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# Convening Stakeholder Networks

## A New Way of Thinking, Being and Engaging

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Ann C. Svendsen and Myriam Laberge  
*Centre for Sustainable Community Development, Canada*

A growing number of companies are convening stakeholder networks to address complex sustainability and corporate responsibility issues. The role of network convenor is new for most companies, and it involves different ways of thinking, being and engaging beyond the more traditional approaches to managing bilateral stakeholder relationships. In this paper we describe how three companies established successful networks and then explore the mind-set, skill sets and engagement processes that are required to build and sustain multi-stakeholder networks. The paper draws on theory and research related to complex adaptive systems, collective learning and whole-system change.

- Stakeholder
- Engagement
- Networks
- Collective learning
- Whole system change
- Sustainability
- Collaboration
- Co-creative power

**Ann Svendsen** is an Adjunct Professor and Executive Director of the Collaborative Learning and Innovation Group at Simon Fraser University, Vancouver, Canada. She also advises companies and government agencies worldwide on stakeholder engagement through her company CoreRelation Consulting Inc.



✉ Collective Learning and Innovation Group, Centre for Sustainable Community Development, Simon Fraser University, 3355-515 West Hastings Street, Vancouver, British Columbia, Canada V6B 5K3

💻 [svendsen@sfu.ca](mailto:svendsen@sfu.ca)

**Myriam Laberge** is a Director of the Collaborative Learning and Innovation Group at Simon Fraser University. She is also a co-owner of CoreRelation Consulting and an organisation development consultant specialising in whole system transformation.



✉ Collective Learning and Innovation Group, Centre for Sustainable Community Development, Simon Fraser University, 3355-515 West Hastings Street, Vancouver, British Columbia, Canada V6B 5K3

💻 [laberge@sfu.ca](mailto:laberge@sfu.ca)

**S**OMETHING NEW IS EMERGING IN HOW COMPANIES ARE CHOOSING TO address complex sustainability and corporate responsibility issues—they are convening stakeholder networks. Nike, for example, has created the Organic Cotton Exchange. Several forest companies have joined with environmental groups to create the Joint Solutions Project, a multi-stakeholder network focused on sustainable forest management. GlaxoSmithKline has convened a network of caregivers, physicians, activists and government policy-makers to develop an integrated hospice care movement in Canada.

This role of network convener is new for most companies and it involves different ways of thinking, being and engaging beyond the more traditional approaches to managing bilateral stakeholder relationships. We define a stakeholder network as a web of groups, organisations and/or individuals who come together to address a complex and shared cross-boundary problem, issue or opportunity.<sup>1</sup> The role of convener is to help a multi-stakeholder network tap its latent energy, resources and intelligence to generate novel solutions and whole-system innovations that no one member could achieve on their own. Convenors can be single individuals as well as coalitions of groups and organisations. They can come from companies, government agencies or communities. Anyone can convene a network if they have the legitimacy and social capital needed to bring the key people together around a particular issue.

Our purpose for writing this paper is to affirm and assist managers as they try on this challenging new role emerging from today's networked reality. In this paper, we focus on the mind-sets (ways of thinking), behaviours (ways of being) and processes (ways of engaging) that are essential for convening and maintaining **multi-stakeholder** networks, and we explore how this differs from managing **bilateral** stakeholder relationships. The paper draws on the experiences of various network convenors, as well as on theory and research related to complex adaptive systems, collective learning and whole-systems change.

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## Changing context

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Four noteworthy and interconnected aspects of the changing sociocultural context are dramatically transforming the landscape of stakeholder engagement. This changing context has greatly increased the importance of building and managing interdependent relationships within and across boundaries—the primary role of a network convener.

### A networked world

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Kevin Kelly (2000), the managing editor of *Wired* magazine, observes that the emerging new economic order has three distinguishing characteristics: it is global; it favours intangibles such as ideas, information and relationships; and it is intensely interlinked or networked. Castells (2000), in *The Rise of the Network Society*, reinforces the idea that networks are becoming a much more endemic and powerful form of social organisation in contemporary society.

