

Meaningful stakeholder dialogue Preconditions for starting a dialogue





Introduction

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

In order for your company to enter into a meaningful dialogue with stakeholders in the (international) supply chain, you need to be aware of a number of conditions for success. Meeting these conditions increases the chance of a dialogue becoming meaningful and provides insight into the feasibility of a dialogue. The conditions are:

Commitment

- My company recognises the importance of dialogue and is committed to ongoing engagement with stakeholders.
- I understand my company's level of commitment to the outcomes of stakeholder dialogues.

Capacity (time, skills, financial resources)

- As an employee, I am given sufficient time and resources to prepare for, conduct, and follow up on stakeholder dialogues.
- If necessary, my company provides financial resources to effectively facilitate the dialogue.
- As an employee responsible for conducting or organising stakeholder dialogues, I have the necessary skills for this role.
- I have a clear understanding of the quality of my company's capabilities and practices related to stakeholder dialogue.

Internal processes

- There is effective internal communication and coordination regarding the purpose, content, implementation, and outcomes of the dialogue.
- My company has the appropriate technological infrastructure to support (online) dialogues.

Complete the checklist below to assess how well you meet these conditions or identify the steps you need to take to comply with them.



Precondition	Why is this precondition important?	What can you do to meet the precondition?	Practical example
My company recognises the importance of dialogue and is committed to ongoing engagement with stakeholders.	Management's commitment to stakeholder dialogue determines the scope of action you have as an employee. Understanding this commitment helps in preparing for and conducting a dialogue, and it guides your actions. Moreover, commitment from your company contributes to the engagement of your stakeholders. See also the tool 'Promoting stakeholder Commitment?' You can gauge commitment by whether stakeholder dialogue is included in your company's or organisation's (international) responsible business conduct (IRBC) policy, if a strategy has been developed for it, or if management has explicitly prioritised it.	Talk to the responsible manager and discuss how stakeholder dialogue can be (better) embedded in the IRBC policy: how can dialogue help to prevent, address and recover negative impact? If policy adjustment is not possible within the foreseeable future, discuss how internal commitment can still be achieved for conducting stakeholder dialogue and what conditions are attached to this. See the tool 'The added value of dialogue for my company' to convince your management of the importance of conducting stakeholder dialogue.	A natural stone company that, among other things, participated in a multi-stakeholder dialogue, explicitly states on its <u>website</u> that dialogue is part of the IRBC policy.
I understand my company's level of commitment to the outcomes of stakeholder dialogues.	Meaningful stakeholder dialogue is an approach that should lead to actionable outcomes. Companies must be open to adjusting their operations or specific activities based on what a stakeholder shares during the dialogue. Understanding the precise level of commitment regarding the topics discussed helps you as an employee to determine your scope of action. This insight allows you to know which actions you can take independently and which decisions require further internal alignment.	Talk to the responsible manager or your team and discuss what the company's precise commitment is to possible outcomes. For example, what is the policy and strategy on living wage? Use your IRBC policy to determine where the restrictions lie and where there is flexibility.	Example 1 A clothing company that conducted a digital survey among workers in five garment factories had previously discussed the extent of its flexibility in responding to the results. During the dialogue with suppliers, the company knew it had to consider its limited flexibility, particularly on the issue of wages. Example 2 In this case (in Dutch) the clothing companies had an IRBC policy that stipulated payment of the minimum wage as a requirement. Through dialogue with suppliers, they were able to monitor the implementation of this policy.



