SRMINING**2011** First International Seminar on Social Responsibility in Mining
19 → 21 OCTOBER 2011 • SANTIAGO, CHILE

CHAPTER 1

The role of community relations practitioners as change agents in the minerals industry

Pam Bourke

School of Social Work and Human Services, Centre for Social Responsibility in Mining, The University of Queensland, Australia

Deanna Kemp

Centre for Social Responsibility in Mining, The University of Queensland, Australia

ABSTRACT

The past decade has seen a growing capacity in Community Relations (CR) within the minerals industry. The emphasis has been on improving the skills and abilities of CR practitioners to work more effectively with impacted communities. Nevertheless, there is increasing awareness that effective community engagement and development requires skills and techniques for working inside companies as well as within the community. CR practitioners face a number of challenges when working internally, but rather than being portrayed as victims of hostile working environments, we suggest a 'posture of participation' where practitioners work nimbly and courageously to address some of the organisational challenges that they face. This paper argues that the methods and skills that CR practitioners require to work with the community have equal application to facilitating the changes required inside the company. Skills in dialogue, building participation of internal stakeholders, resolving conflict, project and programme management, developing systems and capacity and strategic leadership are all important when working internally. This paper provides practical examples of change management within companies to enhance the effectiveness of CR outcomes.

INTRODUCTION–WORKING INWARDS

There is much emphasis on the need for mining companies to "get it right" (Zandvliet and Anderson 2010) in their engagement with local communities and other stakeholders, largely as part of their sustainable development (SD) and corporate social responsibility (CSR) programmes. There is now a significant literature on CSR theory, from seminal pieces by Caroll (1999) to more contemporary debates by van Marrewijk (2003) and Ali and O'Fairchealleagh (2008), the latter of which includes notions such as human rights within the CSR 'frame'. There is also a plethora of global standards to guide company practice, such as the International Finance Company's (IFC) Social and Environmental Performance Standards (2011), the International Council on Mining and Metal's (ICMM) Sustainable Development Framework (2003) and guidance from organisations such as the World Resources Institute (Herbertson et al, 2009). While there are many 'good practice' tools available, advocacy organisations and scholars continue to critique the industry's approach CSR practice. While critique remains vitally important for highlighting poor practice and calling attention to egregious cases of environmental and human rights abuse, there has been very little scholarship about the practice of community relations (CR) work in the minerals industry as experienced by CR practitioners working 'at the coalface'. Their stories rarely feature in global debates, despite the fact that their perspectives provide much insight into where the industry supports good CSR practice, and where it is deficient. This paper draws on the collective 20 years of experience of the authors' engagement with the mining industry through research (both commissioned and independent), teaching and training and ongoing engagement with CR practitioners in mining about their experience of working in the minerals industry.

Despite the challenges involved, leading companies are now more focused on ensuring that engagement and dialogue with local communities is open, sustained and mutual. Many are working to build a more accurate and holistic understanding of the social context in which they operate. Processes such as social mapping, baselines and impact assessments, including conflict, human rights, gender and poverty assessments, are becoming integral to providing a basis for community relations (CR) work, sometimes from the earliest stages of project development. While these vital processes of external engagement and knowledge building must be sustained and strengthened, it is also important that processes of internalising social and community agendas within organisations are more actively legitimised as a key role of the CR function. In other words, as the mining industry continues to mature its approach to CR and development, "getting it right" also means advancing change within the organisational domain.

For mining companies to deliver on corporate and global level commitments to sustainable development, corporate social responsibility and poverty alleviation, CR practitioners should be working in organisational environments that enable and support them. In our experience, it is rarely the case that CR practitioners feel fully supported. It is more common to hear practitioners describe working environments that constrain their ability to innovate and stifle their capacity to build relationships and work alongside local people in a meaningful development agenda. Notwithstanding the challenges involved, practitioners who are succeeding in 'holding' (and even gaining) ground for the social and community agenda within their organisation are working deliberately and purposefully in the internal domain to change the way their organisation does business.

