourses are a reminder that we do not perceive reality directly but rather grasp and shape it in a form already framed by particular concepts.



depending on the actor involved and the terms in which that stakeholder frames it. Once development interventions are conceptualised as ventures based on negotiation, in which different actors can take part in their various roles and with their different interests, it becomes extremely important to be aware of these actor-specific discourses.

#### Monitoring shifts in power

Development cooperation programmes and projects intervene in existing societal circumstances and structures; these interventions, in turn, change individual stakeholders, their access to resources, their relationships among one another, as well as the structures, cultural orientations and institutions that have a decisive influence on their behaviour. Detailed knowledge of the stakeholders and their interests, preferences, objectives and relationships is therefore indispensable in planning and managing interventions. This knowledge is also necessary in order to prevent reform interventions from serving the particular interests of individual stakeholders or even from stirring up violent conflict. Processes of social change are always associated with changes in roles and relationships among stakeholders involved and with shifts in political, economic, social and gender-specific power. Dealing constructively with this – at times conflict-laden – social change requires conflict-sensitive programme management as well as prudent management of socio-technical processes of change that involve many stakeholders. The guiding principle of conflict prevention, “do no harm” (Mary B. Anderson), is also based on a detailed knowledge of stakeholders, and in particular on whether they have a mediating or a polarising influence on a given conflict situation.

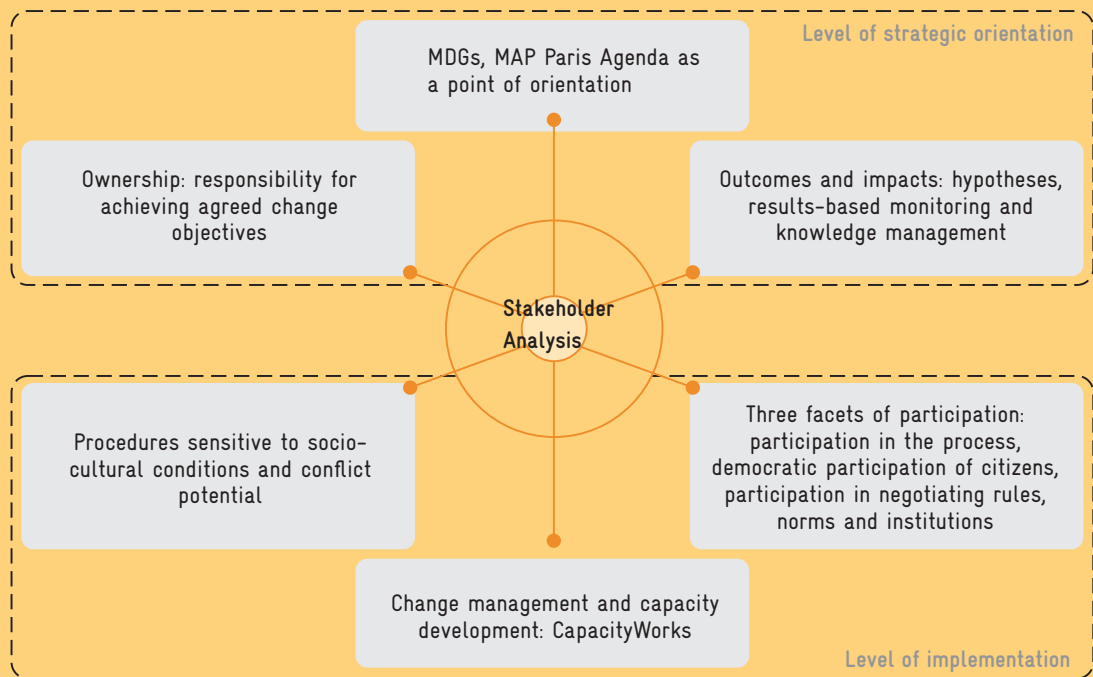
## What are stakeholders?

The term “stakeholders” refers to all public and private groups in a society that are connected to one another by common needs and values, and which present themselves as organised groups in order to articulate their interests and assert these using various means; the latter may include dialogues, negotiations, alliances with other stakeholders, adherence to the rules of democracy or the use of coercion and force.

