

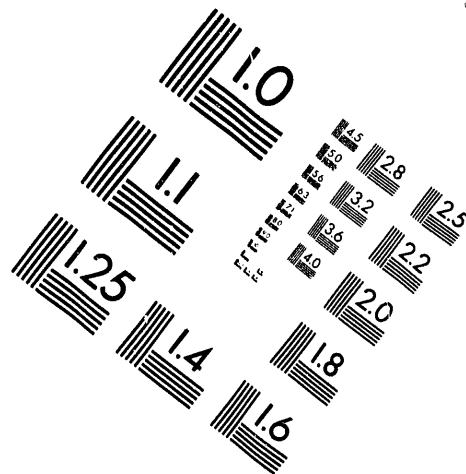
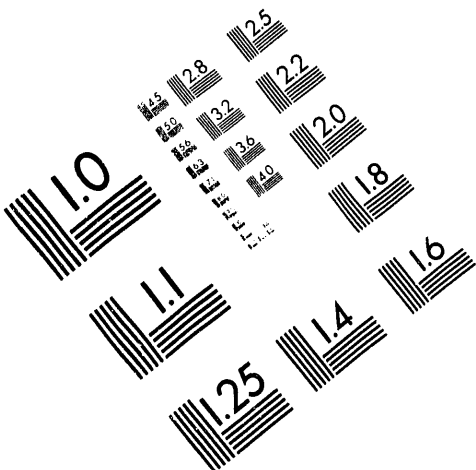


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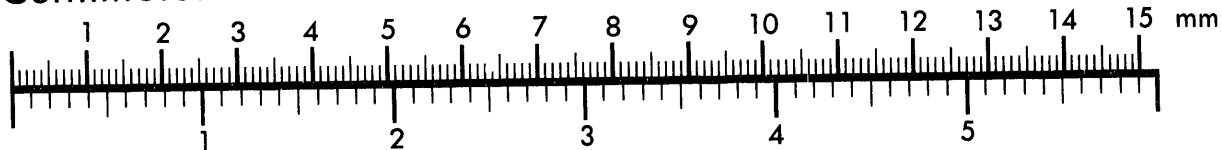
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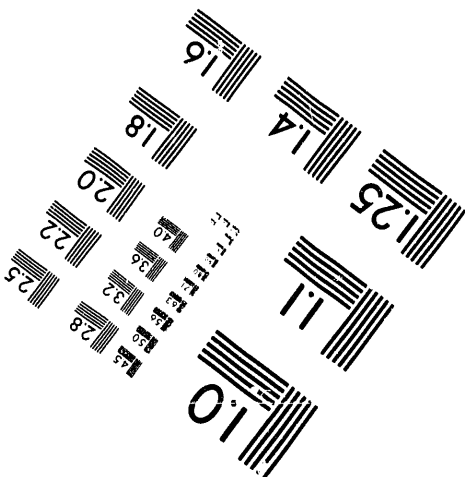
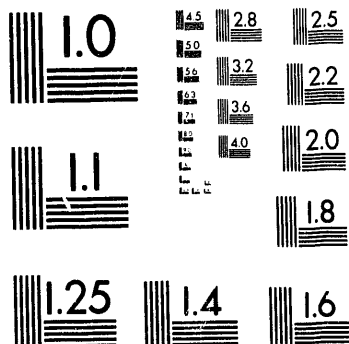
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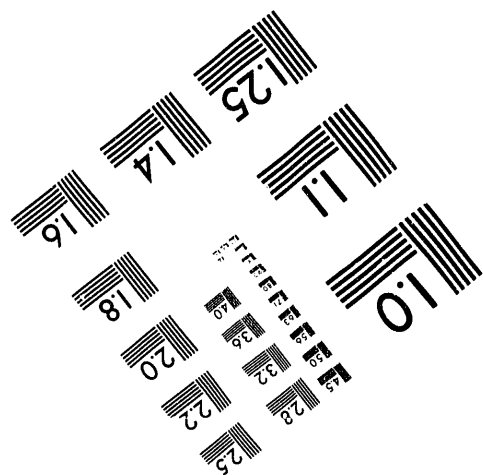
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EMPOWERMENT THROUGH PUBLIC INVOLVEMENT
FUNCTIONAL INTERACTIVE PLANNING (PIFIP)

J. E. Beck
S. A. Davidson

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EMPOWERMENT THROUGH PUBLIC INVOLVEMENT FUNCTIONAL INTERACTIVE PLANNING (PIFIP)

**J.E. Beck
S.A. Davidson**

This paper constructs a planning process that will enable private industries, government, and public interest organizations to actualize their visions. The public involvement functional interactive planning (PIFIP) model can facilitate these groups in actualizing their visions by forcing them to recognize their stakeholder's values, interests and expectations.