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<sup>1</sup> Our use of the term 'stakeholder network' is similar to the concept of a stakeholder learning network used by Calton and Payne (2003). They define a learning network as an 'interactive field of organisational discourse occupied by all stakeholders who share a complex, interdependent and ongoing problem domain and who want/need to talk about it. Within this domain, the corporation is not so much a system within itself as a participant in a larger system that includes other stakeholder citizens' (Calton and Payne 2003: 7).

The Internet is an omnipresent reminder of the importance of networks in our society. Today, some 940 million people use the Internet, compared with less than 20 million five years ago. Advances in computer- and web-based technology over the past two decades now support non-local, asynchronous communication across the divides of time, place, language, culture and organisation. Stakeholder engagement approaches must therefore reflect today's new network reality.

### Pressure for participation

According to the *World Values Survey* (Inglehart *et al.* 1998), people have less trust in authority than ever before, and want to be directly involved in decisions that affect them. This random sample public opinion survey covering over 40 Western industrialised countries notes a shift away from an emphasis on material well-being and physical security, towards more emphasis on quality of life—things such as freedom, self-expression and self-actualisation. This shift has led to a rise in consumer activism, a decline in deference to institutionalised authority, and a broad-based demand for participation by citizens and stakeholders (Nevitte and Kanji 1997). Citizens are much less willing to 'be told' what is good for them. They want to be engaged in meaningful ways, at appropriate times, at varying levels and in ways that they can influence. Stakeholder engagement approaches must anticipate that a greater diversity of individuals and organisations than ever before will exert pressure for participation and involvement in issues that concern and affect them.

### Enabling power of technology

If people are more informed, knowledgeable and strategic, technology has intensified their ability to be networked both locally and globally. Technology enables individuals and small groups with few resources to become known, share information, influence others and create communities of interest in a very short time. Such communities of interest can be quite successful in pressuring companies and government agencies. The term 'smart mobs' was coined recently to describe groups that influence public policy by mobilising Internet-based electronic networks (Rheingold 2002). The traditional approaches to communicating and consulting stakeholders inadequately recognise the speed and depth of information exchange—whether accurate or not—and fail to invest the time required to help stakeholders build shared understanding, knowledge, vocabulary and mental models from which sustainable solutions may be generated and supported.

### More high stakes, cross-boundary issues

Our 21st-century reality is one of interconnected people and ecosystems, and the consequent complexity and multi-layered nature of issues. Many of the issues facing us today can be characterised as 'messes' (Ackoff 1999): complex, interacting systems of problems that affect multiple parts of a social or ecological system. The impacts of complex, messy issues are not localised or linear. Often there is a high level of uncertainty about root causes and possible solutions. Furthermore, because of the complexity of the issues and their interconnectedness, no one organisation or institution is able to resolve a mess on its own. Diverse networks of people from business, government and civic society are having to work together and grapple with their different perspectives, values and cultures to deal with these cross-boundary issues.

As an example, when SARS (severe acute respiratory syndrome) emerged recently it triggered a global health crisis. Collaboration was required across national as well as

organisational boundaries. Thousands of healthcare workers, scientists and government leaders around the world were suddenly required to share information, learn about each other's systems, develop joint policies and act collectively to deal with the virulent, rapidly changing disease. Informal as well as formal networks (e.g. between researchers and doctors) became very important in facilitating a global response to the disease.

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### Three stories of network convening

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Faced with greater complexity and loss of the unilateral power to act, some organisations are responding to the changing context in innovative ways. These three stories serve to illustrate new ways of thinking, being and engaging with stakeholders.

#### GlaxoSmithKline: Hospice care network

GlaxoSmithKline (GSK), a global pharmaceutical firm, has been supporting the growth and evolution of a hospice care network in Canada for the past nine years. Hospice is a holistic form of care that improves quality of life for terminally ill people and their families. GSK Foundation worked collaboratively with leaders in the hospice community to identify gaps such as the lack of integration between community-based and institutional programmes, unclear government commitment, inadequate funding and confusion. None of these issues could be addressed by any one organisation, requiring collaboration across many sectoral boundaries.

GSK helped to convene a multi-stakeholder forum to share information and develop strategies to address several complex issues affecting the hospice movement. Participants in the forum included formal and informal caregivers, physicians, oncologists, nurses, pharmacists, the clergy, the media, AIDS activists and key associations. Time was taken to learn together and to engage in dialogue.