The internally orientated work of CR practitioners can reinforce external drivers of sustainable development and poverty alleviation, such as global codes and commitments, stronger legislation and regulation, third-party certification programmes and more powerful advocacy, including from

the grass roots. External drivers are vitally important, but meaningful change also requires internal drivers. It is also for this reason that CR practitioners have an important role to play within their companies as agents for change. In doing so, CR practitioners must also be aware of the challenges they may face in the organisational domain, such as: CR practitioners in mining are a minority profession working in technically-orientated organisations with few professional supports, often few resources, and sometimes without the requisite skills. Anecdotal evidence suggests that CR departments in the resources industry have a higher proportion of women than industry as a whole. This gender imbalance can be helpful and/or challenging, but it is never neutral. Some women report feeling daunted as the 'only female in the room' working to convince male colleagues of the merits of building local relationships and dialogue with the community. Likewise some of the growing number of Indigenous employees in CR practice in mining can find it challenging to explain the need for cultural sensitivity when working with traditional owners and other Indigenous groups. But rather than being portrayed as victims of hostile working environments, we suggest a posture of participation where practitioners work nimbly and courageously to address some of the organisational challenges that they face.

CONCEPTUALISING 'COMMUNITY RELATIONS' AND 'ORGANISATION'

Before offering strategies for CR practitioners to work internally for organisational change in the mining industry, we wish to make clear that our reading of community relations is as a three dimensional practice that involves first, working for the company to understand and build knowledge about local community perspectives and realities; second, bridging company and community perspectives to generate mutual understanding through relationship; and third, facilitating necessary organisational change (Kemp 2010). This paper focuses on the third dimension: that of organisational change. We see organisations not as sites of consensus and stability, but as sites of struggle where different networks, groups and individuals interact, relate, compete and find common understanding in order to shape organisational realities. This means that resisting the status quo in careful and creative ways can open possibilities for meaningful change that will serve to better support social and community agendas. If practitioners perceive their organisations as fluid rather than fixed, then the task may become less daunting. Another way to frame this is to conceptualise the company as another form of 'community' with challenges, opportunities, resources and needs that require a deliberate process of capacity building to drive continuous improvement in CR outcomes.

With these possibilities in mind, successful CR practitioners are starting to turn inwards and apply all the skills and processes that they use with external stakeholders to organisational stakeholders. These practitioners use formal and informal networks at every level of the organisation to build understanding and support for their work. This often involves dealing with people who have more power and authority and who may not support their vision of CR. Practitioners can apply their skills in dialogue and engagement in order to understand different views, needs and aspirations and work with, rather than against these forces, along the way finding points of shared connection.

We increasingly hear of practitioners applying techniques such as stakeholder mapping, needs analysis and impact assessment within the organisational domain in order to understand the internal context and identify potential levers of change. Practitioners are also developing internal engagement plans in order to define who they should be engaging with about the social and community relations agenda, who could influence their work and who they should reach out to in

order to build relationships, alliances and coalitions for change. In all, CR practitioners are becoming savvier about influencing and engaging internally.

STRATEGIES FOR CHANGE

Develop a shared vision

One way that practitioners can create a shared vision for the organisation is through informal and formal co-worker dialogue and by ensuring that others understand how that vision is supported by effective community relations. CR practitioners are becoming adept at linking CR outcomes to the organisation's business case, including linking effective community relations to risk reduction (business and reputational) and assisting the company to understand and respond to community issues and concerns before they escalate into conflicts.

While the strategy of linking CR to business risk is helpful, an overemphasis on risk and reputation management can inhibit external partnerships and collaborations, which can hamper industry capacity to address the cumulative impacts of mining in communities and regions. CR practitioners can assist business to move beyond a primary focus on compliance and public relations to see how effective dialogue and development can lead to sustainable benefits for communities so that community investments result in an enduring positive legacy. Increasingly, CR practitioners are running participatory workshops for internal stakeholders and decision makers to explain the elements of emergent CR practice and to invite their participation in the implementation of these new approaches. An example of this would be working with the procurement section of the company to develop policies, procedures and capacity building programmes that enable the implementation of local purchasing policy.