What is public involvement? Public involvement is the process in which stakeholders (both internal and external) are included in decision-making processes. The primary goal of public involvement efforts is to include all those who have a stake in the decision, whether or not they have already been identified. Stakeholders are individuals, organizations, state and local governments, Indian tribes, federal agencies, and other parties affected by decisions. The public involvement process gives notice to public concerns, needs, and values prior to when decisions are made.

Strategic planning is a process traditionally used for first identifying an organization's strengths and weaknesses and then using the results of that analysis to take full advantage of the organization's strengths while outlining options for resolving its weaknesses. The PIFIP model combines the use of public involvement and strategic planning and requires that an organization compare its current values and mission against those values and interests held by the internal and external stakeholders. The PIFIP model consists of the following:

- introduction (process)
- identification of organizational values
- statement of expected outcomes (vision)
- mandate and performance parameters of implementation (mission)
- goal and objectives
- situation analysis (strengths, weaknesses, opportunities, obstacles)
- congruence of vision with stakeholder input (values, interests)
- identification of obstacles to success
- strategies for obstacle navigation
- implementation initiatives and actions
(What actions will the organization take to deal with strategic issues?)
- measures of progress
(list timetables, costs, milestones and other evaluative processes)
- plan relationships
(How does this plan support or impact other organizational plans?)

The opportunity for obtaining stakeholder involvement in projects through the PIFIP process is one that can be tailored to any organization, industry, group, or institution. This process can protect organizations by ensuring that a timely vision is developed, and by making sure values and interests of both internal and external stakeholders are strongly considered.

Empowerment Through Public Involvement Functional Interactive Planning (PIFIP)

Joe E. Beck and Sheila A. Davidson

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Few managers would disagree with the need for involving the public in affairs of both government and industry. Unfortunately, managers will also be the first to tell you that for a project of even moderate controversy, it is the fastest way conceivable to non-resolvable gridlock, unreasonable cost, and potential major damage to their corporate image. Often, it is the client who has the project development vision who must ante up the price for conducting such public involvement processes. For example, such processes are now often required for construction permit review. These must often be paid for by industry because budgets of state and local governments are constrained. Further, increasing public scrutiny of the past decade has led many manufacturers to look across national boundaries for locating industrial plants rather than risking time and money dealing with what they see as a non-appreciative American public.

Public Involvement Overview

A potential point of confusion in public involvement is the term "public," which carries two meanings: one is "not-private, not-for-profit" corporate unit, and the second implies "not organized" as used in describing the general public. Neither definition completely captures the essence of the public involvement processes. It may be that the term, "stakeholder involvement," is a more accurate description, particularly because the nature of a functioning democracy engages the public in establishing both the values and interests of its government. It is in essence, then, that stakeholders determine interests which are represented by public interest organizations. Stakeholders are individuals that typically make up a vertical cross section of society linked together by common interest or values and who have an interest in influencing an outcome.¹

¹ Direct communication from Kristi Branch, Deputy Director of the Environmental Planning and Social Research Center, Human Affairs Research Center, Battelle, Seattle, Washington, to Joe E. Beck, March, 1993.

The word "involvement" evokes the issue of conflict between those who want to produce products and solve problems and those who want to ensure that their values and interests are considered. Based on analysis of most trends, the decade of the 90s is likely to continue to be one that forces the pendulum to swing toward individual empowerment.² If this is true, then it is time for industry to seriously examine what it is that they require as outcomes for profitability and productivity, as well as a process for involving the public. The involved public will no longer rely on governmental institutions to protect their values, nor will grandiose gestures on the part of industry buy them allegiance and trust. The public is no longer willing to accept outputs in place of outcomes; outputs being viewed as actions without consideration of impact. They require outcomes, otherwise defined as the impacts of an action. The age of institutional cynicism is here, and, in many ways, it is justified and essential to a functional democracy.