Despite challenges and initial conflict, the final outcome of the forum was a strategy for joint action called Living Lessons. Over the past five years, the Living Lessons strategy has been implemented by the 650 members of the hospice palliative care network in Canada. The network and its Living Lessons initiative has been highly successful in encouraging public dialogue about end-of-life issues, educating and supporting physicians, informal caregivers and healthcare providers, and changing public policy.

#### MacMillan Bloedel: Joint Solutions Project

A stakeholder network called the Joint Solutions Project (JSP) was created in British Columbia (BC) in August 2000. Its members included a number of forest companies and environmental groups. The goal of the JSP was to act as a catalyst for developing new, more acceptable, logging methods on the central and north coast of BC. Eventually a full spectrum of stakeholders joined the network, including loggers, government decision-makers, First Nations and local communities. Over the years, the network has developed new agreements and land use management plans that have significantly reduced conflict and created new opportunities in BC.

Many of the individuals and organisations that came together to form the JSP had been embroiled in a decade-long battle over clear-cut logging in Clayoquot Sound. MacMillan Bloedel (MB), one of Canada's largest forest companies, and several of its senior executives played a central role in building relationships and strengthening the networks which eventually led to the creation of the JSP. According to these business leaders, the process was difficult, highly unpredictable but necessary.

In 1993, MB was in the headlines around the world. More than 9,000 people participated in the Clayoquot Sound Peace Camp and 800 people were arrested in the largest act of civil disobedience in Canadian history when protesters massed to block logging roads and climbed trees to protect them from cutting. As a result of a Greenpeace 'markets' campaign, three major British home supply chains agreed to stop buying from MacMillan Bloedel and other companies engaging in clear-cut logging in BC. In the US, Xerox, 3M, FedEx and several other companies followed suit.

In late 1997, MacMillan Bloedel's new CEO, Tom Stephens, invited leaders of the most critical environmental groups to his home to discuss their concerns about clear-cutting. He was convinced that MB needed to change the way it operated in order to regain its 'social licence to operate' in BC. Nine months later, MB publicly announced it was phasing out clear-cutting in favour of variable retention logging. A year later, an agreement was signed between MB and four of the five most vocal and critical environmental organisations.

In 1998, a larger coalition of environmental groups launched the 'Great Bear Rainforest' campaign to promote the preservation of forests on the coast. The campaign targeted a number of companies operating in the region, but not MB. MB executives remained involved in the efforts to bring together the larger set of stakeholders to develop new solutions. It was out of this long process of network building that the JSP was born.

### Nike: the Organic Exchange

In a recent newsletter, Nike's Vice President of Corporate Responsibility, Hannah Jones, describes the evolution of their journey in stakeholder engagement:

In the early 1990s we had a 'go it alone' attitude. We were a company with a single-minded focus on sports and fitness, and we were just beginning to recognise the broader responsibilities that come with being a member of a complex, interdependent global community. When we came under scrutiny for the labor practices in our contract factories, we were both unprepared and defensive.<sup>2</sup>

Initially, Nike responded by focusing in-house, looking to reduce the negative social and environmental impacts of its own operations: for example, by enhancing the eco-efficiency of its facilities and manufacturing processes. Once internal environmental systems began to be put in place, Nike started to work with suppliers to ensure factory operators complied with the company's environmental and social policies. The primary focus of these initiatives involved the building and maintaining of *bilateral* relationships.

More recently, however, Nike has taken on a new role as network convenor—focusing on building networks of *multilateral* relationships—to deal with issues that expand beyond the boundaries of its organisation. Despite the time-consuming and potentially difficult role, Nike's executives realised several years ago that they had hit the wall on several of their sustainability initiatives. For example, in the late 1990s Nike made a commitment to use organic cotton in its products to reduce the amount of fertiliser and pesticides indirectly used from traditional cotton growers. Nike is one of the world's largest buyers of cotton and more than half a kilogram of chemical fertiliser and pesticide is used to produce the 1.5 kilograms of cotton in a T-shirt and a pair of jeans. While organic cotton has the same performance as non-organic cotton, organic farmers are still few and far between, and, for Nike to fully transfer to organic cotton, the global marketplace for organic cotton had to be built.