Unlike the analogy to a theatrical production outlined above, development interventions generally involve collective stakeholders in the sense of groups or organisations which are pursuing a common goal and have developed an internal sense of community and their own rules (cohesion, inclusion, identity). Individuals (women and men), such as a state president, who have special powers on account of their allotted position and influence, can also be described as stakeholders. However, their special position comes to an end as soon as they leave (or are hounded out of) office. Differentiating between different stakeholder groups is more like lifting off the layers of a babushka doll. In some cases it is sufficient to describe a stakeholder as a homogeneous unity: government ministry, entrepreneurs, car drivers, pressure group, farmers; in others, a homogeneous stakeholder group needs to be subdivided into different stakeholders on the basis of different interests and socio-structural characteristics, e.g. middle management of an official body, small entrepreneurs in specific industries with no access to credit, young car drivers below 25 years of age, fundamentalist grassroots members of a pressure group, organic farmers, etc.



Bringing the stakeholders into view opens up the possibility of integrating diverse efforts into an effective form of development cooperation. Stakeholder Analysis provides a lynchpin for planning and managing development interventions.



**Level of strategic orientation:**

Taking the MDGs, the German government's *Pro-gramme of Action 2015* and the *Paris Agenda* (har- monisation) as a point of orientation, the theme that runs through them all is the German Government's *Action Plan for Human Rights* (MAP). The three components of universalism (human dignity, inalien- ability, equality), emancipation (freedom, equality, indivisibility) and legal institutions are promoted in practical development cooperation through partici- patory processes, empowerment, transparency and accountability, as well as through conflict-sensitive procedures. Results monitoring based on the stake- holders and their perceptions and strategies takes special account of the way changes in relationships occur among the stakeholders concerned.

**Level of implementation:**

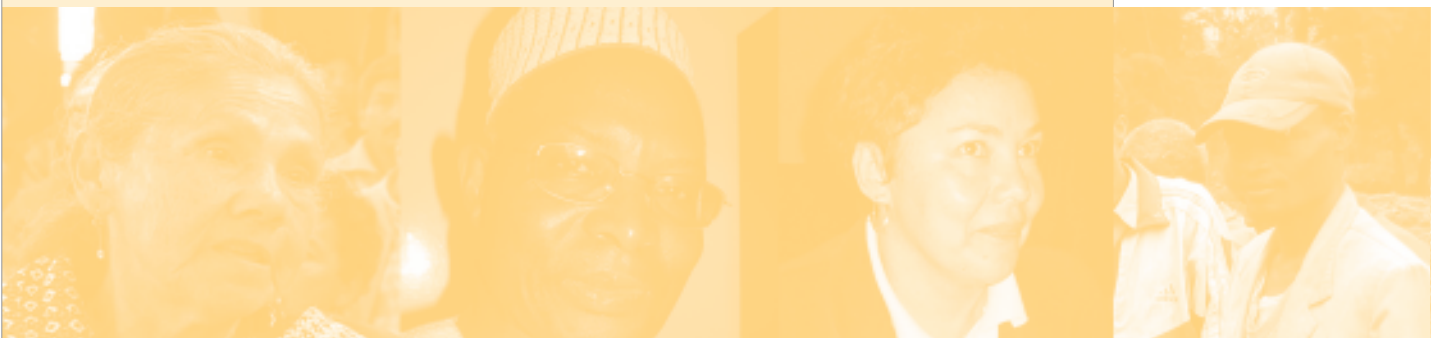
In terms of strategic orientation, the management of development interventions relies on the network of stakeholders. When selecting strategic options, one indispensable prerequisite for acting in a way that is socio-culturally appropriate and conflict-sensitive is to bring into view not only the actors' interests and influence but also their forms of participation and diverse lifeworlds. Lifeworlds (and, with them, livelihood systems) are constituted through commu- nication, social interaction, economic activity and on the basis of religious-spiritual ideas and life plans. Stakeholders draw on knowledge that they take for granted and on the orientations and motivations derived from that knowledge while distinguishing themselves from other actors. Lifeworlds set up a



context of meaning that is culturally predetermined and is taken for granted, providing orientation, security and a sense of belonging. These include not only fragile indigenous ways of life but also the lifeworlds of small business people, elites and the particular lifeworlds of stakeholders in the state bureaucracy.