Purpose of Paper

This paper constructs a planning process that will allow industries and government to actualize their visions if they truly understand quality. "Quality" is a great sounding word that everyone uses, but to mean anything, it must denote function. Appropriate quality is functional, cost effective, profitable, promotes corporate longevity, provides "value added," and builds an important organizational value system.² Appropriate quality in planning means that the planning process from the vision to individual action steps must be highly functional, provide "value added," and developed to meet the vision within desired quality parameters of the organization.

In order to achieve maximum quality, impact, and efficiency, the values, interests and expectations of the organization's stakeholders must be recognized. It will require that these institutions, both public and private, replace the age-old "trust us" with a new "help us" approach. This is essential if their plans are to be compatible with the "new American attitude" of inherent distrust toward the values of institutions, both public and private. Recognizing that some organizations are, by necessity, more resistant to change than others, we have constructed several planning models with each having proportional increases in involvement and less organizational control over the outcomes of the process. It is our firm conviction that the more the input from the involvement process is used, the more likely it is that the plan will succeed. However, all public involvement models require the essential elements and knowledge of the values and interests and

² Robert W. Lake, ed. 1987. *Resolving Locational Conflict*. Center for Urban Policy Research, New Brunswick, New Jersey.

expectations held by the public.

There are many sound reasons for involving the public in making decisions, both in government and industry. Government in our democracy is committed to reflecting the values and interests held by its citizens; therefore, it is essential that the diverse values held by its citizens be expressed in ways that incorporate them into the government's decision-making systems. Industry, on the surface, appears to have little need for public involvement except where the products are to be used by the consumer. However, this is often a contradiction of reality. It is increasingly apparent that the public, now and in the future, will exercise considerable control over the location of industries and their required standards of performance both in terms of their community interface and in the development of their products. The public has succeeded in exerting pressure on private enterprise that ranges from attempting to control Chief Executive Officers' salaries to the delay or non-issuance of construction permits for new industries. The public's outrage over CEOs' salaries has resulted in visible impacts as evidenced by the President's recent tax proposals that call for an income surtax on individuals making more than a specified amount. The public's operational control over industry is evidenced by governmental rules and regulations controlling waste stream quality and quantity. The construction of new industrial plants is being controlled by the permit process at all levels of government, and it is common for construction permits to require in excess of a year for consideration because public involvement processes are now considered essential and non-negotiable.

Public Involvement Goals

A prime goal of public involvement efforts is to include all those who have a stake in the decision, whether or not they have already been identified. Stakeholders are individuals, organizations, state and local governments, Indian tribes, federal agencies and all other parties affected by decisions. It is important to remember that minorities and low-income individuals, are many times the individuals who may be most impacted by decisions, but they are often not consulted or their input is not used in making decisions. The values of our democracy require that the needs of the majority be balanced with the impacts on, and values of, minority stakeholders where the long-range goals of our society intersect with theirs. It is through effective public involvement processes that these stakeholders' interests are not only identified by values, but rather by the intersection of values and the potential effects on their interest area of the proposed

decision.³

Strategic Planning

Strategic planning is a process traditionally used for identifying an organization's strengths and weaknesses; and then using the results of that analysis to take full advantage of the organization's strengths while outlining options for resolving its weaknesses. This approach focuses on the vital links between the values, vision and the organization's mission. The resulting plan can, if used properly, become the roadmap for where an organization is going and how it is going to get there, providing reality checks with the values of both the internal and external stakeholders of the organization. The resulting strategic document is typically brief in length but presents a set of conclusions distilled from an intricate, interactive, value-intensive planning process.

