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STAKEHOLDER ANALYSIS IN TERRITORIAL INTELLIGENCE IN DIGITAL GOVERNANCE

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Summary: Although the concept of sustainable development has been widely addressed in territorial development and territorial intelligence, the results of the applications and practices may not be satisfactory. Most of the existing models in development are guided by “top-down” planning approach. The biggest disadvantage of this planning approach is that the opinions of key players may not be adopted in the planning process. For the principles of partnership and participation to be further realized, territorial intelligence and territorial development need an additional approach to base its decision and action on a more inclusive and comprehensive understanding of community preferences. Nevertheless, what is different from the past is that, the way public governance adapts to the digital era is not only to deal with the technologies, but to develop new organizational structures and operational formats in order to disengage from traditional administrative culture, redefine its objectives and tasks, and form a format of e-governance that is more inclusive in decision-making, power-sharing, and coordination. With increasing diffusion of e-government, interaction and interdependence between plural stakeholders and politics has become more intensive, which in turn has impacted public service delivery and public policy making. In e-governance, such plural stakeholders include not only individual citizens but also enterprises, providers, various levels of governmental agencies, public interest groups, communities and information agents. To further territorial intelligence, in the digital era, it is imperative to manage stakeholder relationships between a government and its stakeholders in order to develop finer interactions and to adjust directions of governmental policies and service designs.

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Stakeholder Analysis in Territorial Intelligence in E-Governance

1. BACKGROUND

In 2005, the EU declares a multi-stakeholder governance approach for building the Information Society, and focuses on the roles and responsibilities of stakeholders. It argues that building an inclusive Information Society requires new forms of solidarity, partnership and cooperation among multiple stakeholders. Through open discussions and exchanges of information worldwide, a multi-stakeholder governance approach is said to help shape agendas and devise new, effective regulatory and non-regulatory models.

Territorial Intelligence shares the concerns of sustainable development and respects certain principles, particularly a global approach based on people’s current and future needs, partnership and participation. It is especially useful to help the territorial actors planning, defining, animating and valuating the policies and actions of sustainable territorial development.” [GIRARDOT, 2000]. The territorial actors are solicited to suggest projects, to advocate and evaluate the relevance, efficiency and impact, and to implement their principles of global approach, partnership and participation.

However, although the concept of sustainable development has been widely addressed in territorial development and territorial intelligence, the results of the applications and practices may not be satisfactory. Most of the existing models in development are guided by “top-down” planning approach. The biggest disadvantage of this planning approach is that the opinions of key players may not be adopted in the planning process. For the principles of partnership and participation to be further realized, territorial intelligence and territorial development need an additional approach to base its decision and action on a more inclusive and comprehensive understanding of community preferences.

Developing effective and sustainable community projects requires full participation of civil society in both determining strategies and implementing them. In human communities’ project development, to accelerate innovation at various levels, effective collaboration between and among stakeholders is required: territorial actors need to collaborate to pull their knowledge and resources together to find better ways of developing their territories.

Due to the various interdependency that exists between and among various individuals and entities within the territory, successful territorial development depends on the identification and understanding of different stakeholders and their interests. Methodologically, the problem is that the specific factors shaping the existence of different stakeholder groups are likely to vary between territories and communities and may depend on the particular issue within territorial development. This precludes or at least complicates a priori stakeholder identification based on a predetermined checklist of possible factors.

In order to achieve sustainable development, in an integrated and well-balanced approach to territorial governance and engineering, it is crucial to be inclusive, participatory and partnering in the process of project planning and implementation. As sustainable development is defined as “meets the needs of the present, uppermost of the most underprivileged people, without compromising the ability of future generations to meet their own needs in the field of environmental protection, economic growth, social equity and culture,” it is critical to be comprehensive and inclusive in identifying and collecting multiple stakeholders’ opinions. This also brings in the respect of the democratic governance principle. Furthermore, finding stakeholders and collecting their views about the territory, and build partnerships between and among them, also fits in the principles of democratic governance.

