

This presentation takes the skills of negotiation and conflict management and applies them to a multi-stakeholder consensus building context. How do we design and structure negotiation and problem-solving processes in the complex situations you deal with - with multiple stakeholders, multiple issues – where real engagement and buy-in is needed to move forward?



## World Cities Report 2016: The Planned City versus Cities that Plan

### *The Planned City*

- > reflects only the views of national leadership
- > no local input
- > favouritism and nepotism
- > distorted priorities

*A City that Plans embraces views*



Residents



Employers &  
employment



Elected leaders

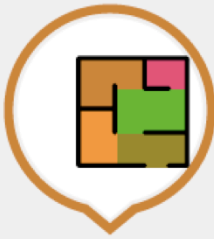


Investors

*A City that Plans integrates*



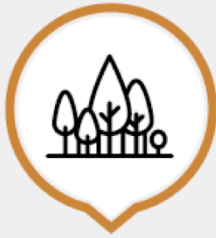
Infrastructure



Land use



Culture



Natural  
resources



Education

# Challenges in urban sustainable development

## ■ Problems of rapid urbanization

- Informal settlement vs. urban development project
- Lack of basic infrastructure for the urban poor
- Traffic congestions
- Air and water pollution
- Ineffective waste management
- Vulnerability to natural hazards



Trần Văn Tuấn (2015)  
Flooding in Ho Chi Minh City, Vietnam (FloodList)

## 10 Inherent challenges in urban planning

- How to manage uncertainties in complex urban systems
- How to address and reconcile various needs of diverse stakeholders
- How to engage those stakeholders
- How to consult public opinions
- How to coordinate among different levels of jurisdictions
- How to build capacity for actors
- How to build and maintain trust among participants
- How to expand and utilize limited financial resources
- How to formulate creative solutions
- How to implement policies effectively



## + Sources of Conflict on Sustainability Issues

### Disagreement over “facts”

- what information is relevant
- what is valid (sources, methods)
- what is certain
- how is it interpreted

### Incompatible interests

- who gets what (allocation of resources)
- how the process works (who is involved, how, when)
- what trade-offs will be made (economy vs. environment; disbursement vs. accountability; short- vs. long-term gains)

### Clash of values and identities

- how the world “is” or “ought to be”
- who has moral or legal right to do something
- who should bear the costs or risks of public action
- who is respected, and who is not



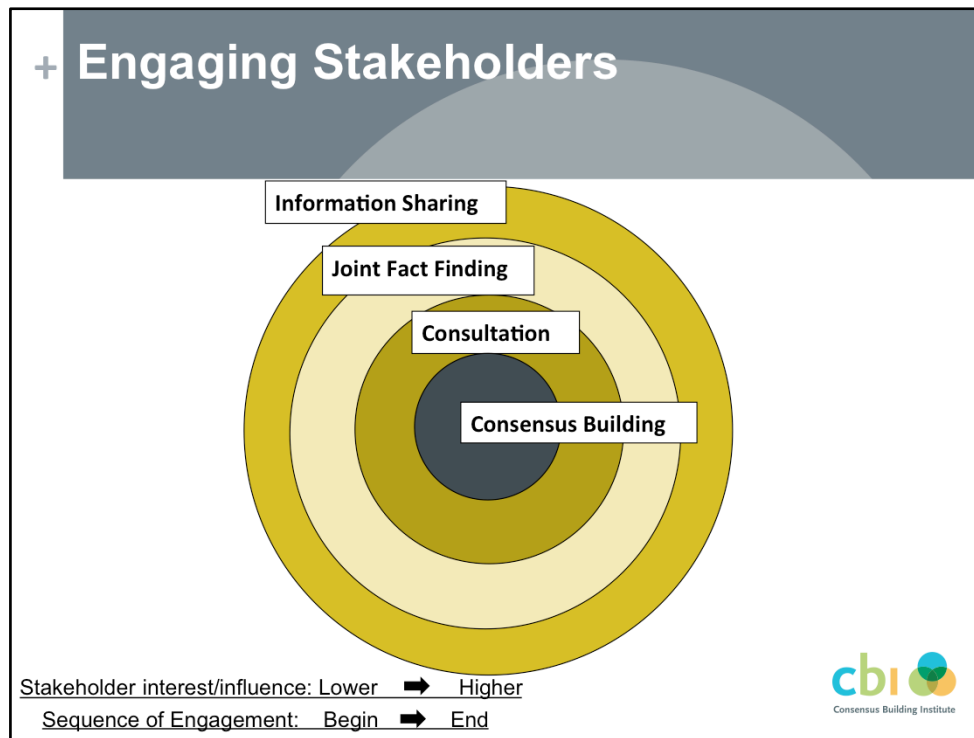
## Sources of Conflict (2)