The prime difference between long-range planning and strategic planning is the strategic plan's use of an organization's corporate values and vision to drive the development of strategies, goals, objectives, and initiatives that all work within the framework of its mission.⁴ This planning process focuses on synthesizing the visionary thinking of the organization's leadership with the values of the organization and then checking their congruence with values findings from internal and external interviews for continual reality checks. That step is followed by an assessment of the organization's strengths and weaknesses, in addition to a detailed assessment of both short-term and long-range trends and threats in its environment. This process forms a highly pragmatic basis for sound planning by ensuring that the values and vision can be attained. By linking an organization's values and vision with pragmatic data, a candid situational analysis can be developed of the strengths, weaknesses, opportunities and threats (SWOT) facing the organization. When this process is combined with intensive interaction involving external stakeholders and other public interests, it becomes a model of values integration and effective decision making using outside information input. The consideration of these values in developing the plan enables the organization's leadership to develop tactical options for achieving desired outcomes, including dated milestones for reaching objectives that are in harmony with the public's interest.

³ Direct communication from Judith Bradbury, Staff Scientist, Technology Management Planning Department, Technology Planning and Analysis Center, Pacific Northwest Laboratory, Washington, D.C., to Joe E. Beck, March, 1993.

⁴ William J. Pfeffer, ed. 1991. *Strategic Planning: Selected Readings*, Pfeiffer & Company, San Diego, California.

For multi-unit organizations that have major relationships with other units, an additional step labeled "plan relationships" has been developed. This step helps ensure the congruence of the strategic implementation plan with the priorities of other organizational plans. Linkages are identified that can then be leveraged into common strategies supporting the visionary thinking of the organization's leadership. As with previous steps, this approach links identified opportunities with a practical assessment of both short-term and long-range trends and threats, providing a pragmatic base for sound planning. The outline in Figure 1 represents one of many potential strategic planning processes developed for organizations.

