



STAKEHOLDER DIALOGUES GUIDE

Stewart D. Friedman

This guide is a compilation of ideas and insights from various sources about preparing for and conducting fruitful stakeholder dialogues. It corresponds to, and elaborates on, *Chapter 5 of Total Leadership: Be a Better Leader, Have a Richer Life.*

This guide draws extensively on notes from participants and has sections written by some of them on the challenges and opportunities of dialogues with particular kinds of stakeholders. Please share your suggestions!

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Overview of the Stakeholder Dialogues

Stakeholder dialogues might be the most challenging aspect of your Total Leadership experience. Discussing deep concerns with those about whom you care can be a frightening prospect. However, if you prepare for the dialogue process you will increase your confidence and be more likely to successfully conduct the dialogues, using them to achieve lasting results with your key stakeholders.

To this point in our program your perspective of your relationship with your stakeholders has been based on what *you* think. The dialogues help to reveal the foundations of your relationships and reach agreement towards a plan to bring mutually beneficial results

The first step of the dialogue process is determining who your stakeholders are. Stakeholders can be grouped into three domains: Work, Home, and Community. To identify your stakeholders, consider who, in each of these domains, has the most impact on your life. Take into account amount of interaction and degree of emotional closeness. Stakeholders can be anyone – your boss, clients, parents, spouse, classmates, sports team you coach or play on, friends, neighbors, church group, etc. The critical issue in choosing your stakeholders is identifying the relationships that are most important to you.

Once your stakeholders have been determined, start thinking about the dialogues. In many ways, dialogues are like negotiations. They give you the opportunity to learn what you and your stakeholders expect from one another and how to improve your current relationships to make them as mutually beneficial as possible. You will share information and aim to reach working agreements that will benefit you and your stakeholders. The knowledge you have of negotiations will help you conduct the dialogues. As negotiation theory asserts: Preparation is the most important part of the whole process. Before entering into a stakeholder dialogue, be sure you have both party's best interests in mind.

Once you are prepared to meet your stakeholder, you are ready to exchange information. As you begin the dialogue, the most important thing is to listen – this is the way you find out the key interests and expectations of your stakeholder. After you and your stakeholder have clarified expectations it is then time to negotiate ways to help better meet those expectations. Once you agree on solutions to better your relationship, test for commitment. Find ways to tie their interests to the success of your experiments.

In sum, the dialogues are a useful tool for discovering ways to improve your relationships with key stakeholders. They allow you and the people closest to you to share hopes and concerns and to work together to better meet mutual expectations. By doing this, you will strengthen your network of support to bring benefits in every area of your life. This guide offers further suggestions and ideas for action from previous participants.



Stakeholders and Their Expectations

Total Leadership asks you to find ways to improve your relationships with all your various stakeholders -- from people at work to your immediate family -- through innovation. To do this, first identify the most important stakeholders in your life.

Stakeholders are grouped into separate domains: Work, Home, Community, and Self. These groups are categorized as such because stakeholders within each group often play similar roles in your life and have related expectations of you. These groups are meant to get you thinking of the different domains.

Start by thinking about stakeholders in these domains through these questions:

- Who are the most important people to you in each domain?
- With whom in this domain do you have the most frequent contact?
- Who has direct control over you or is under your direct control?
- Who are the people with the greatest amount of influence on my life?

The intent of your TL experiment is to involve as much of your organization(s) directly affected by your leadership actions as possible. Experiments should involve you and your work colleagues in accomplishing current workload and goals. Your experiment might affect the larger organization (including colleagues and customers in other parts of the organization). But your focus should be on your immediate work environment.

Ask yourself, "Who are my stakeholders?" It could be your boss or your child. It could be the person with whom you live, your spouse or partner. Or it could be the students in your classes or your peers in your department at work. Your stakeholders could also be the leaders of your religious group and the members of your sports club. Your stakeholders can be anyone and can be anywhere. Breaking them down into domains can be a challenge. Don't feel restricted by this – the categories are entirely subjective.

In previous diagnostics you were asked to make a picture called a Domain Map. The goal is to see how aligned your domains are with each other. Does your home life conflict with your work life, or do they complement each other? Ideally, through your work in this program, you will increase synergies between domains, resulting in an increased overlap of these circles. Now that you've drawn your domains, you're ready to get more specific by identifying the stakeholders in your life and assessing what you think they expect from you, and vice versa. Knowing the expectations that your stakeholders have of you will help you understand what is important to them and how to increase results.

For each stakeholder (or cluster of stakeholders) identify the main expectations they have of you in performing your role. Some tips on writing expectations:



- Try to put yourself in the mind of your stakeholder.
- Imagine him or her responding to the question: What are the main things you want or need from me?
- Describe the behaviors he or she expects.
- Be as concrete and specific as you can.

After you have identified what you think your stakeholders expect of you, describe what you need from them. Articulating what you expect and need from your key stakeholders will help you understand what is important to you and how to better meet expectations in all domains. Use the same stakeholders in this analysis as you did in the previous one. For each stakeholder identify what you need from him or her to support you in aligning your values and actions and in achieving your goals.

After you have identified your stakeholders and your expectations, start preparing for the dialogues. You will want to be clear in your own mind about how to clarify and validate the expectations of your key stakeholders (since you might not fully understand them). You will also want to understand the difference between positions and underlying interests as a way to negotiate with your stakeholders and perhaps reframe some of their expectations (as well as your own). Your stakeholders' stated positions are their surface needs. However, their underlying interests are the reasons they have for stating their position. Understanding them both and being able to differentiate between the two will help you in working towards a successful solutions that meet both your needs. Also, use the stakeholder dialogues as an opportunity to understand your current patterns of interaction, in order to be able to explore potential opportunities for improving them.