### Negative relationships

- historic tension
- lack of trust, misperceptions among groups

### Process factors

- unequal representation
- unequal control of power, authority and resources
- competing organizational missions, mandates, procedures
- time frames not matched to pace of demographic, economic and political change



There is a spectrum of stakeholder engagement in decision-making, and where you are on that spectrum depends on level of stakeholder buy in you need – the higher the influence and the interest of stakeholders, the more engaged they need to be.

- In the outer ring, with low levels of stakeholder interest or influence, the goal might just be sharing information – explaining to stakeholders what is going on, hearing their input, advise, or opinions.
- If technical or scientific information is in dispute, you may want to engage in Joint Fact Finding – a method that involves stakeholders (including decision-makers and experts) in agreeing on information needs and the methods for collecting analyzing, and presenting needed information.
- Consultation involves a deeper level of stakeholder engagement, where stakeholders may have a role in crafting options and more influence over the outcomes.
- In the center is Consensus Building, which we will now discuss in more detail.

## + The Consensus Building Option

### **CONSENSUS BUILDING** ⇔

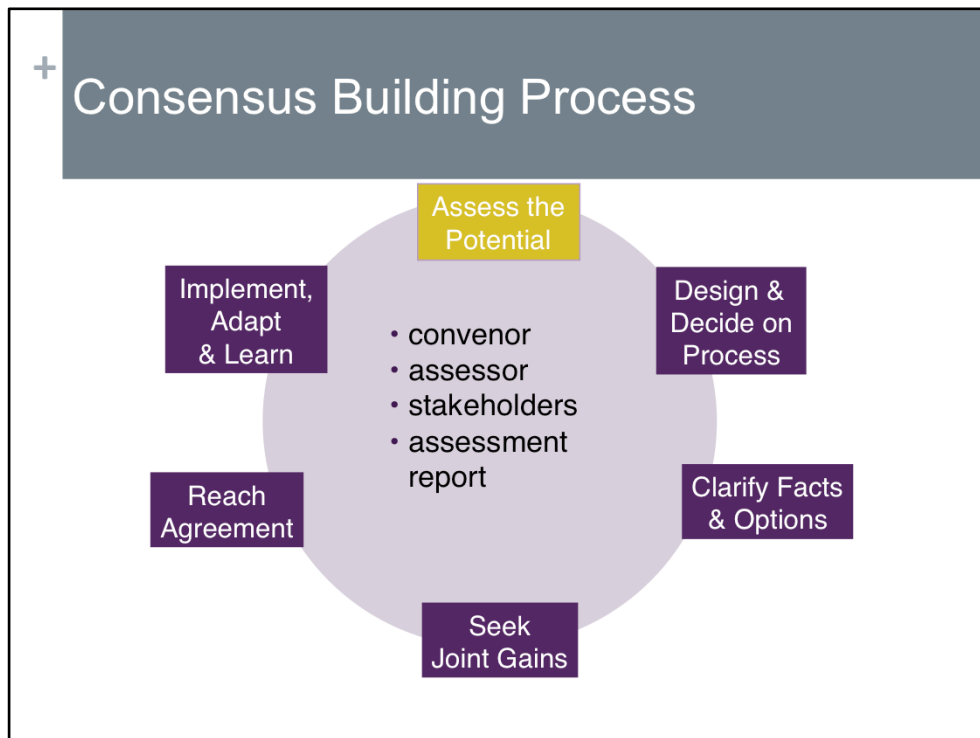
**Decision making processes in which groups...**

- Seek representation of all affected stakeholders
- Gain a shared understanding of each other's underlying interests and of the technical, political, social, economic and environmental issues at stake
- Jointly develop options that are more creative and widely supported than the initial proposals of any one stakeholder
- Seek agreements that satisfy everyone's primary interests



Consensus building is a way to structure and facilitate the process of multi-stakeholder, multi-issue negotiation, using several steps and tools. Fundamental components include:

- Representation of all affected stakeholders, including people who will be affected by the decision, those who are needed to implement the agreement, and those whose opposition could undermine the decision or implementation.
- Drawing on the MGA, clarify interests, values, and needs
- Develop option, and
- Seek agreements that all parties can live with.