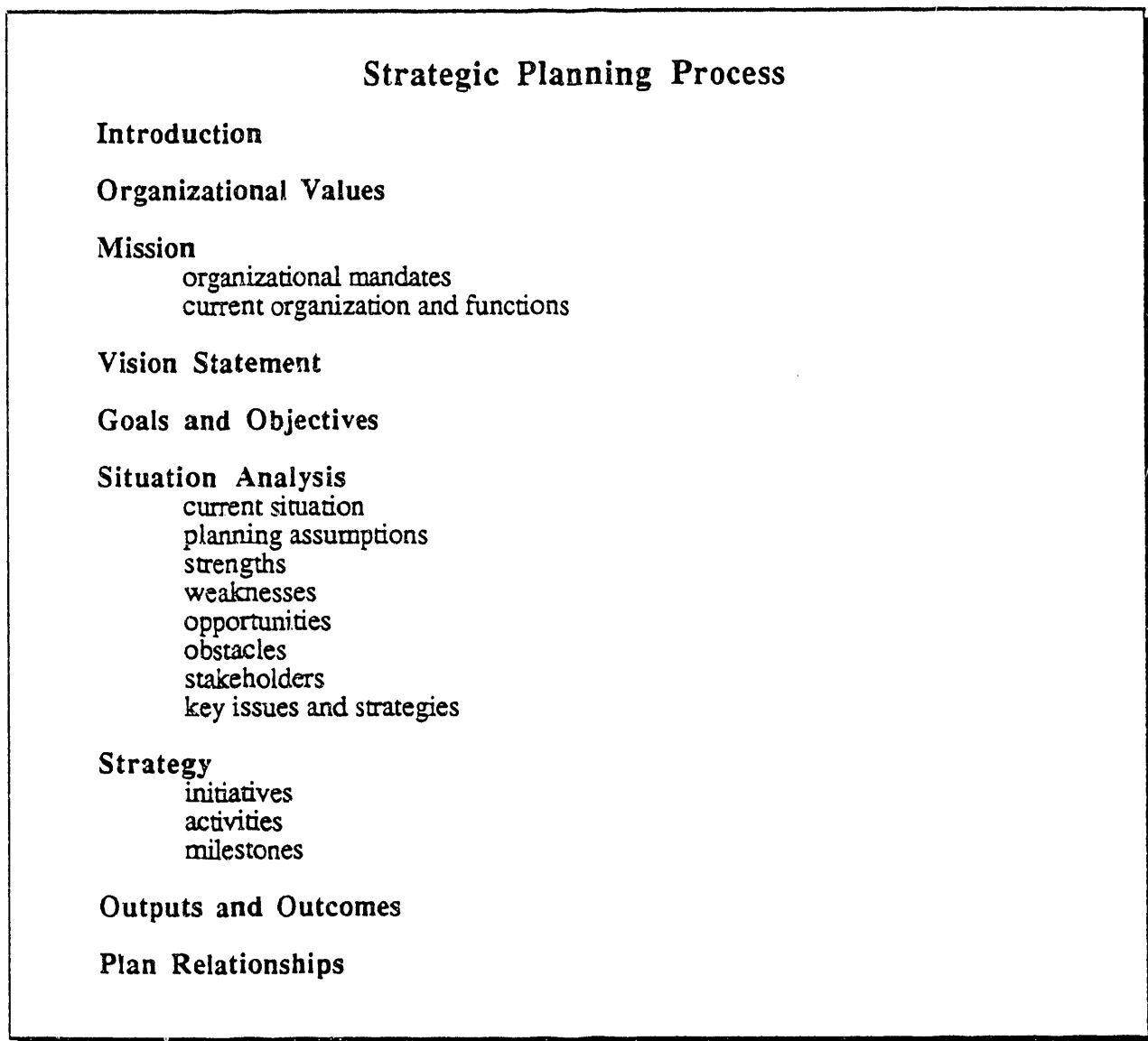


Figure 1
Strategic Planning Model

The nature of strategic planning is based on the effective integration of values, mission, and vision and the validation of these through the use of situational analysis. Due to the introspective nature of the strategic planning process, minimal modification is required to make it into an excellent vehicle for effectively integrating the public's values, interests and expectations into a rational decision-making model. Of particular relevance is integrating value into decision making as demonstrated by the theorist Herbert Simon in his "rational satisfying model." In his book Administrative Behavior, Dr. Simon makes the point that values must be the main ingredient of any decision-making process and that because of this, the individuals of an organization must be taught the values of the organization and how they are intertwined with the organization's goals and objectives.⁵

The application of the principles of strategic planning provide an opportunity to develop a dynamic, forward-moving planning process that assists the organization in correctly assessing the values both internal and external to the organization. This allows developing strategies that facilitate the correct navigation of obstacles that have been identified by the planning process. This process of proactive identification of obstacles ensures that before money is spent, the organization has correctly evaluated the positions of both internal and external stakeholders and is realistically incorporating their concerns into the decision-making process and vision modification. It does require, however, a "new world" understanding of the need for broad-based stakeholder support and legitimate concerns for their values and interests. Using the process prior to determining the strategy for implementing the vision allows tremendous flexibility and the potential for long-term organizational resource conservation in the form of both manpower and fiscal cost.

Three Types of Institutions

There are essentially three types of institutions in our society that have major long-term interest in understanding the values of the public and particularly in identifying those of their primary stakeholders. The three types are represented by government, public organizations, and private industry. Government consists of those institutions reporting to a politically elected unit or those organizations appointed by that unit. Public organizations are those which are serving constituencies representing general or specialized public values and are often, but not always, listed for taxing purposes as "not-for-profit" entities. These would include churches, special interest organizations, charities, foundations, private schools, and numerous others. The private organization is one that exists to further a mission that results in benefitting an individual or private group of investors. This latter category is one that often provides a service or product to sell and,

5 Herbert Simon. 1967. *Administrative Behavior*. MacMillian Company, New York.

due to its impact on the population, finds itself controlled by demand or regulated by laws.

Each of the above categories have much to gain through an in-depth understanding of the values of the society within which they operate. The primary difference between public involvement and public relations is the process used. Public relations processes primarily focus on the dissemination of information whereas public involvement processes solicit information to determine the appropriateness of the service or product. Both have needed and appropriate roles in interfacing between the organization and public they serve. Interests are ideas, topics, or developments on which a group may focus. The success of the organization depends on its ability to properly assess public values and interests. The prime concern of each institution is, predictably, losing control of the decision process and having its interests or values threatened. The modified use of strategic and tactical planning provides opportunities for controlling such risk and at the same time, applying a dynamic and forward-moving planning process that solicits information from the public and requires the consideration of that information in determining development of goals, objectives, initiatives, and action steps.