Conducting Stakeholder Dialogues

Stakeholder dialogues are potentially the most useful part of the TL process. However, they also can be the most intimidating. This guide will provide you with strategies to conduct the dialogues and answers to the common problems that arise.

“Don’t be fearful of stakeholder discussions. These are great opportunities to do a self-assessment and really find out what different parties want from you...too many of us never solicit feedback and thus have no real situational awareness.”

– Shaun Francis

Stakeholder dialogues are an important means of enabling you and your stakeholders to truly communicate with each other about what really matters. The original Greek word, *dia-logos*, meant a free-flowing of meaning through a group, allowing the group to discover insights not attainable individually. Dialogues allow you and those in your domains to work together in a manner that produces results beyond what the mere sum of individual results would be. As a past participant wrote:

“Conducting stakeholder dialogues are a critical element of TL. When you conduct your stakeholder dialogues you will decrease your blind spots and learn a lot more about what people like and don’t like that you do or don’t do. Take advantage of the opportunity that stakeholder dialogues provide for you to let your stakeholders know how they can help you improve performance in your life.”

-- Niko Vittas

The dialogue process is a kind of negotiation – a negotiation between your stakeholders and you on ways you can better meet each other’s expectations to create a more enriching relationship for all involved. These negotiations allow for informal assessment that points out the gaps between current capacities or performance and some desired state or ideal capacity level. The desired level might be based on what the job requires, what someone’s career goals demand, what other people expect, or what people expect of themselves. This gap is one of the keys to why a developmental experience motivates learning, growth, and change:

“I remember that the week we did the stakeholder dialogues I started asking virtually everyone I knew what they expected of me and how I could become a better person. *Instead of taking the feedback personally, I saw it as a growing opportunity.* Of course, I had to be careful not to believe everything I heard so, if more than two or three people told me the same thing, then I knew that there was an opportunity for growth there.”

-- Ariana Lopez



In Richard Shell's book *Bargaining for Advantage*, he defines negotiation as an interactive communication process that may take place whenever we want something from someone else or another person wants something from us. Think of stakeholder dialogues as negotiations. We are exchanging information on needs with one another and bargaining on ways to work together to better meet our mutual needs.

In any negotiation process, there are two steps that are integral: preparation and information exchange. Furthermore, if the negotiation is to continue on to a successful new relationship, there needs to be commitment. These steps are imperative to conduct a successful stakeholder dialogue.

Top negotiators agree – effective preparation is the key to successful negotiations. To succeed in your stakeholder dialogues, you must first have a good knowledge of yourself; from your personality and negotiating style to your needs and desires from your stakeholders. Earlier diagnostics offer you a chance to reflect on who you are and the roles your stakeholders play in your life. Try to gather the same information about your stakeholders – their values and interests and their needs and desires of you. With this knowledge of mutual expectations, you can come up with initial proposals to put forward during your dialogues on ways to help improve your relationship to your mutual satisfaction. Finally, before the dialogue, it is useful prepare the structure of the dialogue itself – topic outline, timing, location, etc.

Know Yourself

Identify your values and your needs. Learn your personal style in negotiation situations. Are you naturally a cooperative or a competitive person? Do you prefer formal or informal negotiations? While the best advice in negotiation situations is to be your self, great negotiators demonstrate four traits that all of us can adopt.

1. A willingness to prepare. Preparation is the key to negotiations. Nearly every research study on negotiation has confirmed its importance. “The more time we spend preparing for a particular negotiation and the more information we gather that reinforces our belief that our goal is legitimate and achievable, the firmer our expectations grow.”¹

2. High expectations. “High achievement comes from high aims.” (King Ching of Chou, 1100 B.C.) It’s a proven fact that your optimism affects your outcomes – if you aim for something slightly higher than what is realistic, that expectation will likely influence the person with whom you are negotiating to settle at a higher point than if you had begun with the most realistic expectations. What you are asking for is not as important as how you ask for it. According to Shell, “The goal of an effective negotiator is to have expectations that are high enough to present



a real challenge but realistic enough to promote good working relationships.”² Another important aspect of high expectations is being explicit. The more specific your vision of what you want and the more committed you are to that vision, the more likely you are to obtain it. Past participants in Total Leadership also understand the value of having a vision.

“See the finish line before writing down the experiment. As you run with innovations, focus on what you would get out of it. Then go back and document the steps you would need to take to get there. The early energy you get from thinking about the result makes the effort worth it, not at all unlike a baseball player thinking about winning the World Series before putting on a uniform.”

– Enzo Santilli

No matter what your expectations are of the experiment, have a clear idea of what they are before the stakeholder dialogues and do not be afraid of aiming high.

3. The patience to listen. In negotiations, information is power. Listening allows you to acquire that information. J. P. Morgan once said, “A man always has two reasons for the things he does – a good one and the real one.” Listening allows you to discern the superficial from the real; insight that will give you valuable negotiation power. Besides giving you a competitive edge in information, listening also promotes good working relationships. Listening shows respect for the other party.

