

# Meaningful stakeholder dialogue Good practices in conducting dialogue





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This tool is part of a collection of resources, including tools, knowledge documents, and training, designed to help companies prepare and conduct <u>meaningful dialogues</u> with their stakeholders. Meaningful stakeholder engagement is fundamental for (International) Responsible Business Conduct (IRBC) and is reflected in <u>all steps of the due diligence process</u> as included in the OECD guidelines.

This tool provides guidance on conversation skills that contribute to a meaningful dialogue. By applying these in dialogues with (international) stakeholders, you build experience and skill. The document concludes with an exercise designed to help you apply these skills in dialogue settings.

## Conversation skills for open, safe and equal contact

Applying conversation skills helps create a safe and open environment where all participants can contribute equally. A safe environment encourages participants to share diverse perspectives, which can lead to richer conversations and foster equal participation. Equality in a dialogue does not mean that all stakeholders have equal power or identical perspectives, but that each participant can contribute meaningfully. Below are guidelines you can apply at different stages of a dialogue.

#### Before the dialogue

- Critically evaluate your conversation skills. Use the guidelines in this document to identify focus areas for improvement. Prepare yourself (or a colleague) by making a list of these areas and consider evaluating the skills during or after the dialogue. Examples of effective skills include: avoiding jargon, explaining terms clearly, limiting your own speaking time, and most importantly, listening sincerely to your stakeholder.
- Understand your stakeholders' general interests and any issues that may impact the dialogue, such as distrust as a result of past behaviour. Refer to step 2 of the tool 'Identifying your stakeholders' for more on stakeholder analysis.
- Be aware of legal and cultural contexts: legal and cultural differences can lead to varying interpretations of norms, increasing the potential for friction. Research these contexts beforehand to better manage any challenges. See also the <u>tool</u> 'Considering country-specific and cultural factors'.
- Assess the knowledge level of your stakeholders on the topics to be discussed. Provide background information if necessary, as equal access to information promotes mutual understanding. See the <u>tool</u> "When and how to share information?" for more guidance.

- Prepare for language barriers:
  - Consider using an interpreter or arranging for someone who speaks both languages and can act as an interpreter. It is important that all participants trust the interpreter so that the translation is accepted as the truth. Provide the interpreter with advance information about the topics to be discussed.
  - Share information in writing in the relevant language, so that the stakeholder is informed. If possible, speak to participants individually to prepare them for the topic.
  - Investigate the possibilities of artificial intelligence (AI) in this area. For example, online programs are available that can translate or subtitle simultaneously.
  - Prepare slides so that you can visibly display information in the relevant language during the dialogue. You can also use images that are more universal than words.
  - Whichever method you use, language differences and interim translation slow down the dialogue, so take this into account in your planning.

#### At the beginning of the dialogue

- Arrive early: if attending in person, ensure you are there on time to welcome and greet your stakeholders. Be mindful of cultural norms regarding greetings. See the <u>tool</u> 'Considering country-specific and cultural factors' for more details.
- Express appreciation: acknowledge the time and effort everyone has made to participate. Do not dive straight into the content; instead, take time to break the ice. This could involve asking how everyone is feeling, referring to previous meetings, or inquiring about personal circumstances if you already have a more personal relationship. Creating a familiar atmosphere can help set the tone for the dialogue. Be sure to consider cultural appropriateness.
- Manage late arrivals: if participants arrive late and this negatively impacts the discussion, consider whether it is possible to extend the meeting or reschedule it for a time that suits everyone better.