Functional Planning Models

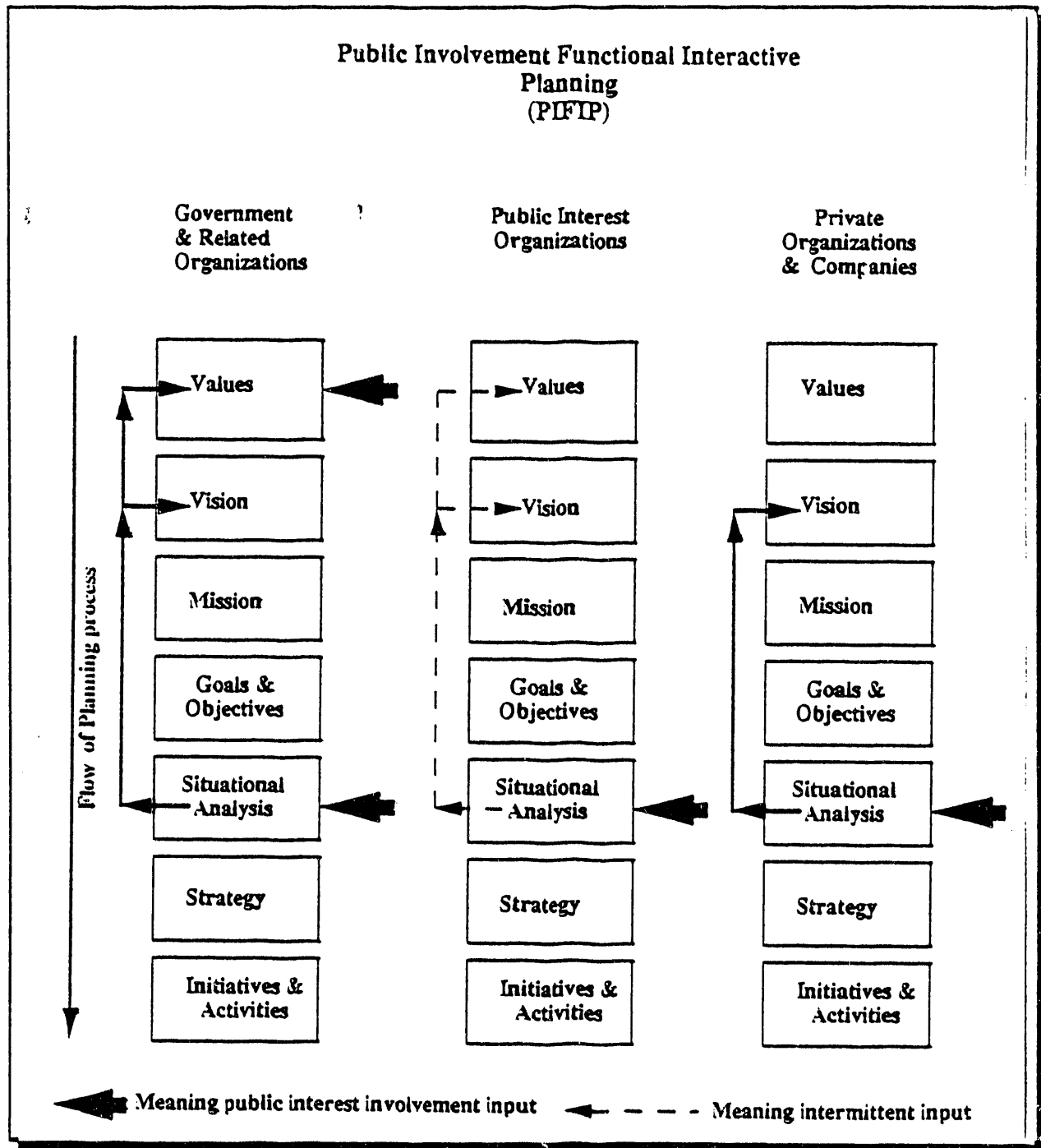
The functional planning models, represented in Figure 2, have been developed for the three primary categories of institutions and show the potential ways that the planning process can employ public involvement successfully without compromising strategies and tactics.⁶ In looking at "Government and Related Organizations", the diagram illustrates the emphasis on values and vision. The public has a great deal of influence through its elected officials on the values and the vision of the government. The values and visions are re-evaluated after situational analysis has been performed and this creates a "bottom up" kind of strategy. In considering the diagram for "Public Interest Organizations", one could assume that they have some values and interests which have been defined to some extent. However, using situational analysis can facilitate these groups to better define what vision and particularly what values they should consider in their planning processes. As shown in the diagram under "Private Organizations and Companies", they already have established values which may have been decided upon, to considerable extent, by the company's investors or the board of directors, but after completing situational analysis, they can better define their vision if they deem it necessary. Some companies have to prepare to change their values and visions in order to meet the demands of the public, and this planning process makes that possible to accomplish.

