

GAUTRAIN MANAGEMENT AGENCY



GMA CASE STUDY – STAKEHOLDER MANAGEMENT

APPROACHING STAKEHOLDER MANAGEMENT IN AN INCLUSIVE MANNER

The purpose of this case study is to set out the process of formulating and implementing a multi-stakeholder communication strategy for the Gautrain Project. The case study focuses on the problems encountered and the solutions introduced during the planning and construction phases of the Project. The study shares valuable lessons that were learnt and highlights the need for continuous stakeholder communication and collaboration.

LEARNING OUTCOME

How to engage and manage stakeholders effectively within the Gautrain brand umbrella.

BUSINESS OBJECTIVE

To develop and implement an inclusive stakeholder management approach successfully for all Gautrain's relevant stakeholders, during the planning and construction phases.



1. BACKGROUND

During its planning and construction, the nature of the Gautrain Project generated significant stakeholder interest. There were both supporters and opponents of the Project: the latter included people who may have opposed the project for political, financial, technical and environmental reasons. In addition, the opponents of the Project included those who were sceptical about its feasibility.

For this reason, a holistic approach towards communication was established. It

included stakeholder management and the development of a comprehensive database of these stakeholder groups for future brand communication.

Given the ever-changing environment in which Gautrain operates, the purpose of Gautrain's integrated communication strategies was always to be proactive in managing its multiple – and highly complex – stakeholder groups. To achieve this the stakeholder groups, who were relevant at the time, needed to be engaged.

2. PROBLEM STATEMENT AND EARLY FINDINGS

Gautrain – the first rapid rail transport system in Gauteng, which is South Africa's economic heartland – has a myriad of stakeholder groups. Among these international, national and regional stakeholders groups lies the question: “How much attention does each stakeholder group require?” In answering this, the methodology for Gautrain's stakeholder management and engagement will be revealed.

The question above is firstly relevant owing to limited resources. Only a finite amount of time and money could be allocated to a specific stakeholder group. Secondly, the Gautrain Communication Unit realised that it was impossible for all stakeholders to have the same interests in, and demands on, the planning and construction of Gautrain.

Once Gautrain identified stakeholder groups, there was a struggle for attention: who to give it to, who to give more to, and who to “ignore”. Sacrificing the needs of one stakeholder group for the needs of another was a dilemma with which the Communication Unit struggled, as the success of Gautrain was largely dependent on prioritising each stakeholder group according its situational needs during a specific phase. For example, communities received much less attention during the planning phase than the construction phase.

As a solution to the dilemma above, the Communication Unit employed a model that moves from the broadest attempts at identifying all stakeholder groups to the more specific need of identifying key target publics for communication strategies. The model is situational, and the priority of stakeholders and publics will change according to the situation. Known as the “Linkage Model”, Grunig & Hunt (1984) define a stakeholder group as one that is affected by, or who can affect, the success

“... without stakeholder support and engagement, the Gautrain brand will not grow and develop along the lines of the expectations of its stakeholders.”



of an organisation. Thereby, a link between the two parties is formed. For Gautrain, such stakeholder groups could be passengers, employees, media, communities and suppliers.

The Communication Unit successfully identified all stakeholders and then narrowed these down according to the attributes they displayed. This was done by considering how these groups were linked to the Gautrain Project. These links (according to Grunig and Hunt) are formed by either enabling, functional, diffused or normative stakeholders:

- Enabling stakeholders have some control and authority over Gautrain. For example, during Gautrain's planning phase, the National Treasury played a vital enabling function in the Project with significant financial backing for the Project.
- Functional stakeholders are essential to the operations of an organisation. They are either categorised as being part of the input by providing labour and resources such as Gautrain Management employees, as well as, once again, the National Treasury by

providing funding. Alternatively they are classified as part of the output by receiving Gautrain's services as passengers.

- Normative stakeholders share a common interest with an organisation. This group of Gautrain stakeholders share similar values, goals or problems, and often belong to industrial or professional associations. Examples of these Gautrain stakeholder groups include other modes of public transport.
- Diffused stakeholders have infrequent interactions with an organisation and are the most difficult to identify because of their infrequent interactions with the organisation. For Gautrain, these linkages include the media, the community, activists and other special interest groups.

With the application of the Linkage Model, Gautrain's Communication Unit could efficiently identify, categorise, prioritise and describe stakeholders, ranging from groupings to individual target audiences. This was done with an electronic stakeholder platform.