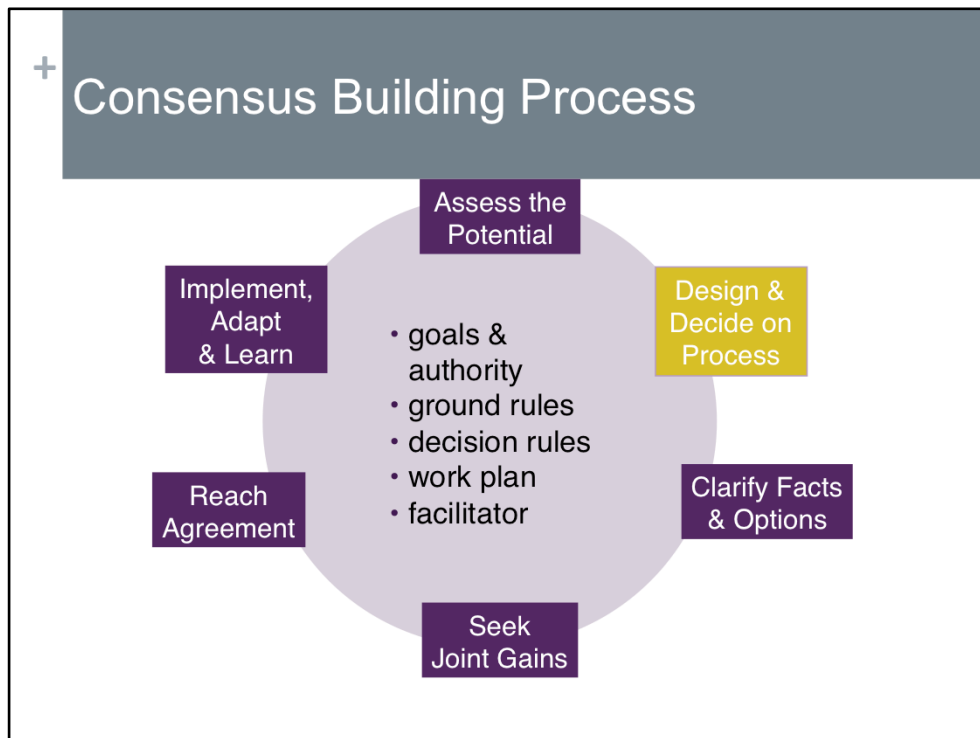


The Consensus Building Process has several steps and components. First, stakeholders must be brought together by a convenor. A convenor is an individual or agency with

- a stake in an issue or situation (it may have well-defined interests or a more general involvement with the issue area, region or nation);
- a desire to bring other stakeholders together to make progress on the issue/situation;
- resources (financial, technical and/or logistical) to invest in bringing stakeholders together;
- enough legitimacy/authority in the eyes of other stakeholders so that they are willing to consider working together under its auspices.

The first Step in the Consensus Building Process is Assessment. Assessment is evaluation of a conflict, issue, or situation, based on confidential interviews with stakeholders, to help all parties understand their interests, other people's interests, and initial options; clarify the potential for a negotiated agreement, increase understanding of the issues, the stakeholders, and the relationships, and determine what type of public process is most appropriate. It results in a verbal or written report, shared with all. The main technique used in the assessment process is direct interviews with individual stakeholders.