In a narrow sense, capacity development among stakeholders refers to the acquired capabilities of people and organisations to perform a task effectively and efficiently; at the same time it also refers to such intangible capacities as the ability to learn, to cooperate and to change, the ability to engage in self-reflection, as well as possession of communication skills and social skills in order to articulate one's interests, participate in processes and settle conflicts peacefully. Empowerment plays an impor-

tant role throughout capacity development processes, aiming to enable disadvantaged stakeholders to have equal access to resources, to participate actively in decision-making processes and to be able to demand their rights. Empowerment may be needed at all levels to ensure that disadvantaged stakeholders are able to demand their rights and to participate as equal partners. The stakeholder-centred concept of exclusion plays an important role in this context. It draws attention to the process of social exclusion and thus to the dynamics of a society in which individual actors are denied rights and resources, where they are allotted to a marginal position in society and are kept there by force (withdrawal of resources and rights, repression by the police, cultural patterns, etc.; see Building block 09: Exclusion and empowerment).





Creating a typology in relation to the reform intervention

Role players within a reform process who have at least potential interest in an issue (e.g. public financial management, budgetary planning or accountability) and a change objective are usually called "stakeholders". These actors have a stake in the issue which they seek to safeguard and on no account wish to lose. By virtue of their material resources, position and knowledge, they have particular opportunities to influence events and contribute significantly to the conceptualisation, planning and implementation of the reform intervention. As mentioned in the beginning the terms "stakeholders" and "actors" are used synonymously.

Stakeholders directly affected by reform interventions are generally referred to as "primary stakeholders". They may be the beneficiaries of a project,

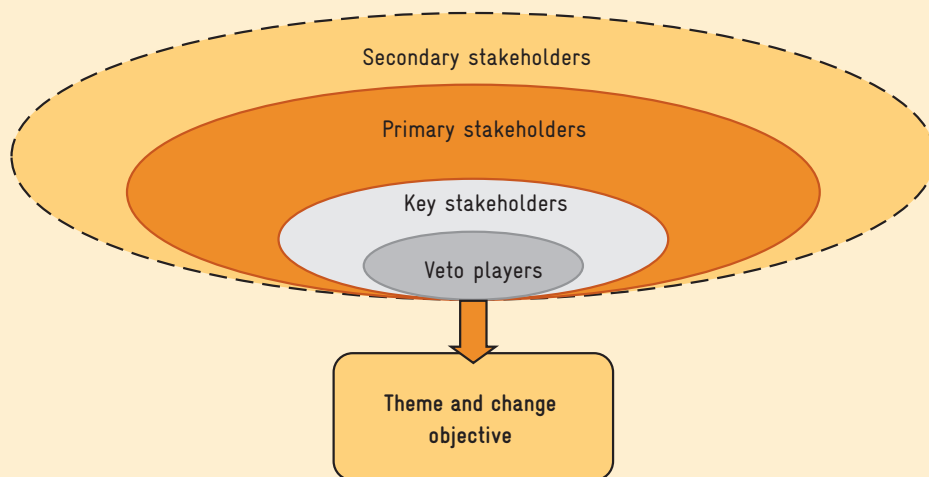
people who would like to acquire – or have to relinquish – power and privileges, or people who are disadvantaged by the project in some other way, for example by having to be resettled.

"Secondary stakeholders" are those who are involved only indirectly or temporarily in the reform intervention, such as intermediary service organisations.

Role players capable of significantly influencing a reform project by using their capabilities, knowledge and position of power are described as "key stakeholders".

Key stakeholders are those actors without whose support and participation the envisaged results of a reform intervention are not likely to be achieved; they may even be able to block the reform project ("veto players").

The stronger and more influential a role player is, the more this actor will tend to see himself or herself as the sole participant and will want to represent other actors or to exclude them.



#### Identifying interests and the methods used to assert them

In the context of development cooperation, the term “stakeholder” stands for groups and organisations (public and private) and, in exceptional cases, individuals, who articulate their needs, goals, interests and values in a more or less explicit way. Stakeholders use a variety of methods to pursue their goals – dialogue and negotiation, the giving and withholding of rewards, access to knowledge and social relationships, alliances and networks with other stakeholders, incentives and sanctions towards other stakeholders, the threat and use of force.