#### During the dialogue

- Investigate a subject based on experiences and what is important to everyone, instead of focusing on opinions. Avoid making assumptions or filling in the blanks for others. Instead, provide space for them to share their input. Show respect by listening carefully, without interrupting or judging. Limit gestures such as nodding, which can imply agreement or judgment. Instead, regularly summarise and repeat what others have said to ensure understanding.
- Be an active listener: listening attentively is not a passive act. Ask open and clarifying questions to get to the core of the subject and show curiosity. Examples include: "What exactly do you mean by...?", "How does this affect you?", "Can you explain in more detail why that is important to you?", and "Can you provide examples?". See also the <u>tool</u> 'Asking the right questions'.
- Adapt your language: speak concisely, especially when addressing non-native English speakers or when an interpreter is present. Avoid using technical jargon or abbreviations unless you are sure everyone understands them. When speaking to experts, it is appropriate to use jargon, but always clarify terms, as different experts might interpret them differently.
- Mind your non-verbal communication: pay attention to your posture and facial expression; non-verbal communication affects how you come across to others. This includes your tone of voice and volume. Be careful not to come across as derogatory or overbearing. Reinforcing your input is fine. However, do not do this by raising your voice, but by staying true to yourself and by speaking from the heart.
- Control your pace: speak at a measured pace and pause occasionally. Silences contribute to an open atmosphere, giving participants time to share insights, ask questions, or make comments. They also allow time to absorb what has been said.
- Handle disagreements constructively: if you disagree with someone's input because it conflicts with your policies, expectations or views, avoid becoming defensive. Instead, be open to feedback and ask further questions to fully understand their perspective. In your response, explain dilemmas openly and avoid using phrases like "yes, but...".

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- Encourage participation: if one participant dominates the conversation, encourage others to share their thoughts, for instance by asking them specific questions.
- If information is missing or someone cannot answer something, agree on how to come back to it together after the dialogue.
- Stick to the agenda/topics of discussion as much as possible to make a reliable and predictable impression. However, remain flexible enough to address emerging topics, as they are often important to stakeholders. Propose in a timely manner to continue the dialogue at a later time if you notice that the time is almost up and there is still a lot left to discuss.

#### When concluding the dialogue

- Thank the participants for their time and openness.
- Make sure you have enough time to discuss how the participants experienced the dialogue, outline next steps and how to move forward together.
- Recap the main conclusions from the dialogue, either verbally or in writing afterwards. This often provides a basis for follow-up contact. Refer to the <u>tool</u> "When and how to share information?" for further details.

### **Dealing with conflict constructively**

Since you are bringing together different stakeholders, there is a risk of conflict, for example when there is tension between parties due to previous incidents, the sensitivity of the topics being discussed or when interests differ widely. Friction and conflict are not necessarily bad or something that should be avoided at all costs. It can actually reveal relevant information that is needed to arrive at the right solutions or decisions. The key is to handle conflict constructively. Below are some tips on how to deal with conflict. Note that this is certainly not sufficient to resolve conflicts by yourself, as this requires thorough knowledge and skills that you can only gain through training and building up experience. If the risk of conflict is high, consider having the dialogue facilitated by an experienced

facilitator. For more information, refer to the <u>knowledge document</u> "What makes a good facilitator?".

#### Tips for avoiding friction

- Start the dialogue by focusing on areas where interests overlap. This approach helps build confidence and sets a positive tone for addressing more challenging topics later in the dialogue.
- Approach difficult topics by first talking about broader, underlying problems instead of getting straight to the (sensitive) core. In the case of child labour, for example, you could start the dialogue about education and community development.
- If tensions rise during the dialogue, consider taking a short break. If tension remains high after the break, it might be best to reschedule the dialogue for a later time.

#### What to do when conflict occurs?

- Try to remain calm, even when emotions are running high. You want to prevent a situation from escalating. So avoid making personal attacks or accusations and keep the communication respectful and constructive.
- Recognise and reflect on the fact that there is conflict and do not try to work around it, as that often only makes it worse.
- Seek to understand the underlying issues: look beyond the surface of the conflict to understand the interests behind rigid viewpoints and positions, the wishes behind reproaches, and the needs behind emotions (see the information box below). Questions to explore might include: Why is this topic important? What end result are they aiming for? How are they committed to this? What problem does it solve?
- If necessary, agree to pause the dialogue temporarily. Use this time to individually explore with the involved parties why the issue is important to them, identify the source of their frustration, and discuss what is needed to resume the conversation constructively.

#### The role of emotions

Emotions can play a significant role in the success or failure of a dialogue. The first step is to recognise that emotions can arise and that an expressed emotion often hides a core need. According to mediator Ida Koppen, negative emotions, such as envy, fear, anger, shame, guilt, tension, sadness, indignation and resentment, arise if one or more of the following five core needs are denied:

- Appreciation: when your thoughts, feelings and actions are belittled instead of recognised as valuable
- Affiliation: when you are treated as an opponent and kept at a distance instead of as a colleague
- Autonomy: when your freedom of decision is compromised instead of respected
- **Status**: when your reputation is treated as inferior to the others rather than fully recognised
- **Role**: when your current role and associated activities are not satisfying to you, without being able to fulfil them in a way that is satisfying to you.