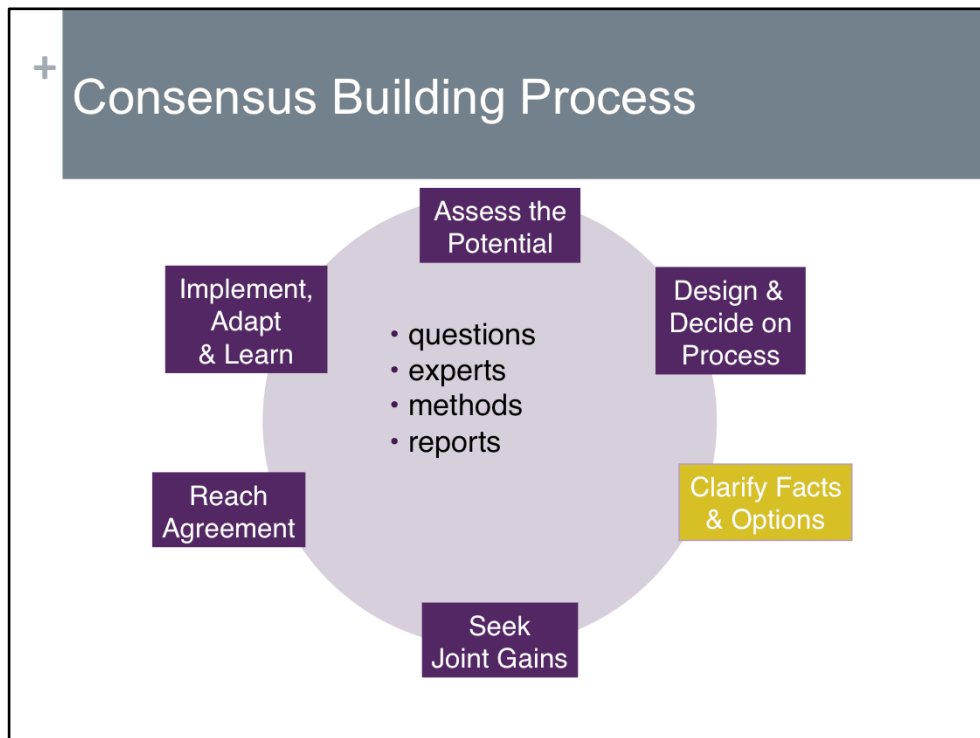
The assessment (sometimes called a "stakeholder-," "issues-" or "conflict assessment") is a tool not only for gathering information, but also for building trust and for helping to design a process that maximizes the likelihood of reaching a broad consensus on the most important issues at stake.



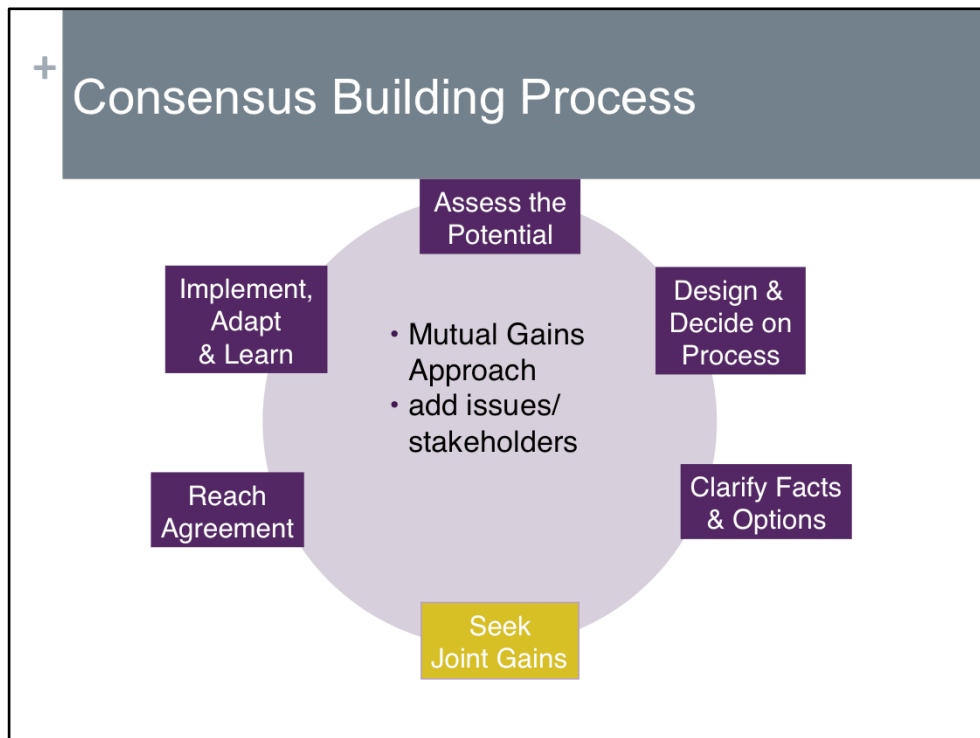
Based on the Assessment, the next step is to Design the process. Consensus Building Processes are NOT one-size-fits-all! Each one is tailor designed to fit the specific situation and challenges it is meant to address. Among the questions to answer in process design are:

- What is the intent/goal of the process? What is the group's authority over the decision (input, advisory, binding decision)?
- What stakeholder groups should participate?
- What are their roles and responsibilities?
- How will decisions be made?
- What communication channels are needed?
- What is the facilitator/mediator's role?
- What are the context constraints (legal frameworks, timelines, etc)?
- What is the schedule (how many meetings, when, how often, how long, what is the goal of each, etc)?