⁶ William J. Pfeffer, ed. 1991. *Strategic Planning: Selected Readings*, Pfeiffer & Company, San Diego, California

In the "Government and Related Organizations Category", Figure 2, it is assumed that the elected representatives have had considerable impact in assigning the values and mission of the organization. However, this does not mean that the current values held by the public are represented by the organization. Circumstances, public interests, and values evolve constantly and many government units fail to evolve with them. Our government is currently changing from public values focused on national security from a military perspective to those more focused on issues impacting economic and personal security. This change by government officials was predictable, but required extensive risk taking to be proactive rather than reactive under typical long-range planning processes that do not institutionalize external value and obstacle analysis.

The public involvement functional interactive planning (PIFIP) model requires that the organization compare its current values and mission against those values and interests held by the stakeholders both in and out of the organization. It allows the governmental organization the opportunity to adjust its vision and strategy to proactively respond to stakeholder issues. This can occur through integrating stakeholders into the decision-making process by providing them with opportunities in developing a modified vision. These involvement opportunities, properly facilitated, obtain the stakeholders' investment in the process and, consequently, the vision and the success of the organization. In order for the process to work, it requires the government officials to actualize the reality of who owns the government in a democracy and that government officials be willing to adjust to the will of the public within the legal mandates and mission parameters provided by its elected officials. The situational analysis provides the structure that identifies the obstacles for navigation through the analysis of the strengths and weaknesses (SWOT) of the organization and its vision, as well as the opportunities and threats offered in its pursuit. The planning model, when effectively used, allows the stakeholder to become invested in attaining that vision and thus be perceived by elected officials as supporting the organization.

Public interest organizations are often very complex in that they occupy the entire continuum from highly specialized interest groups to groups that are closely representative of a cross section of society. Examples include the YMCA, Boy Scouts, various environmental groups, and even religious sects. They quite often have highly specialized missions which are so focused by values, that they actively recruit persons having specific values, backgrounds, and/or educations. These groups can also benefit from using the PIFIP model for identifying obstacles by using the situational analysis and stakeholder analysis process. The analysis will give them an understanding of the probability of success in attaining the vision and, at the same time, potentially influence or modify internal stakeholder decision making.



**Figure 2
PIFIP Process**

PIFIP model

The PIFIP model described in Figure 3, provides a template of effective interactive planning designed to ensure that both values and interests of internal and external stakeholders are processed for use in organizational decision making. When using the process to examine proposed outcomes, which can be considered in the same frame of reference as a vision, this plan functions as a reality check at each step:

- The values reflected by the project should be compatible with the values of the organization.
- The mission should have the necessary legal and organizational mandates to support the desired outcomes or vision.
- The vision should be a reflection of the values and mission in the form of a statement of what the project is to achieve.
- The organizational goals and objectives should bracket and articulate the desired vision.
- The situational analysis should examine who the stakeholders are and the strengths, weaknesses, opportunities, and threats (SWOT), in addition to any risk represented by the project.
- The stakeholder analysis should evaluate the stakeholders values, interest, and expectations of both internal and external stakeholders.
- The SWOT analysis and the stakeholder analysis should identify the various degrees of obstacles, which are identified as issues that are prioritized according to risk.
- The issues are examined, and strategies for solving them are developed.
- The strategies proposed must be cost effective and accomplish the stated outcomes (vision).
- Ongoing activities are evaluated and refined to the new vision, and initiatives are developed to accomplish the vision within the framework of the values and mission.
- The plan should harmonize with and support other organizational plans.
- The plan should identify turf areas, and contact points, and serve to facilitate long-term relationships and interactions among the involved parties.