#### Gauging the situation

In order to find answers, we need to ask the right questions. The initial question may be, for example: Who are the three most important stakeholders from the public sector, civil society and the business community involved in the development intervention? Stakeholder Analysis opens up the wider field of actors step by step, through a process of differentiation. Thus, for example, the question as to the most important relationships of exchange for one stakeholder leads unexpectedly to other stakeholders who are just as important for the issue and the objective of the intervention. Conversely, too much differentiation may lead only to confusion: in an increasingly globalised world, every stakeholder is potentially

linked to every other stakeholder.

### How are development interventions linked to the network of actors?

The stakeholders involved to varying degrees and in different roles in a reform intervention form a network based on mutual dependency. The stakeholders’ ability to perceive these mutual dependencies as well as the consequent necessity to negotiate issues of implementation with the other stakeholders is a crucial factor in establishing the momentum, depth and sustainability of a reform intervention.

#### A network based on mutual dependency

The network is ultimately based on the fact that none of the stakeholders involved is able to achieve the objectives associated with the reform intervention on their own. This realisation is the reason why it is necessary to adopt a participatory approach. Furthermore, it is important to encourage this realisation among the actors themselves, in order to make the intervention into a process based on negotiation.

#### Supporters and blockers, winners and losers

A development intervention impinges upon existing, well-established mechanisms of political and societal coordination and control. These are based on more or less explicit agreements (laws, norms, customary law, tradition, ideas about justice), such as those concerning the use of natural resources. Politi-



cal and societal control emerges from the combined activities of different actors. Analysis of the flexible system of stakeholders and their relationships makes it possible to identify the different roles played by stakeholders in relation to the issue and to the change objective of the intervention. In other words, a development intervention structures the field of stakeholders rather like a magnet: the stakeholders adopt a particular position on it and state their opinions about it. They may support the intervention or they may block it, depending on their calculation of the risks, incentives and potential gains. Achieving a harmonious balance of interests – the much-trumpeted “win-win situation” – is surely the exception rather than the rule. The long-term perspective entailed by such projects and programmes often clashes with the short-term interests and expectations that generally have a more powerful influence on actors’ behaviour. A process of reform usually generates both winners and losers. However, stakeholders’ perceptions and behaviour may change fundamentally in the course of a project if the reforms succeed in creating genuinely new relationships and spaces for negotiation. Managing an intervention and organising stakeholders’ participation prudently requires having knowledge about them – both at the beginning of the project as well as during the course of the reform process.

#### Monitoring the conflict scenario

Development interventions aim to bring about non-violent social change; they are interventions in exist-

ing power relations. They emerge out of a process of negotiation with various stakeholders who are able to articulate their interests. The act of influencing or even eliminating structural obstacles to development cannot be separated from the interests of particular stakeholder groups and the power relations that exist among the actors. Changing the structural causes of poverty, unjust distribution and lack of legal recourse poses a direct challenge to prevailing conditions.<sup>2</sup> This is why change is controversial and has to be negotiated with the stakeholders. The discourses of the latter give expression to the logic they bring to maintaining the status quo or to changing it. In other words, development cooperation reform interventions are part of a scenario of societal conflict. They create a space in which different goals and interests can be represented and negotiated and they encourage the participation of certain actors while excluding others. They lend support to disadvantaged women and men to enable them to articulate themselves and demand their rights, thereby intervening in prevailing power relations. They open up selective access to resources and take a stance in favour of a fair redistribution of wealth and economic growth that benefits socially disadvantaged groups, in favour of a pluralistic, decentralised (and therefore conflict-laden) democracy, and in favour of respect for human rights and transparent governance. They also take a stance against impunity and despotism, degradation, humiliation and discrimination based on gender, ethnicity, social origin or religion. Stakeholder Analysis prepares the ground for identifying and dealing with the faultlines of conflict that run between stakeholders.

<sup>2</sup> The structural causes of poverty or resource degradation are part of a logic that is created and maintained by the stakeholders involved. The starting point and prerequisite for any reform intervention is a profound understanding of this logic of the status quo. Without this foundation, problem analyses and reforms remain at the level of voluntaristic schemes with little concrete impact.