The answers to these questions should be laid out in ground rules and a Work Plan . Clear, agreed ground rules can make a very substantial contribution to the work of the group, by ensuring that all participants have the same understanding of their roles and responsibilities, and by creating an environment for productive discussion, negotiation and consensus building.



The group needs to clarify its information needs – what do they know, what don't they know, what do they need to know – and how to go about acquiring the information. If the "facts" are contested, there may be a need for Joint Fact Finding. The group should jointly define the scientific/technical questions to be answered, identify and select qualified resource persons to assist the group, agree on, the methods that will be used to develop information, and how it will be reported. They might also monitor (and possibly participate in) the study process, and review and help interpret the results.



This is the stage of a consensus building process where individuals can make major contributions to achieving agreed goals by using the Mutual Gains Approach: preparing effectively, focusing on interests, exploring options without committing, and developing shared criteria to guide decision-making. To encourage all participants to use a mutual gains approach, it may be useful to offer a short (1/2 day to 2 day) training in mutual gains negotiation to all participants at the beginning of the process.

In addition to the individual use of mutual gains strategies, the group can also make deliberations more productive by using skilled facilitation and single text drafting.

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## Seeking Mutual Gains through Negotiation



#1. PREPARE EFFECTIVELY

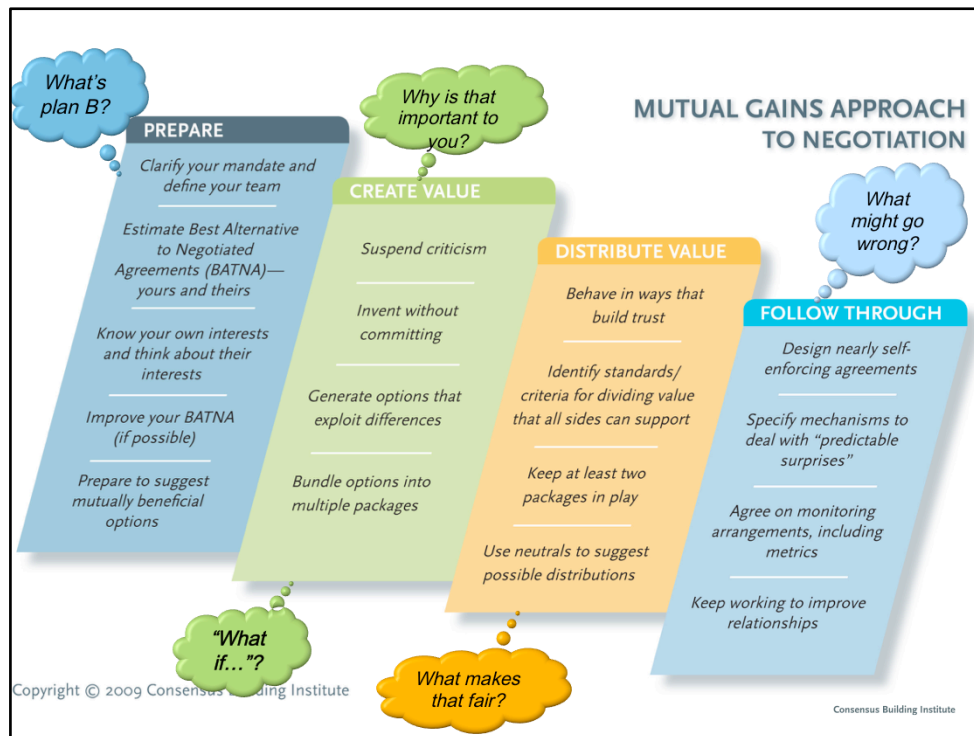
#2. CREATE VALUE

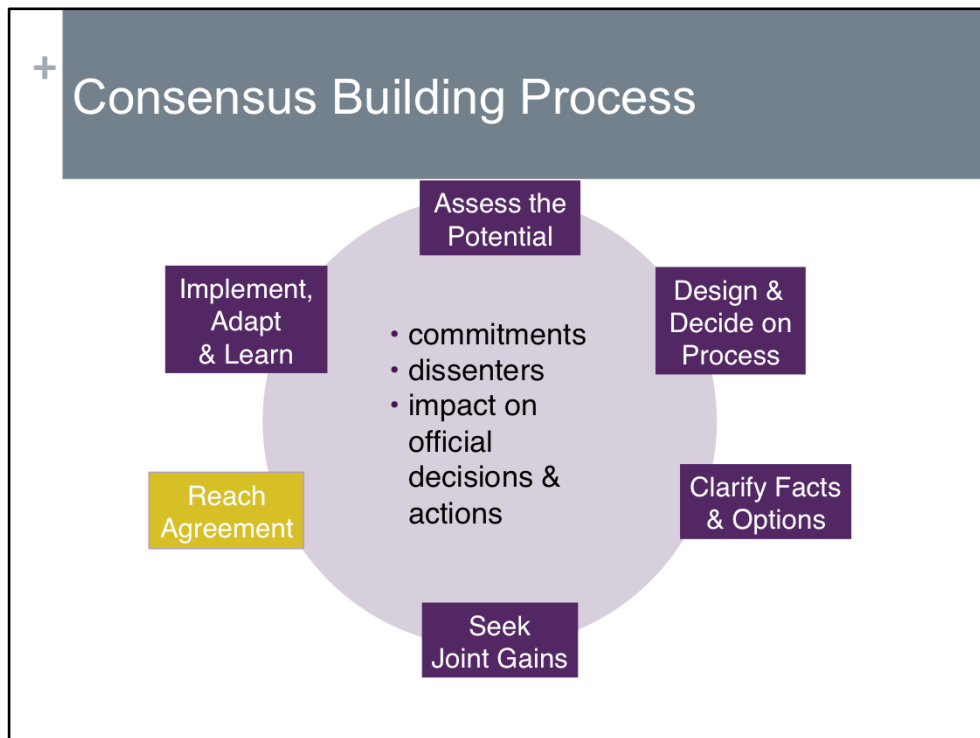
#3. DISTRIBUTE VALUE

#4. FOLLOW THROUGH

© CBI 2013

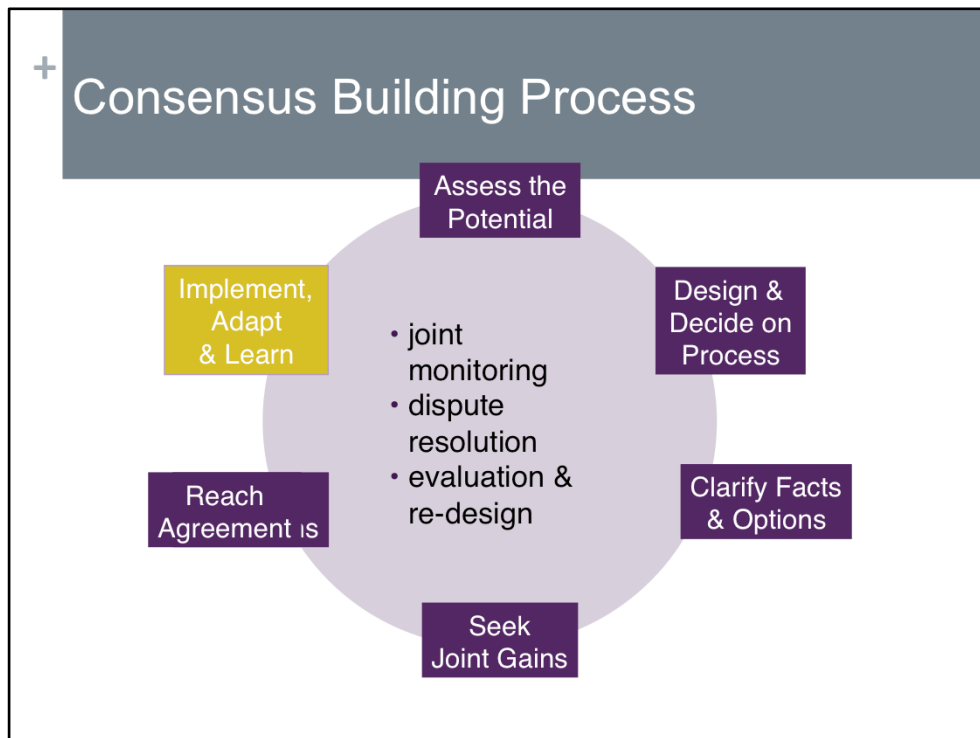






After the group has gone through the process of joint fact finding, clarifying interests, brainstorming to invent options, and developing multiple proposals for each possible clause, it will still need to reach agreement. On issues where the group cannot easily find a solution that satisfies all participants, the group should pursue the following strategies described in the Mutual Gains Approach:

- seek wise trade-offs;
- create contingent agreements;
- use agreed standards of fairness/objective people to make decisions.