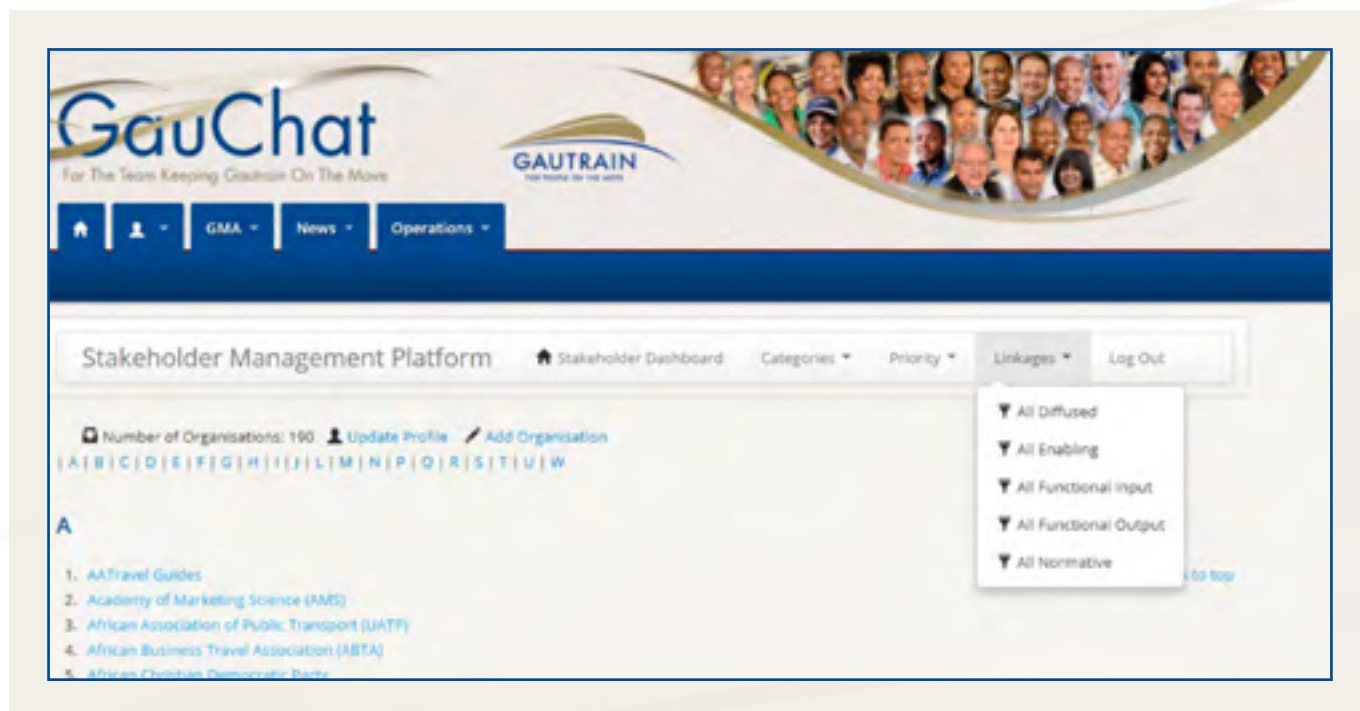


Figure 1: Gautrain's electronic stakeholder platform

3. ANALYSIS OF ISSUES

When planning and construction took place, the Gautrain's Communication Unit's main objective was to position Gautrain as a project of national significance that would promote public transport and also contribute to socio-economic development which South Africans could be proud of.

Achievement of the Communication Unit's objectives did not happen without challenges. Maintaining effective stakeholder management and engagement meant that the following had to be dealt with:

- Pessimism from national and international investors about Gautrain being an African government project with a perceived profile of corruption and fraud;
- Local sceptics who saw Gautrain as being a 'white elephant', which was not needed in Gauteng;
- A project like Gautrain had, at that stage, never been attempted in Africa. Being a 'greenfields' project attracted many critics;
- The success of Gautrain was questioned by many other transport mode 'experts'. All these other parties recommended other, better transport options as opposed to Gautrain;
- South Africa lacks a solid public transport tradition. This lack of tradition created a lot of 'disbelief' in the Project;
- Gautrain was to spend billions of taxpayers' money. As the Project was seen as a 'white elephant', spending public money created resistance among stakeholders;
- The NIMBY (not-in-my-backyard) syndrome increased opposition to Gautrain in Gauteng. The few who thought that Gautrain was a good idea did not want the service offered in their community;
- Running through undeveloped land created questions as to Gautrain's negative environmental impacts. In addition, in the

areas that were developed, noise and vibrations impacts were expected; and

- Almost 1 100 properties were expropriated. Since the affected communities had not been exposed to expropriation on a frequent basis, uncertainty existed as to how expropriation was to unfold.

Having overcome most challenges, the Gautrain Project and its objectives had to be brought to the minds of various stakeholders in a positive light. Intended target publics were selected, based on the perceived consequences of the relationship between Gautrain and its stakeholders.



The stakeholder groups that were perceived to become relevant to communication during construction and operation of the Gautrain were:

- Internal target publics;
- Government;
- Mass media;
- Interested and affected parties;
- Affected communities;
- Gauteng residents;
- Various national and international businesses, industries and sectors;
- Environmental organisations; and
- Potential passengers.

Having identified stakeholder groups, the Communication Unit prioritised, categorised

and described selected, relevant stakeholders with the use of the stakeholder platform. Selection and prioritising were done considering the risks and challenges related to each stakeholder group. For example, Earth Life Africa – an environmental activist group – was given a high priority during Gautrain's construction phase. The priority level allocated was because of the risk and challenges Earth Life Africa presented to Gautrain's uninterrupted construction. Conversely, the Hospitality Industry, which posed no immediate threat to Gautrain during construction, was allocated a low priority and a lower level of engagement.

Once prioritisation of stakeholder groups had been completed for the relevant phases, an applicable communication strategy could then be formulated to mitigate risk and challenges associated with a specific stakeholder group.



4. LESSONS LEARNT

While it is not an easy exercise to formulate a multi-stakeholder communication strategy, it becomes almost impossible to do so successfully without the following principles employed by Gautrain's Communication Unit:

- Constant involvement from Project inception in April 2000 on the part of the Communication Unit, which constituted a core element of the overall Project plan to this day;
- Communication being involved at an executive level to guide the formulation of the strategy;
- Communication being integrated and coordinated with other elements of the Project to streamline objectives and work efficiently towards a communication strategy;
- All communication tools and tactics being employed in support of strategic objectives; and

- Ensuring that communication would always take place by design, not by default.

A continuously running project of the size and complexity of the Gautrain Project must continuously communicate and collaborate with its stakeholders. This is extremely important as, without stakeholder support and engagement, the Gautrain brand will not grow and develop along the lines of the expectations of its stakeholders. In order to maintain the expectations of stakeholders and maintain brand promises made during the development phase it is of the utmost importance to keep in touch with stakeholder groups, research their opinions and involve them in any further developments to maintain their support for Gautrain.

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