## What are the key aspects of Stakeholder Analysis?

Stakeholder Analysis aids the process of planning and managing a development intervention efficiently and effectively. Problem definitions produced by external experts in a scientifically objective way need to be compared with the perceptions of the actors and their interests. This creates favourable conditions for judging and selecting strategic options realistically and implementing capacity development measures in order to boost the performance capacity of the stakeholders involved. Three points need to be addressed in the process:

- (i) stakeholders' participation in planning and managing the intervention,
- (ii) stakeholders' different perspectives,
- (iii) stakeholders' lifeworlds and incentives.

Every Stakeholder Analysis is based on a particular outlook. All the actors, including "donors" and their implementing organisations, adopt a particular point of view in relation to the issue and to the change objective of a project.

### Stakeholder Analysis as a management tool

Stakeholder Analysis provides knowledge about the stakeholders who are actively involved in a development intervention – about their interests, perceptions, relationships and strategies and about how they articulate and deploy their interests in alliance with other stakeholders. It also helps in making a realistic assessment of opportunities and risks, of

the stakeholders' will to change and of their performance capacity, and it serves to initiate, structure and support processes of change among the actors. Overall, Stakeholder Analysis contributes towards guiding development interventions towards realistic goals and managing them jointly with the actors involved. As this summary account of the purpose of a Stakeholder Analysis suggests, it is not something that should be done just once, at the start of a project. Instead, it is important to see the Stakeholder Analysis as a dynamic management tool to be used repeatedly at regular intervals. The process of change initiated during the implementation of a development intervention generates new knowledge and new experience – for example, about stakeholders' real performance capacity and ability to cooperate – which are fed into the Stakeholder Analysis periodically to provide fresh information. The task of updating and discussing the Stakeholder Analysis is part of the monitoring and evaluation of development interventions.

### Separating the perspectives

Every participant has his/her own truth. The different interests and ambitions of stakeholders involved often only come to the fore during the course of the change process and then undergo change during the process itself. The stakeholders observe the process and its effects from their different standpoints and with their different interests, testing the waters to work out how much influence they have. In order to understand this dynamic, it is necessary to flesh out the stakeholders' various perspectives and opinions, so that they become visible and open to negotiation.



Every group of stakeholders sees a different part of the intervention and judges it in the light of their own interests. Their explanations and discourses form a construct which in turn provides the basis for their strategies. Just as specific to each stakeholder are the explanations they offer for their own reasons, expectations and motivations for participating in the intervention. Stakeholder Analyses therefore require a separating of perspectives based on the actors' positions in relation to the intervention (above/below, inside/outside, proximity and distance in relation to the issue), their gender (female/male), their socio-structural characteristics (background, education, access to resources, etc.) as well as their state of knowledge, capacities and influence; this is needed in order to understand their perceptions, motivations, agendas and strategies.

#### Precision and power

Human behaviour is guided, among other things, by incentives. Incentives may provide a prompt for a particular kind of behaviour, they may reinforce that behaviour or they may discourage certain kinds of behaviour. Incentives are an integral part of the actors' lifeworld. Incentives may be of a material or social nature, such as an expectation of acquiring greater prestige, power or comfort, or of having one's contribution recognised. However, they may also be projected onto development interventions because of expectations, fears or cultural tendencies, yet have no solid foundation in reality. In either case, they have a significant impact on stakeholders' participation and on their willingness to change. Self-projected incentives and fears may lead to changes in behaviour. The crucial point here is that rational

action, in the narrow sense of economic utility, is something actors engage in only to a limited extent. People often do not maximise their utility; this may be because they are guided by other values, cultural orientations and preferences or because they have only limited information and knowledge at their disposal. However, even if they are provided with the relevant information and knowledge, stakeholders rarely behave exclusively on the basis of rational insight in the sense of optimising their utility. They draw selectively – according to their interests – on the information available to them through, say, reports, statistics and studies, and act on the basis of their perceptions and interests. Information is amplified, ignored, distorted and circulated to make it fit into one's own lifeworld and to use it for one's own interests. Scientific precision and measurability are only one part of the reality and lifeworld of actors; the other part consists of powerful desires and interests, power relations and internal motivations. This powerful, intangible part of actors' diverse motivations can only be tapped into by means of personal encounters and ongoing dialogue with the actors themselves. Intercultural understanding and fathoming actors' motivations are a matter of personal experience – there is no other way. Stakeholder Analyses must therefore have a balanced mix of data and actor-specific interpretations fed into them. They require discreet handling of confidential information.