At the end of a consensus building process, stakeholders are asked to endorse the final recommendations. It is extremely important to devise a means of holding the parties to their commitments. Some agreements can be nearly self-enforcing, because they are closely aligned with the interests of all stakeholders and no additional resources are needed to implement them. Others may require legal or regulatory changes, additional resources and/or organizational capacity building to be fully implemented. It is very important for the group to specify the steps that will be taken and who must take them to ensure that the agreement will be formalized and implemented.

Even where adequate resources (financial, political and organizational) are available to support implementation, periodic monitoring and review are essential to assess whether implementation is achieving the group's goals, and to respond to new information and circumstances. Ideally, monitoring systems should be joint (i.e. involving representatives of all key stakeholder groups), and should periodically seek to assess the extent to which the agreed actions are achieving their underlying goals. In this sense, monitoring can be understood as a continuation of joint fact-finding.

It is a good idea for any agreement reached by a consensus building group to include a mechanism by which participants can be re-assembled if there is a change in circumstances, a failure on the part of some participants to live up to their commitments, and/or a new opportunity to achieve joint goals through a different strategy. Periodic meetings of the stakeholders can promote stronger long-term relationships, and reduce the risk that some representatives perceive others to be unresponsive if difficulties do arise.



## Requirements for Consensus Building

1. Clearly defined issues and stakeholders
2. Key stakeholders willing to seek consensus
3. Legitimate convenor
4. Resources available (time, information, technical assistance, funding)
5. Realistic opportunities for agreement on at least some issues

*Recommended: qualified facilitator/mediator  
acceptable to all stakeholders*



Coming back to the principles of Consensus Building – in order to engage in a consensus building process, these are all required.

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## Possible Costs of Deeper Engagement

### Time to:

- Build or Re-Build Trust
- Design a Process
- Let more people, not less, be involved
- Gather legitimate and credible information
- Generate multiple options

### Money:

- Who pays for what?

### Opportunity Cost:

- What was our BATNA?



There are implications to selecting a consensus building approach, especially on time and money.



## Possible Benefits of Deeper Engagement

- Shared understanding of facts, issues, interests and values
- Better working relationships
- Joint gains from the decision / agreement
- Stakeholders satisfied with process and outcomes
- Agreements more likely to be implemented
- Stakeholders able to deal with change over time



The benefits – if these are things you want or need to achieve, the core conditions exist, and the time and costs are acceptable, consensus building may be a good choice.

## Shi-Hwa Sustainable Development Committee in South Korea (since 2005)



Shi-Hwa lake in 2003 (Shi-Hwa SDC)

- Environmental disaster from industrial and urban development
- Complex system (industrial development project, land reclamation project, new city development, ecosystem management, air and water pollution management)
- Government failures
- Countervailing power of civil society
- Lack of trust between government and civil society

## Successful multi-stakeholder process

- Upfront negotiation for the rules of engagement
- Multi-stakeholder process (34 participants)
- Build trust with small "yeses"
- Deliberation and negotiation for comprehensive agendas
- Joint fact finding
- Emphasis on Local problem-solving rather than ideological battle
- Creative solutions and sense of ownership on agreement
- Institutionalization of ad-hoc process into official permanent one

## Tangible outcomes

- From COD 1,970 ppm in Lake Shi-Hwa to 2 ppm in 2009
- Revived ecosystem (more birds and fishes)
- Reduced complaints on bad odors (from 630 cases in 2004 to 190 in 2008)
- Knowledge-based venture industry complex with eco-tourism
- Construction of green waterfront city