<sup>2</sup> www.nikeresponsibility.com, 25 November 2004

Nike realised that its commitment to using organic cotton in its clothing was hampered by an inadequate global supply to meet its requirements. The company realised that it could not change this reality alone. Entering into partnerships with a number of growers would still be insufficient to solve this problem in the longer term. Nike realised that changes were needed in the value chain itself, and these changes needed to happen simultaneously at a number of points. Multiple stakeholders would have to ‘co-create’ a new exchange system. Rather than attempt to solve the problem unilaterally or through bilateral partnerships, or even just for its own company’s sake, Nike nurtured and supported the formation of a multi-stakeholder network called the Organic Exchange. Nike has helped 55 companies form the Organic Exchange—a non-profit organisation committed to building a robust and global organic cotton industry. The goals of the exchange include growing organic fibres in every cotton-growing region of the world. Global fibre inventories will be shared among competitive regions and farmers, giving purchasers a complete inventory of fibre availability. Convening the Organic Exchange network has involved hard work and a considerable investment of time over several years.

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## Network convenor: a new role for a new context

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Embedded in these three stories of convening networks are different ways of thinking, being and engaging that go beyond the more traditional approaches to managing stakeholder relationships. In the rest of this paper, we explore the mind-sets (ways of thinking), behaviours (ways of being) and processes (ways of engaging) that are increasingly required to navigate the new context of complexity and cross-boundary issues.

### Ways of thinking

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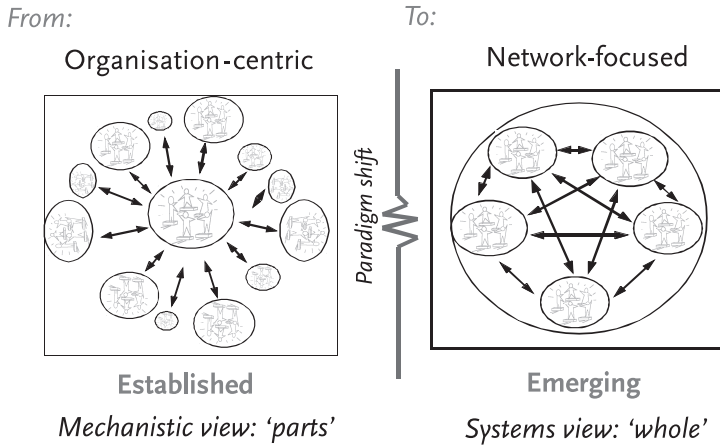
#### *Managing stakeholders: a mechanistic view*

Historically, ‘push’ factors have encouraged organisations to engage with their stakeholders: push factors such as the need to comply with regulation, the challenge of solving operational problems, and the desire to respond to public pressures for greater social responsibility and accountability. The traditional approaches taken by companies to ‘manage’ their relationships with stakeholders have reflected the mechanistic world-view that has dominated society’s way of thinking since the industrial revolution: one based on the belief that everything can be measured, reduced to its component parts and ultimately managed to achieve specific goals. In a mechanistic world, organisations behave like closed systems that are independent of their operating environment, and attempt to control relationships with internal and external stakeholders to achieve organisational goals.

This organisation-centric mind-set is reflected in the ‘hub and spoke’ image often seen in business and society textbooks of stakeholder engagement (Freeman 1984). The company or organisation is at the centre or hub of a number of bilateral relationships. Managers are taught in business schools that companies can and should manage stakeholder relationships. As part of their stakeholder management activities, companies identify issues to be discussed with stakeholders and then decide which individuals or groups to involve based on an assessment of their power, legitimacy and the urgency of their claims (Mitchell *et al.* 1997). Relationships tend to be bilateral, short-term and transactional. The emphasis is on managing stakeholders to avoid or reduce risks to the company, enhance reputation, improve the bottom line and develop new business opportunities.

**Network convening: a systems view**

Systems thinking is fundamental to the new role of network convenor. As illustrated in Figure 1, adopting a systems view represents a shift in thinking from the parts to the whole, and in focus from a strict consideration of the organisation’s goals to awareness and concern for the network of relationships that exists around a particular issue.