It is therefore important to pay attention to these needs when negative emotions are expressed during a dialogue.

## Practising conversation skills in IRBC-related scenarios

This section outlines four scenarios related to International Responsible Business Conduct (IRBC). For each situation, consider which conversation skills are necessary. The following pages provide guidance on which skills to apply in each case.

#### Situation 1

You work at a company that has been practicing international responsible business conduct (IRBC) for some time, partly because of (upcoming) European legislation in this area. You want to engage your suppliers on the importance of IRBC. How do you approach this dialogue, which conversation skills should you use?

Consider level of knowledge, language use, mutual input, follow-up.

#### Situation 2

You have been informed by a civil society organisation about problems in the workplace in a factory where you are sourcing from. How would you raise this with the supplier, which conversation skills should you use?

Consider the way of addressing the issue and conveying the message.

#### Situation 3

You are in dialogue with your international supplier about the results of a survey among workers. This shows, among other things, that 78 percent of them are physically exhausted after a workday. You are concerned that the work may be too demanding, conflicting with your Code of Conduct. However, your supplier distrusts the survey results, claiming that employees misunderstood the question. How do you proceed, and which conversation skills should you use?

Consider mutual reflection and joint action.

#### Situation 4

You are speaking with an NGO in your production country that you want to collaborate with to identify and address the risks of child labour in your supply chain. However, your conversation partner seems rushed and distracted, possibly multi-tasking. How do you handle this, and which conversation skills should you use?

Consider the timing of the conversation and its reason and urgency.

#### **Conversation skills situation 1**

You work at a company that has been practicing international responsible business conduct (IRBC) for some time, partly because of (upcoming) European legislation in this area. You want to engage your suppliers on the importance of IRBC. How do you approach this dialogue, which conversation skills should you use?

- Assess the supplier's current knowledge: begin by understanding the supplier's familiarity with business practices related to IRBC. Determine their understanding of your IRBC policy, involvement in audit programs, and participation in local or international collaborations for responsible business practices.
- Adapt your language and clarify concepts: clearly explain what IRBC involves, ensuring that any complex terms, abbreviations, or jargon are properly clarified. Make the discussion relevant to the supplier by highlighting the benefits for them and suggesting concrete actions you can take together. Avoid overwhelming them with lengthy explanations; instead, break the information down into manageable steps.
- Encourage open dialogue: regularly check in to ensure the supplier is engaged in the dialogue. Provide opportunities for them to share their perspective, based on their own experiences and needs. Focus on creating a dialogue rather than merely providing information or persuading them. This approach helps you understand the extent to which the supplier supports IRBC initiatives. For instance, if a supplier agrees with IRBC but only wants to train part of the workforce, use probing questions to explore this further.
- It helps if you set up a dialogue structure in advance and build in 'natural' moments of silence to let others speak. In doing so, you give yourself time to think of follow-up questions and explore them in depth. Consider writing down specific questions or comments beforehand to guide the conversation and ensure key messages are conveyed effectively.
- Repeat any information that might be difficult to understand to ensure clarity. If needed, ask for the information to be sent via email afterwards for further review.
- At the end of the dialogue, ask the supplier for feedback on the dialogue. Share what you have learned and ask what they found valuable. Together, discuss any necessary follow-up steps and how to move forward.

#### **Conversation skills situation 2**

You have been informed by a civil society organisation about problems in the workplace in a factory where you are sourcing from. How would you raise this with the supplier, which conversation skills should you use?