4. A commitment to personal integrity. As Shell tells us: “Effective negotiators are reliable. They keep their promises, avoid lying, and do not raise hopes they have no intention of fulfilling. Does this mean that you have to disclose your entire position to the other party? No, you do not, but it does pay to be reliable and to protect your reputation for integrity. People would much rather negotiate with someone they trust than someone they feel might cheat them.”³

Know Who You are Negotiating With

“If there is any one secret of success, it lies in the ability to get the other person’s point of view and see things from that person’s angle as well as from your own.”

-- Henry Ford

Once you become comfortable with your own negotiating style, your needs and expectations of the dialogue you are about to enter, learn the same things about the stakeholder with whom you will be negotiating. “To succeed at negotiations, you must learn to ask how it might be in the other party’s interests to help you achieve your goals. Then you should determine why the other party might say ‘no’ so you can remove any of his or her objections as possible.”⁴ To determine



this information, you need a strategy for learning everything you can about your stakeholders and their needs/wants.

You maximize your position in a negotiation when the standards, norms, and coherent positioning that you use to gain advantage or protect a position are ones the other party views as legitimate and relevant to the resolution of your differences. Rather than setting your own standards, norms, and positions before a negotiation, the best practice is “to anticipate the other side’s preferred standards and frame your proposal within them.”⁵ “By positioning your needs within the normative framework the other party uses to make decisions, you show him respect, and, as a result, gain his attention and sympathy. Because the difference between success and failure in negotiation is often very small, anything that systematically improves your chances of getting agreement to your terms will pay off in the long run.”⁶

This approach avoids the drama of miscommunication and slighted feelings. Instead of either one of you having the upper hand, you both enter at the same level to work together at meeting both parties’ expectations better. Unlike a prototypical negotiation, though, nobody in this dialogue comes out with a greater advantage. A successful stakeholder dialogue will have both parties leaving feeling as if they have gained ground in their relationship with each other. Furthermore, in the stakeholder dialogues, there will be greater results the more you reveal. In this situation, there really is nothing to hide. You actually do need the help of your stakeholder, and the more able you are to gain his trust and interest in you, the better off you will be when you proceed to your action plan.

Inform Your Stakeholders and Help Them Prepare

A valuable thing to remember about the stakeholder dialogues is that it takes full participation from you and your stakeholders. Therefore, as important as it is for you to prepare, it is equally important for your stakeholder to be given the opportunity to prepare for the dialogues as well. When you are planning your dialogues, it is best to get a grasp of what the stakeholder dialogues really is and informing your stakeholders that you are preparing to undergo the process with them. This will allow them to gather their thoughts on their relationship with you and what their expectations of you are. They will also be able to see that this is a serious conversation that you want to have with them. The more information you can convey to your stakeholders prior to the actual dialogues the better. The more they are able to bring to the dialogues, the more the two of you will be able to accomplish during the actual dialogues.

Establish the Right Setting and Structure of the Dialogues

In your communication with stakeholders leading up to the stakeholder dialogues, consider discussing time and place. They might seem like minute details, but the convenience of picking a suitable time and place for your



dialogues matters. Give ample time for the dialogues. Because the dialogues might cover personal topics, it might be hard to jump right in. A location that makes you both comfortable helps. For example, if you are speaking to a person who reports to you and you are conducting the dialogues in your office, it may be hard for your subordinate to relax. Your office might remind them too much of their position below you making it more difficult for them to tell you what they expect from you honestly and where you are falling short of their expectations. For this reason a neutral location is generally preferred. Furthermore, pick a time and place with minimum distractions for your and your stakeholders. Try to set a time at which you anticipate relatively few opportunities for interruption. To pick the ideal time and place consider from their point of view the conditions would make them most comfortable.

It might be hard for some people to make time for the dialogues. Consider different forms of communication. Face-to-face is best for the stakeholder dialogues, but some people might not be able to do this. In this situation, explore different forms of media. You might conduct your dialogue as an e-mail interview. This might take more time (for emails back and forth) but in the end, it may be able to give you the same benefits as a face-to-face meeting. All in all, you want to be able to find a time, place, and method that will suit the lifestyle of you and your stakeholder. While this might be your project, your stakeholders are the key to your ultimate success.

Clarify Expectations

Before starting a dialogue, review your expectations of your stakeholders and consider how you think your stakeholders feel about your performance in your relationships. When you clarify your expectations of others to yourself first, you are more likely to be articulate when you meet with them. This will give you a chance to understand your underlying interest in the relationship and to identify potential opportunities for improvement in your relationship before the actual dialogue. This will speed up the process of negotiation and make the process smoother. You won't be stuck for ideas during the dialogues for ways to improve your relationship or ways your stakeholder can meet your expectations better. Furthermore, if you think about the needs of your stakeholders before meeting with them, you will also be able to help them along in the dialogues when you suggest ways you might better meet their expectations.

Therefore you will have to re-visit your earlier diagnostics. Think of ways to reframe your expectations of particular stakeholders in a way that is tailored to your relationship. Some people are more open to discussion about relationships and expectations than others. Furthermore, find ways to rephrase individual expectations in different ways so that if your stakeholder requires clarification, you can help them. Finally, distinguish your own stated position from your underlying interest to provide greater insight for your stakeholder into your world. The more you open up to them, the more they will realize how important it is to



you. They will also be able to help you a great deal more if you give them more information. Think of your game plan going into the dialogues.