**Figure 1** SHIFT TO SYSTEMS VIEW IN STAKEHOLDER ENGAGEMENT

A stakeholder network, like a living system, is more than the sum of its parts. Convenors see their organisation or company as existing in a symbiotic, interdependent relationship with its external operating environment (Svendsen 1998; Andriof and Waddock 2002). This view suggests, therefore, that the long-term sustainability of the organisation depends on the well-being of the social and natural systems in which it is embedded (Post *et al.* 2002).

From this perspective, relationships are of critical importance. An important role of the convenor is to establish links between network members and to foster the development of strong, trust-based relationships. Network convenors build webs of relationships and make connections between smaller webs that are ‘nested’ within larger networks.

Network convenors know that trust and mutual understanding are necessary for members to take action together. Creating opportunities for learning about the history and points of view of other members, developing shared language, vocabulary, interpretations and mental models are all important aspects of building networks.

Network convenors also recognise that relationships cannot be controlled or ‘managed’. Relationships between members of a network are dynamic; they grow, change and die out over time. Various parties will co-operate, compete and co-evolve, developing new capabilities, and sometimes catalysing others parts of the system to grow and change as well (Capra 2002).

From a systems perspective, networks are unpredictable and uncontrollable. They are also seen to have the capacity to self-organise and evolve to higher levels of order that are more complex and stable. Of central importance to this evolution is collective learning, whereby the network is able to tap its collective intelligence and wisdom.

Diversity is vital from a systems perspective. Diverse views, backgrounds and interests of members allow the network to generate more creative, innovative solutions to issues and challenges. Convenors recognise that diversity often causes tension and it is in the

attempt to reconcile the dissonance that sustainable innovation occurs (Senge and Carstedt 2001).

Linda Coady, former Vice President of Environment with MacMillan Bloedel, discusses the value of diversity:

We came to understand that if biological diversity is nature's tool for adapting to change in ecosystems, then perhaps a diverse array of opinions and ideas is necessary for adaptation and evolution in social and economic systems. Once we loaded that concept into our belief system, the whole situation began to look a bit different. We came to see discord in a less negative light. In fact, as long as it wasn't totally destabilising, we saw diversity between all the different interests as being a good thing, as the catalyst that causes a system to mobilise its collective intelligence and to evolve in ways that no individual component could ever conceive of, let alone do, on its own. And so we moved away from the metaphor of a game, or a war in which one side wins and the other loses, into the metaphor of an ecosystem, where survival is the end result of simultaneous cooperation and competition among the various elements.<sup>3</sup>

### Ways of being

In this section we describe the 'ways of being' that are associated with managing stakeholder relationships compared with building and convening networks.

#### *Managing stakeholders: being a gatekeeper and benefactor*

In their traditional role, managers responsible for relationships with external stakeholders typically function both as gatekeepers and as benefactors. The gatekeeper role has to do with preserving the company's autonomy and freedom by 'buffering' the organisation from stakeholder demands. Gatekeepers identify legitimate, urgent stakeholder issues and ensure that appropriate action is taken. They may be called on to assess the relative merits of various stakeholder claims, and when there are competing claims, to negotiate an appropriate solution. This can involve, among other things, power brokering.

The other important aspect to the role of stakeholder relationship manager is that of benefactor. Benefactors consult those who may be affected by their actions. They listen to their concerns and try to find good solutions. Benefactors often have funds that are available for distribution to external communities (i.e. community investment). In some cases the role of benefactor extends to offering the services of employees to serve as volunteers in communities.

#### *Network convening: being warrior and midwife*

Operating in the new context of networks, interdependence, uncertainty and complexity requires new behaviours and skills, and a way of being that emphasises leadership over managing. Beyond the traditional roles of gatekeeper and benefactor, network convenors are being called on to be both 'warriors' and 'midwives'.

As a warrior, a network convenor is concerned about what matters, not only to his or her<sup>4</sup> organisation, but also to the larger system her organisation touches. His relentless focus is on what matters today *and* tomorrow—on both long-term and short-term success. She takes a stand for finding solutions that build social capital through trust-based relationships, and that add value both for the organisation and for the social and ecological environment in which it operates.