- Begin by acknowledging what is already working well and noting any improvements since previous inspections. This approach sets a constructive tone and makes it easier to transition into discussing areas that still need attention. If there are significant problems, this strategy helps build up to them gradually.
- Ensure you have a complete overview of the issues, supported by examples and figures where possible. If the supplier challenges a point or disagrees with a comment, ask follow-up questions to gather more information. Having evidence is crucial for a productive discussion. If any information is missing, clearly state that you will collect it and share it after the meeting.
- When raising concerns, frame them carefully. For instance, begin by stating that you have been informed of potential issues, express your personal reaction (e.g., "I was surprised to hear this"), and link it to your company's IRBC policies. Then, invite the supplier to discuss the situation, creating space for mutual reflection and dialogue.
- By being subtle and open, you increase the chance of an honest response. For example, if the issue concerns laid-off employees, do not directly ask whether any employees have been laid off, but help the other person identify the underlying facts/situation, such as "What impact has the COVID pandemic had on the workforce?".
- Rather than imposing solutions, involve the conversation partners in crafting and implementing the solution. Joint decision-making fosters greater buy-in and collaboration, leading to more effective and sustainable outcomes.

#### **Conversation skills situation 3**

You are in dialogue with your international supplier about the results of a survey among workers. This shows, among other things, that 78 percent of them are physically exhausted after a workday. You are concerned that the work may be too demanding, conflicting with your Code of Conduct. However, your supplier distrusts the survey results, claiming that employees misunderstood the question. How do you proceed, and which conversation skills should you use?

- Acknowledge your supplier's concerns and take the comment seriously. Ask
  what exactly could be causing employees to misunderstand the question. Try to
  understand the reason behind the doubt, perhaps this will provide valuable
  insights. Restate the key points in your own words to ensure you accurately
  understand their concerns and to confirm that this is what the supplier meant
  to convey.
- Clearly explain the method used to administer the survey and how the questions were worded, highlighting the reliability of the survey from your perspective.
   Offer to re-examine the methodology and the specific questions together with the supplier, to address any doubts and ensure mutual confidence in the results.
- Reassure your supplier by, if this is the case, indicating that this result is also seen at other suppliers and that workers' honesty in these surveys is actually a positive sign. This can help normalise the findings and reduce any defensiveness or scepticism.
- Suggest working together to understand the causes behind the reported data and possible solutions. For example, you could propose jointly developing a follow-up survey, ensuring that the questions are as clear and straightforward as possible to avoid any further misunderstandings.

#### **Conversation skills situation 4**

You are speaking with an NGO in your production country that you want to collaborate with to identify and address the risks of child labour in your supply chain. However, your conversation partner seems rushed and distracted, possibly multi-tasking. How do you handle this, and which conversation skills should you use?

- Start by gently sharing your observation and checking if your conversation partner is indeed distracted. For example, say, "Thank you for taking the time to talk to me. However, it seems that you are very busy. Is this still a good time to have this conversation?". If they confirm that it is not a convenient time, suggest rescheduling. When doing so, ask about their general availability to avoid a similar situation in the future.
- Emphasise the importance of dialogue to better involve your conversation partner. For example, indicate: "Our recent risk analysis shows that tackling child labour in this country must be a priority. Various experts and stakeholders advised us to enter into a dialogue with your organisation because of your years of experience focused on sustainable impact. This is very much in line with our long-term vision. I would therefore really appreciate learning more about your approach during this conversation."
- Break the topic into smaller pieces and discuss one part during the dialogue, preferably something that your conversation partner can talk about a lot, so that he/she remains involved. For example, you might say: "Perhaps today we can talk about your organisation's approach to child labour in the region. In a subsequent meeting I can explain how this approach might align with our business operations."
- Ask short, specific questions to make it easier for your conversation partner to focus. See also the <u>tool</u> 'Asking the right questions' for tips.
- Move the conversation to email and schedule a follow-up call. Decide together to pause the discussion and resume it later. In the meantime, send your partner some questions or discussion points by email, allowing you to delve deeper into the topics more efficiently during the next dialogue.

### Information and support

This tool is part of a collection of tools, knowledge documents and training to help companies set up and implement a <u>meaningful dialogue</u> with their stakeholders. Meaningful stakeholder engagement is fundamental for (international) responsible business conduct and is reflected in <u>all steps of the due diligence</u> <u>process</u> according to OECD guidelines.

Click on a topic below for more information and support preparing and conducting a meaningful stakeholder dialogue.





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#### Publication

Social and Economic Council (SER) Bezuidenhoutseweg 60 P.O. Box 90405 2509 LK Den Haag The Netherlands +31 70 3499 525 communicatie@ser.nl

www.ser.nl/en/themes/irbc/meaningful-dialogue

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