Precondition	Why is this precondition important?	What can you do to meet the precondition?	Practical example
As an employee, I am given sufficient time and resources to prepare for, conduct, and follow up on stakeholder dialogues.	Engaging in dialogue is not limited to the actual conversation between the company and the stakeholder. For a dialogue to be meaningful, it must be well-prepared and followed up properly. Even a physical site visit to conduct a dialogue requires a relatively significant amount of time and effort. As an employee, you need to be given time for this.	Discuss with the responsible manager the time required to prepare for, conduct, and follow up on dialogues. Emphasise that preparation and follow-up are essential components of a meaningful dialogue and that time should be allocated for these activities as well. Estimate the number of hours you think will be needed for a single stakeholder dialogue to make your discussion with your supervisor more concrete.	A clothing company that engaged in multi-stakeholder dialogue with its supplier found that more time was needed than initially expected. This was due to delayed responses from the supplier and internal discussions with varying team members. Fortunately, there was flexibility to allocate the extra hours needed.
If necessary, my company provides financial resources to effectively facilitate the dialogue.	When organising or attending a physical dialogue, this has costs associated with it, such as venue rental, travel expenses, and catering. A budget must be available for these expenses. Since a physical visit significantly contributes to building trust, it is important to budget for these costs. For online dialogues, it may also be necessary to allocate financial resources to ensure the dialogue is meaningful. This could be because the dialogue is conducted following an audit or digital survey of employees, or because you hire an external facilitator or use an interpreter.	Discuss with the responsible manager the costs required to conduct the dialogue. Explain the potential expenses and why they are essential for a meaningful dialogue. Consider costs for: Travel and accommodation Facilitator Venue rental Catering Interpreter Hiring an expert or service provider	A clothing company that conducts digital surveys among workers in garment factories includes this as a regular budget item. This ensures the continuity of the dialogue.
As an employee responsible for conducting or organising stakeholder dialogues, I have the necessary skills for this role.	Conducting dialogue requires certain skills (intercultural communication, language skills, conversational skills, flexibility and empathy) from employees, depending on the context of the dialogue. Organising a (physical) meeting is a task in itself. This requires organisational talent or the ability to delegate this internally or externally.	 Organise a training or internal dialogue workshop for colleagues. See also available training on meaningful stakeholder dialogue. Ensure that dialogues are conducted by two employees: one junior and one senior. This approach expands internal capacity and allows colleagues to gain experience in conducting dialogues. Internally evaluate the quality of stakeholder dialogues so far and explore ways to improve. Reflective evaluation helps in capacity building. Understand when it is necessary to involve an external facilitator; refer to the knowledge document 'What makes a good facilitator?' 	A clothing company that engages in dialogue with suppliers about the results of a digital survey among workers, conducts these conversations with two employees whenever possible. They can learn from each other's skills and approaches by evaluating the dialogue together. New colleagues in the sustainability team are involved in dialogues with suppliers as soon as possible to gain experience and develop competencies.
I have a clear understanding of the quality of my company's capabilities and practices related to stakeholder dialogue.	A company that is aware of its own strengths and weaknesses in conducting stakeholder dialogues is better equipped to continuously improve its practices.	Complete the <u>online self-assessment</u> 'How to conduct a meaningful stakeholder dialogue?'.	



Precondition	Why is this precondition important?	What can you do to meet the precondition?	Practical example
There is effective internal communication and coordination regarding the purpose, content, implementation, and outcomes of the dialogue.	Agreements are in place regarding who conducts the dialogue and which colleagues and/or teams must or want to remain involved. This helps to establish stakeholder dialogue as a standard practice that is well-organised internally.	Identify which colleagues or teams within your company would like to contribute to or are interested in the results of the stakeholder dialogue. Also, determine which colleagues you should keep involved for practical implementation and follow-up. For example: • Purchasing • Sustainability/CSR • Legal • Finance • Management Team • Communication • Product development • Supply chain	In this case (in Dutch) a clothing company entered into dialogue with suppliers about a training program in clothing factories. On behalf of the Dutch company, colleagues from the purchasing and sustainability team conducted the dialogue together, because the subject shares common ground with the activities of both teams. Preparing and executing together helped prevent miscommunication and contributed to creating internal synergy. The project was also regularly discussed internally.
My company has the appropriate technological infrastructure to support (online) dialogues.	Dialogue may require means of communication other than those normally used within your company. In order to accommodate the preference of a stakeholder, it is necessary to be able to facilitate this.	Determine what technology you need and consult with IT colleagues to ensure it can and may be used.	A beer brewer has an internal complaints mechanism that employees in all countries can use to report problems or risks. To ensure accessibility, various channels are available for submitting a complaint, including a special portal accessible via the internet, telephone, or a dedicated app.



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 process</u> according to OECD guidelines.

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



<u>Website</u>



Self-assessment



Tools



Knowledge documents



<u>Training</u>



Guidelines & legislation



FAQs



Theory

Colophon

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