# Stakeholder Analysis in practice

## - Applying the method in Senegal

In order to test the utility of Stakeholder Analysis as an instrument for increasing efficiency, and focusing on results in development cooperation, BMZ requested that the tool be applied within the sector project "Mainstreaming Participation". This was done in the context of the project "Youth Employment Promotion in Urban Areas of Senegal" (PEJU). In overall charge of planning and implementing the operation was the Senegalese Ministry for SMEs, Female Entrepreneurship and Microfinance, in collaboration with the KfW development bank and local GTZ staff.



### Why promote urban youth employment in Senegal?

In spite of relatively high rates of economic growth in Senegal, private sector performance – particularly in the informal sphere – is not sufficient to absorb the growing number of young people seeking work. The KfW/GTZ cooperative project on Youth Employment Promotion aims to expand employment opportunities for young people in micro, small and medium-sized enterprises (MSMEs). The financial cooperation (FC) component is helping to achieve lasting improvements in MSME access to appropriate financial services through non-state financial intermediaries, while the technical cooperation (TC) component is contributing towards improving the broader conditions for SMEs as well as employment-driven vocational training opportunities for young people.

While a project's objectives and potential partners are detailed in the project appraisal that is carried out in the course of developing an offer, the concrete forms of cooperation envisaged with specific partners have often not yet been established. The new project team is not normally part of the appraisal mission. In addition, staff changes often take place in the partner organisation in the time between appraisal and implementation. Structured and visualised dialogues and joint events help to speed up the process of building trust between the new actors and to make the development of concrete pilot measures more transparent. This creates a robust basis for later planning workshops.

An up-to-date overview of the actors is generated, providing a snapshot of the multi-stakeholder landscape. The actors are assessed according to their relevance to the project and are included in some small precursory cooperative activities related to the common objective, which is revised and confirmed through this process of communication. This is the only way to develop contacts built on trust as a basis for multi-stakeholder management. This



approach is consolidated during the course of the project in order for the common objectives to be achieved. Stakeholder Analysis is a useful instrument to deploy at this state of a project, as it gives an idea of the stakeholders' different interests and possibilities as well as of the connections that already exist between them. On behalf of BMZ, the sector programme "Mainstreaming Participation" commissioned Jean-Pierre Wolf of KEK-CDC Consultants, Zurich to carry out a Stakeholder Analysis in Senegal from 28 May to 7 June 2006 for PEJU. Just two weeks were available for preparation prior to implementing the Stakeholder Analysis, so that a considerable degree of flexibility, improvisation and commitment was required from all those involved. Heartfelt thanks are due at this point to everyone concerned.



### Important outcomes in terms of programme operation

The implementation of Stakeholder Analysis in the PEJU programme led to the following outcomes:

1. Knowledge about the potential of relevant stakeholders acquired as a basis for multi-stakeholder management: 20 organisations relevant to the programme area were sought out. Information was gathered and recorded under different thematic headings on single-page formatted sheets (like fact sheets). Relevant information from the participants' analysis conducted in the course of devising the offer was drawn on for this, provided the information was current.





2. Change in perspective regarding the cooperation landscape – once the stakeholders have been looked at from separate points of view, the different perspectives are brought together: In a total of 12 conversations with different stakeholders already identified as being relevant to the project, the various points of view (subjective accounts and judgements) were recorded and evaluated separately. These and other named stakeholders were then brought together at a workshop, where initial consultations were held with regard to joint activities. The external consultant supporting this process acted as facilitator and mediator.

3. Common understanding of the terms of reference of the PEJU programme: In the course of the conversations that were held as part of the Stakeholder Analysis, the points of reference (objectives) made more concrete and a shared understanding of the goals and practical options available to decision-makers explored in greater detail, as was the TC/FC contribution.