3 Keynote speech delivered at the New Terms of Engagement Conference for Global Leaders, 4 April 2002, Vancouver.

4 The warrior and midwife archetypes apply equally to men and women, and so the pronouns 'he' and 'she' are used interchangeably to describe a network convenor in the warrior or midwife role.

Courage is the hallmark of a warrior: the courage to openly enquire into the deeper systemic forces and pressures behind an issue, and to take a stand for a systems approach to change. A warrior boldly frames powerful questions that invite broad participation, and that give rise to the possibility of novel responses from the whole system.

A warrior is confident and has faith in the future, remaining open and alert for opportunities and potential. She is willing to create safe spaces and room for multiple stakeholders to come together where new thinking may occur enabling novel solutions and responses. A warrior's word is impeccable; he says what he means and he does what he says, creating confidence in others and building trust in every interaction. In periods of conflict and difficulty, a warrior is willing to be tested on behalf of the network, fighting internal battles to stay true to her commitments while maintaining 'back home' support. Through it all, he acts with integrity, competence and skill, keeping promises and commitments to both the network and his organisation.

A warrior will fiercely protect the network from outside disturbance, and he will ensure that the network has the resources it needs to do its work over time. A warrior is able to stand in the midst of tension and paradox that emerges from the coming-together of different interests and perspectives. Observant, attentive and open, she takes action swiftly when needed.

Convenors are also called on to be midwives. The midwife holds the space for the network to grow and thrive. He tends the network, identifying small systems that are working well and linking them together to amplify their impact. She builds capacity in the networks for the benefit of the whole system.

The midwife lets change unfold. She sees power as a boundless force that springs up between people when they act together. By letting go of the reins of control, he allows the passion, power and action to emerge from the group.

The midwife holds the network accountable for attending to the needs of the whole as well as each individual member. She recognises that solutions or decisions taken by the network must incorporate the needs of all parts of the system, even those who are not present. His goal is to evolve the whole system while allowing each 'part' to retain its unique identity and purpose.

The midwife is inclusive: he invites a microcosm of the whole system to participate, focusing more on 'voices' than representatives of organisations. She is also good at sensing 'points of intersect' or the points at which network members realise they can do something together that each party values but which could not be achieved alone. These points of intersect provide the glue that binds the effort and keeps the network together (Coady 1999).

The midwife takes care of the practical details of convening, like distributing information and finding a neutral and principled space where the network can do its work.

The midwife builds relationships. The midwife is a firm believer in reciprocity and practises 'giving before getting'. In conversations, he listens deeply and takes the time to reflect about what has been heard. She communicates openly and honestly, shares information proactively and is sensitive to the interests and needs of others.

### Ways of engaging

In this section we describe three key processes that we believe are critically important in building and convening multi-stakeholder networks. For comparison purposes, we first briefly describe the activities that are typically used to build and maintain *bilateral* relationships with stakeholders.

*Managing stakeholders: an organisation-centric process*

The activities of stakeholder management have traditionally included communication, consultation, bilateral partnerships and negotiation/mediation. The purpose of communication programmes, including advertising and public relations, is to inform and educate stakeholders. This type of engagement is most closely aligned with traditional public relations activities. One-way communication such as advertising allows companies to 'tell their story'. Contact with stakeholders tends to be sporadic and reactive: for example, when there is a complaint or negative response from a particular stakeholder group. There is limited effort to build ongoing relationships, trust or to develop common goals or projects with stakeholders.

Consultation processes are aimed at helping companies understand the diversity of perspectives around an issue or policy, in order to minimise or manage risk and make better and more balanced decisions. Often, activities such as opinion polls, surveys, focus groups, open houses and town hall meetings are supplemented with more deliberative and participatory processes such as deliberative dialogue, study circles, large-scale forums and assemblies. Annual stakeholder forums for 'working groups' may be formed to provide advice on specific policy or operational concerns.

Bilateral partnerships are designed to achieve specific goals that are of common interest to the two organisations. If there is conflict, various negotiation and mediation processes are instituted to help government agencies and their stakeholders reach agreement by consensus if possible, or by compromise if necessary. Activities include meetings and, at times, facilitated workshops.