Questions to consider:

- What topics do we most want to see discussed?
- What is our desired order of discussion?
- How can we learn the most from the dialogue?
- How can we avoid creating overly high expectations among the stakeholders about the content and follow-up of the stakeholder dialogue?
- How can the dialogue be embedded in the existing relationships?
- How can we know that the dialogue satisfies the wishes of the stakeholders?

So, before you start, do what you can to get a clear view of how you want things to go. Do you want a formal discussion or an informal discussion? What issues do you want to focus on or avoid?

After you have a strategy for clarifying each of your stakeholders' expectations, give some thought to how to reframe your stakeholders' expectations to create greater compatibility *among* your different stakeholders. Of course, information exchange between you and your stakeholders is necessary for this to occur. But you can still think about ways to accomplish this before the actual dialogues.

An important first step is to distinguish stated positions from underlying interests. Expectations are stated positions or surface needs. They do not necessarily reflect the person's underlying need, desire, concern or fear for stating the position. Understanding the person's underlying interests can help you understand what is motivating the person. The possibility for alternative solutions opens because several ways to satisfy the underlying interest might be possible. Research suggests that this distinction between stated positions and underlying interests is central to successful negotiation. Specific strategies for distinguishing stated positions from underlying interests include:

- Ask "Why?" Ask "Why not?" and think about their choice.
- Search for the basic human need underlying the stated position.
- Recognize the possible existence of multiple interests.
- Make a list.
- Look forward, not back.
- Be concrete.

Think about each of your stakeholders and develop a strategy for distinguishing their stated positions from their underlying interests. Think about your own expectations from this perspective and see if you can identify your own underlying interests. If you know what they want more than anything else, if you can offer them that thing that they cannot pass up, you have gained leverage in the negotiation.



Use your leverage to look for common ground: How might you serve the other party's interests to help you achieve your goals? To start, clarify what is important. Secondly, be prepared to find out as much as you can about your stakeholders. Then together you can collaborate on seeking to meet your goals. By finding common ground and having proposals on ways you can work together to better meet mutual expectations, your dialogues with your stakeholders will be much more beneficial to all parties.

Be prepared to discuss ensuing steps of your TL experiment with your stakeholders. You will need their help in supporting the implementation of your action plan. This might be a good time to notify them so they will be prepared for what's to come. Read ahead about how to develop your action plan.

Information Exchange

Now it's time to use your planning and preparation to:

- Clarify and validate their expectations
- Distinguish their stated positions from their underlying interests, and reframe their expectations (as well as your own) as appropriate
- Explore with them how you might meet these reframed expectations using leadership tools and communications tools

Your diagnosis of your stakeholders' expectations in the earlier analyses was based on your beliefs about what they expect from you. These perceptions might or might not be accurate. The guidelines below are intended to help you assess your perceptions.

- Ask your stakeholders what they need, desire or want from you.
- Discuss your perception of what you believe they want and need from you using "I statements" ("I think that you want me to . . ."). Ask them whether your perception is correct. If not, ask them to clarify.
- Ask them what you can do to be a better, friend, boss, employee, spouse, colleague, child, sibling, citizen, etc.
- Listen actively to their response by restating it in your own words and then asking them to confirm whether what you heard was accurate.
- Don't let emotion get in the way of your understanding.
 - Try to see your relationship from their perspective.
 - Don't blame them for any problems that may exist in your relationship.
 - Be sensitive to their feelings, and acknowledge them.
 - Distinguish your fears from their intent.

Asking your stakeholders what they need from you and sharing what you need with them is known as an information exchange in negotiations. The parties involved in the negotiation exchange relevant information about themselves and



the agreement to be made. A good information exchange process accomplishes several important purposes:

The development of rapport between the people negotiating. Developing rapport with your stakeholders is very important. If your stakeholder has respect for you and has a genuine liking for you, the person will be more likely to compromise and work towards goals of mutual benefit. Keep in mind the “Liking Rule” – as psychologist Robert Cialdini described the concept, “We most prefer to say yes to the requests of someone we know and like.”⁷

The surfacing of underlying interests, issues, and perceptions that concern the parties. The most important part of the introductory information exchange in the stakeholder dialogue is to gain as much information as possible about the interests, issues, and perceptions of the other party. What are their needs and desires? What exactly do they expect of you? The best thing you can do during this process is to ask many meaningful questions. Research has shown that skilled negotiators ask twice the number of questions that average negotiators ask. Just as importantly, skilled negotiators listen to all of the other party’s answers. Past participants agree:

*“Remember that it is a give and take process. True feedback requires both parties to be extremely involved, and to open themselves in a way that might be viewed as vulnerable. But you must *truly listen* to what is being said, and *honestly mean everything* you say to the other party if the feedback is to be effective”*

-- DS

*“It is essential to *listen as well as communicate constantly with all of your stakeholders*. It is extremely important to be very comfortable communicating with others. With a high comfort level, it is much easier to talk about expectations and thus make the effort to better meet one another’s expectations.”*

-- JD

“Use stakeholder dialogues as a means to understand their interests, improve communication and relationship. This is a hands-on project. Prepare for these dialogues and *listen, listen, listen* – it’s an opportunity to know what you can do to make your relationships better and, ultimately, to achieve more balanced and fulfilled life for yourself.”