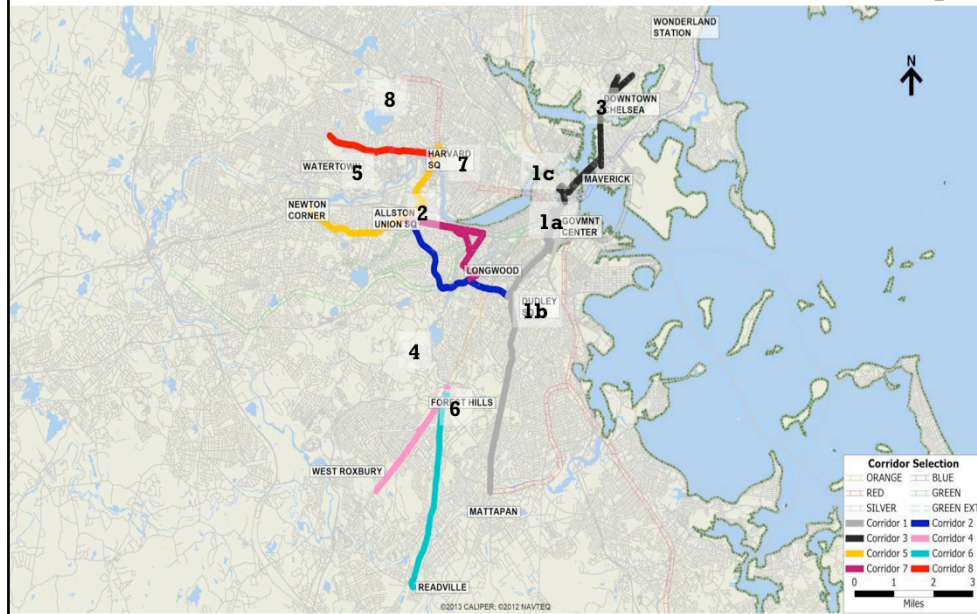


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## Buses in Boston: not rapid transit



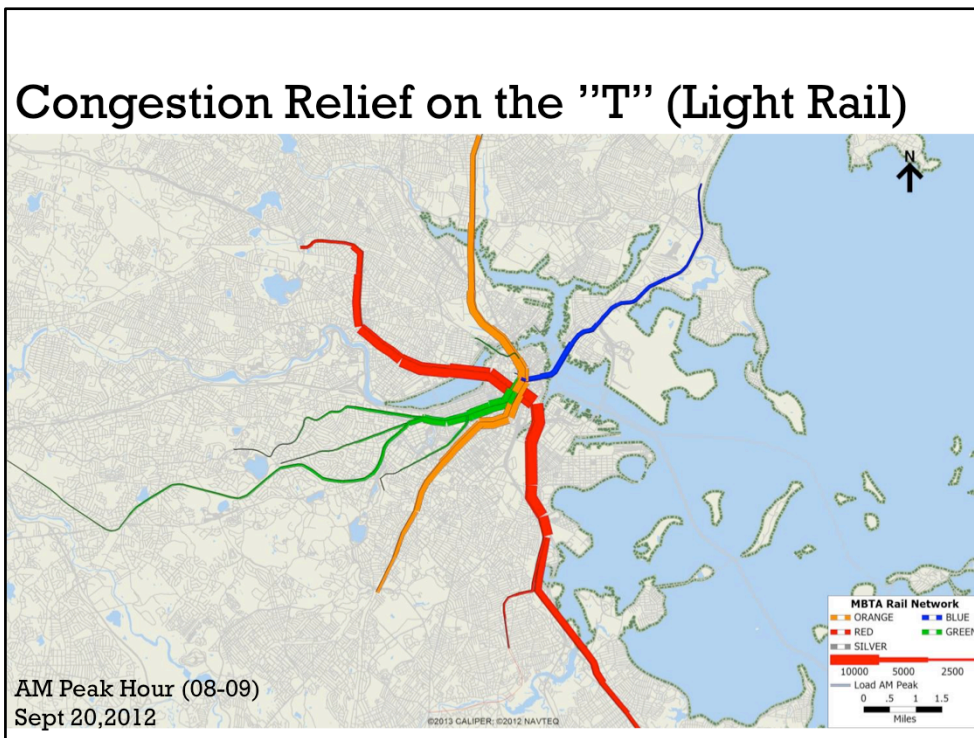
## 8 corridors based on demand & delay



The map illustrates eight proposed transit corridors connecting various urban centers in Boston and surrounding areas. The corridors are color-coded and labeled as follows:

- Corridor 1 (Orange):** Connects Medford Sq to Downtown Crossing.
- Corridor 2 (Blue):** Connects Chelsea to South Station.
- Corridor 3 (Red):** Connects Chelsea to South Station.
- Corridor 4 (Green):** Connects Chelsea to South Station.
- Corridor 5 (Yellow):** Connects Chelsea to South Station.
- Corridor 6 (Pink):** Connects Chelsea to South Station.
- Corridor 7 (Black):** Connects Chelsea to South Station.
- Corridor 8 (Purple):** Connects Chelsea to South Station.

The map also shows new developments (orange dots) and urban plans (blue dots). A legend on the right explains the corridor selection and new developments. A scale bar at the bottom indicates distances in miles.



Pending analysis of Volume/Capacity. No operational information was received...

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## 8 corridors narrowed down to 4





**“Mutual Gains” in  
Stakeholder Negotiation  
and Consensus Building**