4. Four pilot activities as trust-building measures: At the joint workshop the actors participated in identifying some initial measures appropriate to the project objectives that were to serve as a way of learning how to cooperate. These are concrete, temporary activities that jointly contribute towards promoting youth employment. The pilot activities are based on existing strategy papers – *Charte*







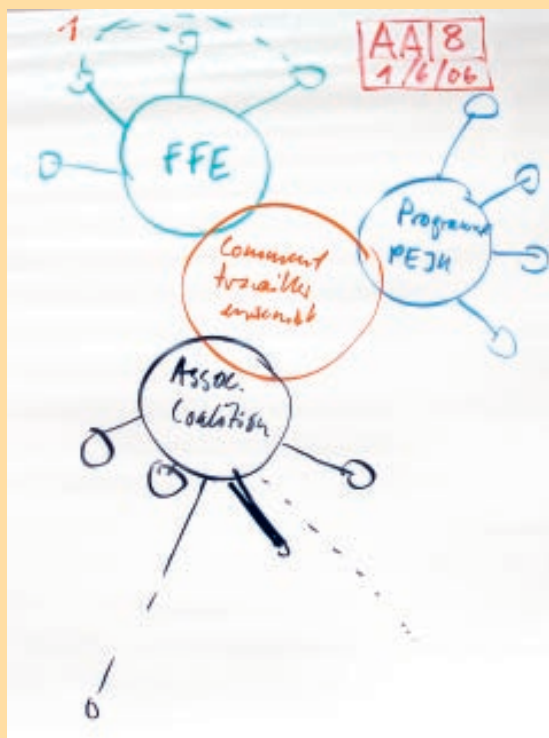
des PME, Stratégie de croissance accélérée, DRSP, Stratégie de promotion des PME 2005-2010, etc. – and contribute to their implementation. The relationship between a pilot activity and a strategic orientation needs to be elucidated comprehensively. These activities encourage familiarity among those involved, sharpen their understanding of the objective and help to explore the possibilities for implementation. It is often useful to run through the activities more than once, in order to underline the binding nature of the agreements. A shared experience of success promotes trust and leads to concrete outcomes such as arrangements concerning joint activities. The measures (the process as well as the product) are evaluated jointly at the end of the pilot measures.





## Important methodological outcomes relevant to using Stakeholder Analysis

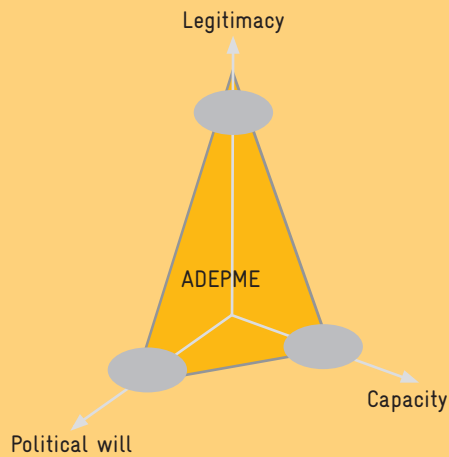
1. Relevant stakeholders are not recorded systematically at the start of the implementation phase: Ever since GTZ officers responsible for contracts and cooperation have no longer been required to follow a fixed project management procedure (ZOPP is no longer an obligatory instrument), the use of a participants' analysis at the start of implementation in the field has become less commonplace. Often, the experts involved are quite knowledgeable about the many different actors in the field, yet this knowledge is generally not written down or systematised, nor is the information matched in any systematic way to the various thematic issues. Analysis of donor interests crops up in verbal discourse but is disregarded when it comes to putting things down on paper. The outcomes were recorded jointly with the Senegalese partners on



flipchart sheets. (In one instance the room was so full that some “building blocks” were discussed while where the participants crouched on the floor.) Writing down the results made it possible to work quickly and effectively, with explanations alternating with negotiations. Outcomes were

formulated jointly and presented in a workshop afterwards, which created transparency.

2. **Keeping the donor organisations in view as important stakeholders** proved to be rather difficult in practice: a combination of habit, diffidence, the parties’ own interests and a lack of clarity was evident among all the participants, German and Senegalese, during the Stakeholder Analysis. Both the Senegalese partners and the representatives of donor organisations responded very cautiously when it came to analysing a donor organisation. Time, patience and practice are required if the claim that “We donor organisations are also relevant stakeholders that need to be included in a Stakeholder Analysis” is to be put into practice.



**Visualisation of the subjective and collective assessment of specific actors**

Extract from the final report by Jean-Pierre Wolf, KEK-CDC Consultants, Zurich.