– Millen Livis

The goal of this initial information exchange is to obtain knowledge that will allow you to more accurately frame your assessment of the mutual satisfaction in your relationships. One of the strongest tools for creating compatibility in relationships is to reframe your own expectations. Identifying your underlying interests is one effective way to understand your own underlying motives and open yourself up to



a variety of possibilities for satisfying your interests. The same is true with your stakeholders. Distinguishing stated positions from underlying interests provides a way for better understanding the needs of your stakeholders. It also provides a basis for identifying alternative ways to satisfy their interests. As you learn the other parties' expectations through thoughtful questions and active listening, it's important to remain open-minded, no matter what your emotional reactions to their answers may be:

*"It is important to *remain open minded* about what you are learning from the feedback of others. Feedback is very important in understanding how others perceive you. If the perception of others is very different from your own perception, then you must realize that something needs to be changed."*

-- JR

Try not to be afraid of discussing issues that really matter. Sometimes our relationships are hard to discuss, but by being open and sharing your feelings with your stakeholders and being open to their feelings, you can make life altering changes.

"Do not succumb to your fear of discussing deeper things in your relationships. It is definitely difficult to take the first step, but after that you will be surprised at how differently things turn out from your expectations."

-- HB

Impasses

If the dialogue breaks down, stay calm – the dialogue can still, and most likely will, be salvaged. Resist the natural urge to panic or get upset. An impasse can often be helpful. A break in negotiation causes parties to seriously reevaluate their expectations. They can return with clearer priorities and new solutions.⁸ Impasses can occur for different reasons. There are different strategies to get the dialogues back on track. If miscommunications were the cause of the impasse, a simple apology might be enough to overcome the impasse.⁹ If the impasse was a result of emotional escalation such as, "My anger makes you angry, and your response makes me even angrier", then the best solution is the "one small step" procedure. One side needs to make a very small, visible move in the other side's direction then wait for reciprocation. If the other party responds, the two can repeat the cycle again, and so on. Commentator Charles Osgood, writing about the Cold War in the early 1960s, created an acronym for this process: GRIT (Graduated and Reciprocated Initiatives in Tension Reduction).¹⁰ It may be the case that rising pressures and intensity be a signal that you have done enough for one conversation and need a break. Sometimes it makes sense to break up the dialogues over a few sessions. You might discuss each of your expectations one day and then come back the next day to plan your next move. This would give you adequate time to digest the information you have acquired and to think calmly of potential reasonable second steps that are



mutually beneficial. The distance might allow emotions that run high to be thought through before any impulsive action is taken.

Closing a Stakeholder Dialogue

After you and your stakeholder have identified the issues important to each of you and you have moved closer towards a goal benefiting both of you, aim to settle on a plan. Regardless of the negotiation or the relationships involved, the results of negotiations are most likely to be positive when the parties make a commitment to their decision. An agreement to do something carries little risk; it merely signals that a person is willing, for the moment at least, to do something as promised. A commitment alters this state by making it costly to back out of agreements. By having a commitment, you increase the chances that plans to improve your relationship will be held.



Generating and Maintaining Stakeholder Commitment

As you embark along your Total Leadership experiments, problems inevitably occur. Fortunately, problems create learning opportunities. We know from our experiences that nothing is ever done perfectly the first time we try it – not in sports, not in games, not in school, and not in organizations. The mistakes we make and the problems we encounter are what enable us to learn and to improve. If your dialogues hit some bumps, try not to worry too much. Problems you encounter could end up making your relationship much stronger than if everything had gone smoothly. This section aims to help you deal with and common problems in generating and maintaining stakeholder commitment.

Generating Commitment

One of the most common difficulties participants have is getting their stakeholders to participate in their action plans. Perhaps the most important thing to remember during your experiment is that your stakeholders need to have a reason for participating in your project. How do you get people to want to do something? One useful approach is through an inspiring vision. Create a compelling vision of the future that they want to achieve with you. Once people believe in your vision and feel that is in their best interest to work with you, you have accomplished the first goal of getting people on your side.

“By having my innovations benefit my stakeholders as much as they would me, it has been easier to gain the necessary support for success. It creates a reciprocating relationship that isn’t only beneficial to one party but rooted in mutual support.”

-- Adriane Cheah

Maintaining Commitment via Small Wins

Once your stakeholders have decided to embark on an experiment with you, keep them motivated. The theory of “small wins” is useful here. Successful leaders look at progress as incremental. Leaders help others to see how progress can be made by breaking the journey down into measurable goals and milestones.¹¹ Winning at the beginning is important because it shows indication of movement, inspiring more confidence in the process and encouraging further efforts. Small wins form the basis for a consistent pattern of winning that attracts people who want to be allied with a successful venture. Small wins deter opposition for a simple reason: arguing against success is difficult, and thus small wins decrease resistance to subsequent proposals. In achieving a small win, leaders identify the place to get started. They make the project seem doable within existing skill and resource levels. This approach minimizes the cost of trying and reduces the risks of failing. What’s exciting about this process is that once a small win has been accomplished, natural forces are set in motion that



favor movement towards another small win. In time, a string of small wins, that at first didn't seem to make any difference, adds up.

"On the one hand, a big experiment (if successful) will reap big rewards and likely generate a lot of positive attention. On the other, it may be really hard to get going. Smaller experiments obviously are easier to initiate, but the payoff will be less too. The trick if one goes small is to string together a series of small experiments to lead up to ever larger experiments further down the road."

– Brian Goff

"Take the experiments in stages. Don't be too aggressive in selecting your experiments or in the time lines for starting and finishing the experiments. Small wins initially will help you build confidence for bigger experiments."