The model also requires the development of action and implementation plans that allow ongoing evaluation of the success of the process. The highest quality application of this planning process would be to develop the plan in a totally interactive process with the stakeholders. This is often possible where there exist public advisory boards maintained by the organization for advice and support. At a minimum, the process point of situational analysis, if conducted as outlined in Figure 3, requires identifying significant incongruencies held by the stakeholders and the planning organization, and further requires analyzing impacts on potential attainment of the vision or completion. This process alone provides a mechanism for active consideration of the public inputs.

Public Involvement Functional Interactive Planning (PIFIP) Model

Introduction (process)

Identification of Organizational Values

Statement of Expected Outcomes (vision)

Mandate and Performance Parameters of Implementation (mission)

Goals and Objectives

overview

goals

objectives

Situation Analysis

current situation

planning assumptions

strengths

weaknesses

opportunities

obstacles

stakeholders

key issues and strategies

Congruence of Vision with Stakeholder Inputs

internal stakeholders

values

interest

expectations

external stakeholders

values

interest

expectations

Identification of Obstacles to Success

Strategies for Obstacle Navigation

Implementation Initiatives and Actions

Measures of Progress

Plan Relationships

**Figure 3
PIFIP Model,**

Conclusions

In conclusion, the opportunity for obtaining stakeholder involvement in projects through the PIFIP process is straightforward and essential if obstacles are to be avoided or appropriately navigated. The obstacles erected by concerned stakeholders are often formidable enough to stop beneficial, much needed projects in addition to questionable ones. The tools used by the public to great effect to enforce acceptance of public values in recent years have been obstruction of planning and building permits, funding restrictions, negative environmental assessments, negative environmental impact statements, emotional public hearings, and legal injunction. The public has become very aware of its power in recent years and has shown little hesitancy in using its tools to bring projects to a halt. The public tends to feel that if they are not involved that such projects are to their detriment, until proven otherwise. The public is determined to be very cynical with regard to the motives of organizations which were previously nonreceptive to their input.

Using the interactive process for attaining a vision that has not been modified to meet the stakeholders' values and interests reflected in the situational analysis is something that PIFIP will not support. However, the probability of achieving a vision not reflecting public values and interests (stakeholders) by any method is highly questionable in today's climate of public empowerment and would likely not be in the best long-range interest of the organization advancing the vision. The protection of the organization from flawed or untimely vision is this very principle of sound planning that the PIFIP process has as its major strength. It is also one of the two excellent reasons organizations should use it. The other reason is that the organization exists to serve both its internal and external stakeholders. Some of the groups may involve the public near the paradigm recommended by government and some may appropriately protect their values from erosion, but all must understand the environment in which they exist for the purpose of long-term survival and succeeding in their missions.

The officers of many private organizations must be quite confused. In days past, when they wanted to expand their production, they would hold a news conference and announce to an appreciative community how many new jobs would be added to the local work force. As most of us are aware, something has changed in society. The successful private organization is well aware of what has changed in our new business climate. This change is a newly empowered public that has not yet come to terms with its expanded influence and its impacts upon society as a whole. The public is now discovering that it controls what exists or may be done in its communities. Internal decision making on issues that were private business concerns in the past are now being made public, and both corporate officers and private organizations are being held accountable to public values for both current and past actions. This control is being exerted through influencing the

decisions of government or of consumers who purchase products or services from the private organizations. Many stakeholders or members of the general public have discovered that for private enterprise, time is money, and that approvals to plan, construct, and operate can be stalled beyond limits acceptable to private organizations. The private organization can no longer depend upon the public relations unit of their organization to influence the outcome of initiatives. The public expects their values to be held as the criteria for operation of both governmental and private organizations and expects its input to be solicited and used in decision making by private organizational officials.

Thus, in the face of an evolving and ever more demanding public stakeholder environment, the PIFIP model offers a unique opportunity for organizations to effectively market their products and services using the SWOT process to identify obstacles and opportunities. Appropriate quality must be initiated at the start of the planning process. In order for these planning processes to be of "appropriate quality," organizations must allow effective scoping of both their internal and external environments. They must then integrate their input for the purpose of shaping strategies, visions and even organizational values. Failure to integrate the stakeholders' values, interests and expectations will eventually result in the failure of organizations to thrive and, ultimately, to survive. In the final analysis, integrated planning processes such as PIFIP become invaluable tools in accomplishing this synthesis of organizational and stakeholder needs.

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