Establish a mandate

A mandate requires trust and legitimacy to be conveyed from a body/person with authority within the company. In CR work, a mandate from the company has to be built over time. A mandate is usually given as people in authority and other colleagues within the company recognise the importance of the work in the community, the skill of the workers and the value that the work adds to company and community outcomes. In the beginning, a mandate might be quite tentative and CR practitioners may find themselves being constantly challenged about their approach. Micro management of their internal and external communications by senior managers can be a symptom of a lack of confidence in the role or a 'new approach' to community engagement. Some of the ways CR practitioners are approaching this challenge is to utilise existing company systems and templates for their work to demonstrate that they can "use the system" and form part of the core of the organisation, rather than something disconnected. Early engagement in vertical dialogue – that is, with more senior managers—about new approaches and strategies in CR may also help to establish trust.

An important component of building a mandate is the capacity to monitor, evaluate and report on CR work and demonstrate business and community outcomes both internally and externally. Increasingly, CR practitioners are evaluating projects and programmes and developing and monitoring longer term community indicators to assess the efficacy of their approaches. An example of this would be improvements in community perceptions surveys over time. Establishing an 'evidence base' for their work can be valuable in an environment with a strong technical orientation. Evaluation can deliver the necessary data necessary to help justify the business case for the CR function.

Build a supportive structure and culture

CR is the responsibility of the whole organisation, not just the CR team. Significant change only comes when a diverse range of people across the company start to understand and 'own' the CR work, regardless of their technical background or specific roles. Linking community members with other staff/disciplines and enabling effective listening and communication between other staff and the community is part of the CR role and can assist their managers and colleagues to understand the challenges and opportunities present in their work. It also moves the company away from the conventional risk-aversion and service-orientated approaches to community engagement and investment. CR practitioners recount stories of taking the president of their company to meet with community stakeholders to hear their stories of struggle and success and the value of the company's contribution to their development projects. In this process, people are not merely statistics on a page and the outcomes of the work takes on a personal dimension, which helps to build commitment and understanding inside the company. It also enables external stakeholders to understand the complexity of the company's business and may enable them to take a more strategic approach to engaging with the company.

Creating internal structures such as internal working groups to guide elements of the CR programme (e.g., social impact assessment and community investment programmes) can help to 'hold' the work across different departments and can be an important step in gaining ownership of and embedding CR work inside the organisation. At its core, CR practice is about enabling participation, encouraging dialogue and feedback and genuine responsiveness to community agendas. The culture of many companies can be the antithesis of this approach where decision making is top down, staff participation in decision making is minimal and communication discourages feedback and self-reflection. CR practitioners in this environment talk about the struggle of modelling the values and principles of development work inside the organisation in conditions which are often less than optimal. The capacity to model inclusive behaviour and communication is essential if CR practitioners are to be effective change agents.

Strengthen the position of the CR function

No matter where they sit in the organisational hierarchy, it is vital that CR practitioners and managers create opportunities for genuine dialogue with the community and develop processes to continually check who is benefiting from the work. This can be assisted by resisting having too many layers of decision making and by delegating appropriate authority to CR practitioners who are working directly with the local community. The role of the CR manager is to build confidence in decision making of CR staff and encourage appropriate delegation and accountability. It can take time to develop this level of trust and requires negotiation around which decisions can be devolved and which ones require more oversight.

Some CR practitioners comment on how they have successfully negotiated to participate on internal management teams, acting in an advisory capacity to provide a CR perspective on key decisions. These formal relationships can be assisted by building personal and professional connections and networks across the company, including with senior management. A key characteristic of effective CR practitioners is courage. This is demonstrated by the CR workers who ask the site manager for an interview in the first week on the job or who ring the finance manager to invite dialogue about possibilities for improving the process used to allocate funds to community organisations.

Co-create CR systems and procedures

There is increasing interest in establishing CR management systems to ensure that company commitments to the community and the government are implemented effectively and transparently. These systems involve agreeing high level objectives, monitoring targets and performance indicators and reporting on progress. Management systems can have an integrating effect by linking together different elements of the CR strategy. Organisations such as the IFC (2010) suggest that best practice in community investment links the management of social impacts to the delivery of sustainable community benefits. The role of the CR practitioner is to ensure that the CR role is integrated into core business processes so that it is not dismissed as an 'optional extra'. CR workers cannot expect everyone in the business to understand their role automatically – they must proactively engage in an ongoing process of building support and understanding, as if they were securing their own internal 'social licence to operate' inside the business.