*Network convening: a co-creative process*

Convening a stakeholder network involves three main phases of activity: outreach, collective learning and joint action/innovation. These phases are not discrete, and networks often cycle through the phases many times. As they do, relationships are built and/or strengthened, social capital increases and members have a greater willingness to take risks and act for the benefit of the whole network. Eventually, power relationships shift, and the network, rather than any individual convenor, takes ownership of the overall issue or opportunity that brought the members together in the first place.

**Outreach**

The structure of networks is the key to understanding the complex world around us. Small changes in the typology, affecting only a few nodes or links, can open up hidden doors, allowing new possibilities to emerge (Barabasi, 2002).

Traditional stakeholder engagement approaches are inadequate in high-stakes, interdependent, cross-boundary and complex situations. These require a whole-system approach if sustainable solutions are to be discovered or created. The starting point for convening a network in such situations is to identify the issue and/or compelling questions that hold sufficient interest to warrant the formation of a stakeholder network.

The outcomes that are central to this phase of outreach and network building include:

- ▶ Framing of the key issue/question
- ▶ Identifying and involving members of the system
- ▶ Defining the goals of the network
- ▶ Articulating and agreeing on guiding principles and network norms<sup>5</sup>

<sup>5</sup> Members of the network must develop ways of working together that build trust, mutual understanding and commitment. Several key principles appear to be: mutual respect, inclusion of all voices, valuing of diversity, and a commitment to openness, transparency and maximum information sharing.

- ▶ Sharing of background information
- ▶ Establishing timely and effective communication linkages and methods
- ▶ Clarifying roles and responsibilities

### Collective learning

Collective learning is a vital but often overlooked aspect of building successful stakeholder networks. Collective learning is a social process of building shared understanding (Argyris and Schon 1978). It involves trading and comparing information and then integrating individual views into a common understanding (Wijen 2002). Learning together helps increase mutual understanding about relational issues (e.g. values, perspectives and intentions) as well as substantive issues (e.g. root causes of the problem, linkages and patterns). Individual learning, on the other hand, is controlled by an individual who acquires, interprets and processes information for personal reasons.

The purpose of collective learning is to increase individual knowledge as well as the collective intelligence and capacity of the network as a whole. When members of an organisation or a network learn how to learn together, the group develops the capacity to tap its collective intelligence. As the enquiry deepens, groups can discover underlying assumptions and get at root causes of systemic problems.

Collective learning serves as an essential foundation for whole-system innovation. When high stakes exist, when stakeholders have recognised their interdependence and when the system that connects the issue is commonly understood in depth, a shift occurs. People start to take responsibility for the whole. Innovative solutions arise out of this struggle to bridge competing perspectives and needs within a system.

The collective learning phase allows members of a network to:

- ▶ Develop new knowledge about the issue and larger system (i.e. root causes)
- ▶ Define possible scenarios
- ▶ Construct shared meanings that allow people to understand each other and work together effectively
- ▶ Clarify common ground and differences in perspectives, interests and needs
- ▶ Build trust and commitment

Linda Coody had this to say about collaborative learning at the New Terms of Engagement Conference for Global Leaders, 4 April 2002 in Vancouver:

The conditions for collaborative learning are many. First, there must be willingness by the parties to develop new options rather than continue to fight around old ones. Secondly, there has to be a willingness to take responsibility for solving problems rather than defending or advancing positions. Third, there has to be a willingness to let go of certainty. Doing so is very hard for any big organisation to do, but it is also not something that NGOs do easily, and I can assure you it is not something that government does easily either! The willingness to accept new accountability and take new risks is absolutely key. Another condition for learning is that the change pathways have to be very visible and inclusive. If it looks like you're reverting back to the win-lose model, you'll have real difficulty staying in collaborative inquiry and learning.

Reflective dialogue is a very useful process of deepening enquiry among multiple stakeholders, into underlying causes, rules and assumptions, in order to be able to frame old problems in new ways. Generative dialogue can produce new insights and thus can spur innovation (Isaacs 1999).