– Girish Mehra

Furthermore, small wins build confidence and reinforce the natural desire to feel successful. Since additional resources tend to flow to winners, this means that slightly larger wins can be attempted next. A series of small wins provides a foundation. Each win preserves gains and makes it harder to return to preexisting conditions.¹²

"I really like the idea of 'small wins' as a facilitator of innovation. If you can make some change, no matter how small it is, people will be more convinced that you are headed on the right path and will want to join your success. They will see how it is in their own interests to support you then. I think this idea is one of the most important for those interested in elected politics. In office, one has a very short time to get people on one's side and to buy into one's agenda. Visible success becomes that much more important because there are people (the other political party) who will be naturally opposed to all that you try to do. Studying Rudy Giuliani really made this point clear for me because he was able to garner support for his unpopular crime-fighting opinions by showing that life was better by the small act of removing squeegee men (people who wiped windows for tips) from the streets."

-- Laura Bilazarian

Small wins motivate work on more ambitious experiments. Because you track minor successes, large experiments seem more feasible after small ones work. Small wins shouldn't stand in the way of thinking big. They are building blocks.

"Structure your experiments so you can track even small amounts of progress. Some experiments will be very difficult. You will want to be able to track even the smallest victories. This does not mean that you should not be ambitious; rather, create a set of metrics and goals that allows you to rapidly meet a large set of milestones."

-- Michael Hansen



Honor Your Risk Takers

Besides motivating stakeholders with small wins, you can also increase their confidence in change through publicizing their achievements. “Proclaim to all around those who innovate. Make sure to reward good attempts, not just successes. Well-intentioned efforts that don’t work out are just as important as those that don’t. Many, if not most, innovations fail. If people are going to continue to contribute new ideas, they need to see that failure doesn’t result in banishment to Siberia.”¹³ Model risk taking yourself. If your stakeholders see you taking risks yourself during the process of change, they will be more encouraged to take risks themselves.

Maximize Opportunities for Choice

Do what you can to ensure that your stakeholders feel they have a choice in the experiments and in how they participate in your action plan. When people feel they have choices, they’re less likely to feel that they’ve been forced to act against their will. People are more likely to support your goals when they feel that it is their choice to do so.¹⁴

Create a Climate That Develops Resilience

Besides inspiring your stakeholders, keeping them motivated with small wins, honoring their risk taking, and giving them choices, you can also help your stakeholders, especially in work organizations, by creating a climate that develops hardiness. This can be done by:

- Offering more rewards than punishments.
- Building a sense of control by choosing tasks that are challenging but within the person’s skill level.
- Building an attitude of challenge by encouraging people to see change as full of possibilities.¹⁵

In sum, there are many strategies available to prevent problems through strengthening your stakeholders and their support of you.



Stakeholder Dialogues and Social Capital

In Wayne Baker's book *Achieving success through social capital – tapping the hidden resources in your personal and business networks*, he discusses how the relationships in your life are the fundamental pillars that allow you to achieve in any of your domains. He refers to this concept as "Social capital - the resources available in and through personal and business networks. These resources include information, ideas, leads, business opportunities, financial capital, power and influence, emotional support, even goodwill, trust, and cooperation. Social capital can play a large role in our personal achievements and the achievements of the organizations to which we belong:

- More people find a job through personal contacts than by any other means.
- Advertising increases awareness of products and services, but personal references and recommendations lead to actual decisions to purchase them.
- Social capital influences the use, performance, and success of strategic alliances.
- Good social capital enables executives to successfully resist takeover attempts.
- Individuals who build and use social capital get better jobs, better pay, faster promotion, and are more influential and effective, compared with peers who are unable or unwilling to tap the power of social capital.
- Organizations with rich social capital enjoy access to venture capital and financing, improved organizational learning, the power of word-of-mouth marketing, the ability to create strategic alliances, and the resources to defend against hostile takeovers. And social capital is a bulwark of democracy.

Social capital is fundamental to our success in life. The best way to generate social capital in your own life is to first figure out how you can most contribute to your stakeholders, and then continually work with them to find ways to improve your relationship. Stakeholder dialogues – during and, more importantly, after the Total Leadership program is done – can be a valuable, practical means for enhancing your capacity to do so.

"I plan on continuing my stakeholder dialogues...these discussions will focus not only on expectations and performance but also on vision and long term goals. By including my stakeholders in my life more and keeping them up-to-date, I hope to gain key insights into how to better integrate the domains. Constructive feedback will also keep me focused on continual learning and improvement."

– Robert Ginsberg

"I need to continually clarify expectations because I know that throughout my career I will change/grow from my own experiences and so will my



stakeholders. Therefore, a continual dialogue, filled with problem solving, is needed between us.”

— Ariana Lopez

“Most, if not, all personal and professional goals are dependent to some extent on [stakeholders]. The key lesson that I have learned is that there is no objective reality, rather individuals perceive actions, events, and words based on their own frameworks. As such, understanding and meeting the stakeholders’ expectations becomes critical to meet your goals, but also important in that is that they perceive that you have met their goals. It is also critical to be able to negotiate and manage stakeholder expectations, since they may have unrealistic or unattainable expectations. In these instances, it is important to negotiate with the stakeholder, rather than ignoring them.”