Management systems can be very company-centric. They can be focused on protecting the brand and reputation of the company rather than responsiveness to community requirements and timeframes. The slow pace of decision making on community matters combined with the fast pace of decision making on production matters and the reluctance to share information with the community are oft-repeated challenges. Creating business processes that affectively assess risk and improve the efficiency of decision making is part of the role of the CR practitioner. This involves being sufficiently familiar with the existing company procedures to be able to suggest as well as implement improvements to business processes, such as publishing community feedback, providing funding or building partnerships with other organisations including other mining companies.

CR management systems require constant community engagement and feedback at every level to ensure that impacts are managed, benefits are delivered and the overall CR work is effective. CR practitioners can build a culture of continuous improvement by building feedback loops into their work to address key questions: "Does the grievance procedure work for community stakeholders?", "Was that community engagement effective in reaching disadvantaged groups?", "Did the community understand the information provided on the community investment guidelines?"

Enhance skills and resources

Internal dialogue skills are very important, as they enable CR practitioners to assist company personnel focus on the strengths of the community, the possible solutions to issues and future focused actions. Dialogue helps CR practitioners to stand in the shoes of other company staff and management and see the world from their perspective. CR practitioners with technical knowledge of the mining process and familiarity with the language of the organisation are also well-positioned to influence others within the organisation. There is also a significant need to widen the current training participation to include managers and supervisors of CR staff to help them understand how to support the CR practitioners and to support the CR function within the company.

Establish support mechanisms

Working directly with communities can be very demanding. Many CR practitioners report moments of despair and isolation when they feel caught between the expectations of the community and the demands of the company. Processes such as training, capacity building, supervision, mentoring and peer support are vital to assist CR practitioners in their roles and prevent burnout. These should

include strategies to distinguish between the 'urgent' and the 'important' as well as essential time management skills. In ideal circumstances, supervision and mentoring would be provided on site by managers who understand the CR function and have a professional background in the discipline. However, where this is not possible, access to external mentoring, training and peer support should be provided. Without this support CR practitioners may leave the industry or lose the passion for the work and become a blockage to company and community outcomes, rather than an enabler.

CONCLUSION

Community relations practitioners in mining can face many challenges working as agents for change within their organisations, including company-centric timeframes or risk-averse approaches to providing the community with feedback and information. One way that practitioners may be able to affect change is to conceptualise the company as another form of 'community' where they apply the skills they use externally to engage and understand, build on the organisation's inherent strengths and enhance capacity where needed. In doing so, practitioners will need to work vertically, horizontally and across different functions and organisational departments. They will gain ground on some occasions, and not on others. At the end of the day they will also need to find ways around challenges in order to affect change in the organisational domain.

REFERENCES

Ali, S., and O'Fairchealleagh, C. (2007). 'Introduction'. *Greener Management International* 52: 5-16.

Carroll, A. (1999) 'Corporate Social Responsibility: Evolution of a Definitional Construct', *Business and Society* 38:268-95.

Herbertson, K., Ballestreros, A., Goodland, R. and Munilla, I. (2009). Breaking Ground: Engaging Communities in Extractive and Infrastructure Projects. *World Resources Institute (WRI)*.

International Council on Mining and Metals (2003) ICMM Sustainable Development Framework: 10 Principles, Available: http://www.icmm.com/our-work/sustainable-development-framework/10-principles [Accessed 5 July 2011].

International Finance Corporation [IFC] (2006) International Finance Corporation's Performance Standards on Social & Environmental Sustainability, Available: http://www.ifc.org/ifcext/sustainability.nsf/AttachmentsByTitle/pol_PerformanceStandards2006_full/$FILE/IFC+Performance+Standards.pdf [Accessed 5 July 2011].

International Finance Corporation (IFC) (2010), Strategic Community Investment, A Good Practice Handbook for Companies Doing Business in Emerging Markets, Washington.

Kemp, D. (2010), Community Relations in the Global Mining Industry: Exploring Internal Dimensions of Externally Oriented Work. *Corporate Social Responsibility and Environmental Management* 17: 1–14.

van Marrewijk, M. (2003) 'Concepts and Definitions of CSR and Corporate Sustainability: Between Agency and Communion', *Journal of Business Ethics* 43(2/3): 95-105.

Zandvliet, L. and M.B. Anderson (2009), *Getting it Right: Making Corporate-Community Relations Work* (Greenleaf Publishing, Sheffield, England).