### **Innovation/joint action**

While collective learning can be beneficial in its own right, particularly if it enables individual stakeholders to align their actions for whole-system well-being, members of a network often are required to take action together on a problem or opportunity. In order to take effective system-wide action, the network must develop a clear purpose, a common vision and goals, and action plans based on clear institutional and organisational commitments (Gray 1989).

A stakeholder network that has invested in connecting the parts of the system during the network-building stage, has developed a common database of knowledge and understanding and has also built trust among members during the collective learning phase, will be capable of innovating for the good of the parts and the whole.

It is precisely from the struggle to bridge competing perspectives and needs within the system that innovation is possible. The experience of Henry Klassen, Chair of the Nechako Watershed Council, demonstrates that a co-creative process fosters a focus on the common good:

We have no votes, no motions on the Council. We identify issues and look for solutions, with agreement done by consensus—enough agreement to move forward (usually have unanimity). That process has allowed us to work in a climate where there is no panic about a possible call to vote/decide, and where there is trust that decisions will not be taken where 'I won't be better off or at least the same'. This provides comfort and knowledge that people care for one another enough to look for enduring solutions. Because of this, people are obligated to be honest, generous and wise in their asking and giving, considering the whole. They don't only consider on their own behalf, but for the whole group. It is very hard now for anyone to come to the table and say, 'this is what I want' when we are all required to consider the effects that this request has on all who will be affected.

Attention during the innovation phase focuses on solutions and actions, summarised by these types of outcome:

- ▶ Clear, project-specific goals
- ▶ Shared vision for the network
- ▶ Action plan

Shared vision and purpose are immensely powerful in motivating people to achieve extraordinary things, including remarkable leaps of creativity, innovation and adaptation. When a multi-stakeholder network develops these, it is operating from a co-creative mind-set where members no longer see themselves as separate from the larger whole.

Linda Coady explains:

At some point, we all began to put more time and energy into achieving a shared goal—a goal that each side knew could not be achieved alone—than into fighting with each other. That shared goal was a new outcome in the sense that it didn't really belong to either side when the dispute began. Nor would it likely ever have been foreseen as a viable option by either side when the dispute began. Not the product of consensus or compromise, it was instead an outcome of continual interaction and constant redefinition of the situation and the options for dealing with it . . . Collaboration of this kind leads to a radical integration of abilities, and the capacity to do things differently. Environmental groups have the power to advance ideals and move and motivate people in a way that companies don't, and companies have the power to make things happen on the ground in a way that environmental groups don't (Coady 1999).

## Conclusion

Companies build networks for their own benefit as well as to create social value. By building or strengthening stakeholder networks, companies can attune their values with those of their stakeholders, clarify their social responsibilities, develop new knowledge and innovative solutions to complex problems, enhance mutual understanding and build the trust and commitment necessary for collaborative action. In this role they can also act in accordance with their values and highest aspirations.

Initially, convening stakeholder networks takes more time, and may seem to require greater resources and levels of commitment when compared with organisation-centric forms of engagement. In fact, protracted conflict and the inability to act or to achieve sustainable solutions in many situations have proved the opposite: more traditional unilateral or bilateral approaches can lead to much higher costs over time.

Convening stakeholder networks can result in improved decisions by systematically bringing together those with knowledge of the issue and the resources required to implement changes. The process can also lead to constructive action that could not have been achieved by any one organisation alone. Making time for collective learning can also reduce unproductive conflict. Learning about the perspectives and realities of others can shift perspectives of network members from defensiveness and blame to understanding and openness to new opportunities.

The new interwoven and complex reality of the 21st century with its mounting sustainability socioeconomic and environmental challenges requires that organisations develop a new ways of thinking, being and engaging with stakeholders. Network convening promises an effective approach to solving complex issues that are beyond the scope of any one organisation. Engagement takes on a different character and potential when individuals make the transition from thinking of themselves as representing only one set of interests or perspectives to thinking and acting for the benefit of the whole. Network convening taps the collective intelligence and capacity of multi-stakeholder systems to evolve and transform for survival and success. The extraordinary shift in consciousness required to live and thrive in this networked and interdependent world can be tapped through a whole-system approach such as stakeholder network engagement. Human beings can and will work together for the greater good when they recognise their interdependence and actualise their co-creative power.

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