— Lucy Stribley

In sum, the stakeholder dialogues are in many ways the cornerstone of not only your Total Leadership experiment, but of your ability to improve your relationships with key stakeholders throughout the rest of your life. This guide closes with examples of how the use of stakeholder dialogues has changed the lives of past participants and advice from them on how to better take advantage of the tremendous potential of the dialogues:

“In my home domain, there have been many positive performance results as well. I’ve started to strike up a relationship with my brother, whom I’ve rarely talked to in the past 6 years. We both agreed on the importance of our relationship and we now schedule in at the very least one communication per week (whether via e-mail, IM, or phone). Moreover, I’ve been a positive influence on his outlook on life. When I talk to him, I try to talk passionately about my core values and what I’m passionate about. From what my parents tell me, he’s been working harder in school and “caring” more about what’s important to him. I’ve inspired him. ... This class has had a great impact on my life, helping me to generate better work results, helping me to have better relationships with my stakeholders, and helping me to grow as a person. I hope and plan to share my experiences with others, knowing that many people could benefit from the lessons about leadership that I have learned.”

-- Elana Wexler

“I learned that by exceeding the expectations of my stakeholders I was able to call on them in times of need. They became a pillar of support that was willing to offer me feedback in real time and I didn’t feel bad calling on them. ... Also by speaking frankly to them about my goals and expectations, they were able to provide very helpful, yet unsolicited, feedback. They also kept me accountable in achieving my goals by inquiring about their progress and urging me to take action. For example if I had not shared my goal of getting elected to the board of team with multiple stakeholders, I may have chickened



out of giving the speech that led to my getting elected. By knowing that they were all going to ask me about it, I knew that I had to give it my best effort. One friend even helped me write the speech."

– Laura Bilazarian

"My parents have made great strides in their physical health. Now they exercise on a regular basis – roughly three to four times per week for about 30 minutes each session. They have experienced dramatic increases in their sense of physical well-being. Our journey to exercise has strengthened the bond between us as well. Our relationship has become richer. Through increased dialogues, they have given me greater support for what is important to me."

– Preston Woo

"In the takeaways from our final class, I felt the greatest quote given was 'Take care of those you lead and they will take care of you.' This is why we must meet stakeholder expectations in order to achieve our valued goals. If we do not support our stakeholders, they will not support us. When I improved my performance with my stakeholders, they completely reciprocated and greatly helped me in my own life."

-- Lindred Greer

"Despite the fact that this experiment was initially created to improve my relational skills here at Penn, I came to find that, just by talking to my parents about what I had set out to do here at Penn, they came to understand my situation that much better. This led to them inquiring as to my progress on several occasions, which has played a part in keeping my objectives fresh in my mind."

-- Matthew Frohling

"Ever since the stakeholder dialogues, I understand the expectations of my stakeholders better and I feel they understand what I need from them as well."

-- Adriane Cheah



On Stakeholder Dialogues with Young Children

Jeff Oberstein, WEMBA West 29 (Summer 2005)

Among of the most valuable pieces of the Total Leadership course were the stakeholder analysis and dialogues. In the Home domain, my children (a 7-year-old daughter and a 5-year-old son) were key stakeholders but I was very concerned about how best to conduct stakeholder dialogues with such young kids. Below are a few thoughts about what worked and what didn't.

Set the context in a way they can understand. For my daughter, this meant describing our stakeholder dialogue as "homework." My daughter was in 1st grade and was accustomed to having homework where she asked people questions such as their favorite colors or other things. By describing this as homework, she had some idea of where it was going.

Ask questions several ways. Even though my son understood the work "expectations," it simply did not work to ask my son what his expectations were of me. Nor did it work to ask what he "wanted from me" as this question elicited very narrow answers. For my son, the most fruitful response came when I asked him "what does a good daddy do?"

Involve them in the process beyond their own stakeholder dialogue. Both my kids were very interested in the fact that I was having these conversations with other important people in my life. They wanted to know who these other stakeholders were and what we talked about. I hadn't expected this and it was nice to see that they grasped the importance of these discussions.

Link the dialogues to the experiments. My kids were a part of one of my experiments and it was nice to let them know that our conversations lead to the experiments. They didn't necessarily understand the experiment, but they did understand (and seemed to appreciate) that our conversation lead me to try something new.

Continue these discussions beyond the class. While I certainly got something out of the stakeholder dialogues required as part of the TL course, I suspect that I'll get far more out of these over time. In fact, I think there will be three specific benefits 1) forcing me to have a conversation so I know what's on their minds; 2) being able to see trends in our how satisfied they are with our relationship and 3) perhaps most importantly, teaching them to be more introspective and signaling that I value their thoughts and feelings.



On Stakeholder Dialogues with Traditional Asian Parents

Janet Chan, Victor Hu, Jennifer Jia, Dreen Yang, Yating Yu (Spring 2006)

An essential component of designing successful leadership experiments in MGMT 671 is having honest, constructive stakeholder (SH) dialogues. The higher the degree of openness in these conversations, the more likely we will be able to develop innovative and productive ways to better address the expectations and needs of all parties.

Given the importance most participants ascribe to the Home/Family domain, many experiments in this class have historically involved improving the quality of relationships with parents, spouses, children and siblings. This note raises a few issues that participants of Asian descent may want to consider when having conversations with their parents.

Asian participants have often found SH conversations with parents to be challenging due to a different set of cultural norms relating to parent-child relationships. While the degree to which Asian parents adhere to these norms varies considerably – and while we recognize that there is significant diversity among Asian cultures – we have found that there are also sufficient similarities and cultural patterns. We recommend participants to consider the issues and recommendations below in light of their own personal circumstances.