3. Stakeholder Analysis has proved to be a useful instrument for the partners: Participating representatives from the Senegalese organisations asked about the instrument straight away so that they might use it in their own organisations. They saw the instrument as a simple-to-use tool. Given the implications of a discourse of alignment (“We are guided by the instruments and procedures presented to us by the partner country”), it is important to regard it as an internal tool of the relevant partner organisation.

4. Consultancy is part of negotiation-based management: Different stakeholders who barely know one another and find themselves competing for DC funding come to be guided by a common objective as a result of the conversations conducted during Stakeholder Analysis. This worked very well in Senegal. At the final workshop the Senegalese partners explicitly praised the fact that the participants had got to know one another better and were thus able to act jointly in relation to particular issues.

4 Theme et objectif de développement

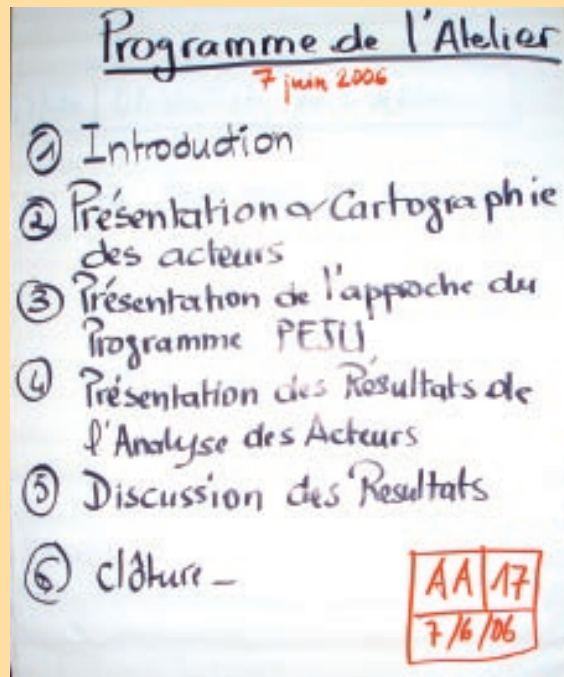
Acteur	Agenda	ARENE	ALLIANCES
G	Amélioration des conditions de vie des populations cibles	Micro finance	(A) KFW, KEF, GTZ
T	*Capacitation des individus / organisations	Promotion PME Employabilité (formation Professionnelle)	(B) Etat, Secteur Privé
Z	✓ Emploi de Jeunes Urbains		(C) Etats Associations (D) Etat, Partenaires ou Bénéficiaires

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5. Cooperation management today is considered to be multi-stakeholder management: Knowledge about stakeholders' potential is a prerequisite for successful, negotiation-based management. The consultant guides the Stakeholder Analysis of the relevant actors with a view to their potential. The consultant seeks to establish synergies between different stakeholders. The participants develop a common understanding about objectives and how to work towards them. The workshop participants praised this emphasis on the positive dynamics of cooperation. Contrary to common practice, the meetings did not turn into lengthy discussions about problems, but were geared towards the future and focused on common activities.

6. A Stakeholder Analysis creates the basis for systematic monitoring: A Stakeholder Analysis is also one element of the monitoring activities applied to a DC project or to the activities agreed among the various actors in the context of such a project. At agreed intervals the performance of the measures agreed is assessed along with their impacts. A set of indicators should be jointly established for this.



# Suggested reading

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# Abbreviations

ADEPME	Agence de Développement et d'Encadrement des Petites et Moyennes Entreprises (Senegalese Agency for the development and support of small and medium-sized enterprises)
BMZ	German Federal Ministry for Economic Cooperation and Development
DC	Development cooperation
DED	German Development Service
FC	Financial cooperation
FES	Friedrich Ebert Foundation
GTZ	German Technical Cooperation
HSS	Hanns Seidel Foundation
KAS	Konrad Adenauer Foundation
KfW	KfW development bank
MAP	German Development Policy Action Plan on Human Rights
MDGs	Millennium Development Goals
msmEs	Micro, small and medium-sized enterprises
NGO	Non-governmental organisation
OECD	Organisation for Economic Co-operation and Development
PEJU	Youth Employment Promotion in Urban Areas of Senegal
SV	Sector Project
SVMP	Mainstreaming Participation Sector Project
TC	Technical cooperation
ZOPP	Objectives-Oriented Project Planning



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