Some General Thoughts:

The notion of ‘feedback’ may often be a new concept to Asian parents. MGMT 671 approaches education and learning in a different manner than the traditional Asian method, which tends to be more top-down and cut-and-dry (ex: math and science). The concept of a stakeholder dialogue within a family is a very democratic idea, as it involves family members voicing their opinions to each other and all parties working together towards improvement. Feedback is two-way, with the parties more or less on equal footing. This concept may not necessarily be interpreted favorably by Asian parents. In particular, parents may feel threatened or defensive if they perceive the stakeholder dialogue as a way to educate them or complain about them or the relationship. Many Asian parents are also not accustomed to be spoken to by their children as an equal.

The stakeholder dialogue may be the first time that you’re openly discussing expectations (met or unmet). Expectations in Asian cultures are often embedded in our upbringing but seldom expressed. Indeed, one expectation of Asian parents may be that their expectations are understood. In addition, parents have often never considered asking to hear their children’s expectations of them. Thus, while the dialogue may not be confrontational to you, the directness of the conversation may feel confrontational to your parents



(even if they don't acknowledge it verbally). Be as patient and sensitive to this dynamic as possible.

Your parents may have drastically different expectations of you relative to Western parents, based on differences in cultural norms. Participants growing up in more traditional Asian homes are generally accustomed to the ideas of "filial piety" and "obedience" as duties of the children (particularly first-born males). Yet even these terms may turn out to mean surprising things to an Americanized Asian participant. For example, in the past, participants in the class have been surprised to discover a parental expectation that the child will contribute a percentage of their salary, or that the parents expect to live with them in the long-term. Having an awareness of and openness to new and surprising discoveries may enable the conversation to progress more smoothly.

Some Practical Advice:

Thoroughly explain the assignment to your parents beforehand

- Explaining the class and assignment gives the conversation structure and shows them that you are fulfilling an educational goal, which will typically be well-received by an Asian parent
- Encourage them to think through the questions being asked prior to sitting down with them; it may be helpful to provide them with your D1 and/or D3
- Be prepared for any awkwardness, stiltedness, and long pauses in the dialogue even with the advance notice and preparation
- Ask them to set aside sufficient time for the dialogue

Don't expect a westernized response

- Remember and uphold as much as possible the dynamic of the parent-child relationship that both of you are accustomed to – this is immutable and will not change over time, no matter what your age is
- Open emotional support is not often found in the traditional parental interaction. This is not going to change in the SH dialogues; you're simply trying to discover the true expectations of your parents for you and whether you're meeting them
- It may be quite foreign to your parents (and you!) for you to talk with them about your "feelings," especially if neither of you openly express love and affection
- Keep in mind the basics when you perceive that positions on issues differ – they love you and are trying their best to understand a process that is foreign to them

Think about family dynamics and choose the order of stakeholder dialogues carefully

- Fathers are generally more practical, short, and matter-of-fact
- It may be best if you did the easier ones first, and then worked towards the SH dialogue you think will be the most challenging. This way the one(s)



who went first can help discuss and guide the latter family members through the process.

Be acutely sensitive to and aware of potential language barriers.

- Words and tone of voice matter a great deal
- Do your best to keep the language straightforward, as you may unintentionally be using MGMT 671 vocabulary or business lingo that they are not familiar with.

Emphasize the stakeholder dialogue as a reflection of your commitment to the family

- The institution of the family is upheld strongly by traditional Asian parents. Connecting with this value may help to set a positive tone for the conversation
- Consider the cultural norms and values you've been taught by your parents and frame the concepts of the class in a vocabulary that they are accustomed to



Stakeholder Dialogues Checklist

- ✓ Identify your stakeholders
- ✓ Come up with a preliminary idea of what you think your stakeholders expect of you and you from them
- ✓ Prepare for the dialogue
 - Know yourself
 - Know your stakeholders
- ✓ Choose an appropriate time and setting for the dialogue
 - Find a time and place where attention can be focused on the dialogue
 - Think about the setting from the point of view of your stakeholder
- ✓ Listen carefully to your stakeholder during the dialogue
 - Don't let emotion get in the way of understanding
 - Ask questions to make sure you completely understand their expectations
- ✓ Stay calm if the dialogue breaks down. To get back on track, take a step towards your stakeholder in order to show your commitment and to inspire them to make a reciprocal concession to restart the dialogue
- ✓ After you and your stakeholder have shared your expectations, discuss ways that you think you and your stakeholder can better meet each others' expectations
- ✓ Get commitment from your stakeholder to work together with you to improve your relationship
- ✓ Develop ideas for your action plan based on the results of your dialogues
- ✓ Conduct your experiments and keep your key stakeholders engaged through empowerment, small wins, and support
- ✓ Track metrics of the changes in your relationships with your stakeholders
- ✓ Conduct follow-up dialogues with stakeholder to assess results from experiments



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¹ Shell, p. 25.

² Shell, p. 16.

³ Shell, pp. 15-18.

⁴ Shell, pp. 76-77.

⁵ Shell, p. 43.

⁶ Shell, p. 45.

⁷ Shell, p. 138.

⁸ Shell, pp. 192-193.

⁹ Shell, p. 193.

¹⁰ Shell, p. 194.

¹¹ Kouzes & Posner, p. 244.

¹² Kouzes & Posner, p. 248.

¹³ Shell, p. 83.

¹⁴ Kouzes & Posner, pp. 83-4.

¹⁵ Kouzes & Posner, p. 74.