In Guba and Lincoln’s (1989) book, Fourth Generation Evaluation, they propose that stakeholder analysis should take place as an “open−ended constructivist inquiry.” Daumas [2002] pointed out that “the territory is not considered any more as a natural framework, more or less binding and endowed of a more or less rewarding historical patrimony, but as a construction of the actors,” and that territory is “a space of significant relations.”[DUMAS, 2004]. Therefore, in the context of territorial development and territorial intelligence, this means a process through which territorial residents and actors are invited to relate their concerns, ideas, values, and issues related to the development taking place within it.
In the context of territorial development, a stakeholder is an individual or a group of people with an interest or concern in something, who can affect, or are affected by, the achievement of the territorial development. These individuals or social entities are usually knowledgeable and capable and can thus formulate and define decisions.

Stakeholder analysis refers to a range of tools for the identification and description of stakeholders on the basis of their attributes, interrelationships, and interests related to a given issue or resource. It is a powerful tool for policy analysis and formulation, and has considerable potential in territorial policy and development. It is an approach for understanding a system, and changes in it, by identifying key actors or stakeholders and assessing their respective interests in that system. It has been developed in response to the challenge of multiple interests and objectives, and particularly the search for efficient, equitable and sustainable development strategies. In environmental and natural resource development, stakeholder analysis has been an important approach in the process.

Stakeholder analysis can be defined as an approach for understanding a system by identifying the key actors or stakeholders in the system, and assessing their respective interest in that system. However, it cannot be expected to solve all problems or guarantee representation. The usefulness of stakeholder analysis is understanding complexity and compatibility problems between objectives and stakeholders.

Territorial stakeholder analysis is thus a method, protocol and generic tool of wide applicability that can be used to collect and analyse the territories and the territorial information. It contributes to the understanding of the territorial structures and dynamics. It also can serve as a tool at the service of the actors of the territories sustainable development, and helps communities work out to guarantee the equitable and sustainable development of their territories.

Supporting partnership and participation, territorial stakeholder analysis follows the governance principles that guarantee a well-balanced taking into account of all the needs, as well as the equitable distribution and durability of resources. It also contributes to the development of territorial knowledge, and the necessary analyses for an integrated approach of the territories. Derived from participatory methods of project design, such as rapid and participatory rural appraisal, stakeholder analysis seeks to integrate the interests and perspectives of disadvantaged and less powerful groups. It therefore especially helps explore essential needs of the most deprived people that is to be granted the largest priority [Brundtland Report 1987].

2. STAKEHOLDERS AND RELATIONSHIPS IN GOVERNANCE

In summary, governance is a form of interacted relationship between government and the governed. It involves relationships between and among public sector, private sectors, and organizations and individuals in the broader society. Good governance is based on the values of openness, transparency, accountability, equity, participation, efficiency and effectiveness, citizen satisfaction, and citizen’s trust in government. These values can only be realized by effective management of the use of national, societal and economic resources, and by establishing effective social institutions in a multi-sectored society.

Stakeholders and stakeholder relationships are thus a critical part in governance. Bovaird and Löffler (2002: 16) formally define “local governance” as the set of formal and informal rules, structures and processes that determine the ways in which individuals and organizations can exercise power over the decisions (by other stakeholders) which affect their welfare at local levels. With this definition, local governance requires the cooperation between and among public authorities and other stakeholders. Local governance relies on market structures, hierarchical authority and cooperative networks at the same time. It involves setting of formal and informal rules and the negotiation between stakeholders seeking to alter these rules.

Therefore, local governance refers not only to the role and functions of local government, but also the manifold interactions between local governments, local citizens and other groups. A purpose of these interactions is to create sustainable local development in terms of service delivery, infrastructure development and spatial planning. The emphasis on governance relationships implies emphasis on citizen or stakeholder participation in decision-making and planning (Hamann et al., 2005: 63). Among the stakeholders, community sector organizations are widely seen as making significant contributions to the localities by increasing community capacity or boosting local social capital. Community sector organizations involving in local governance networks ensures that community views are represented in the policy process (Luckin and Sharp, 2004: 1485).

Fung (2002) points out that the purposes of e-governance is to establish interactions between government and citizens (G2C) (e.g., e-democracy), to encourage governmental service integration (G2G) (e.g., e-government),
and to establish more efficient relationships between government and commercial companies (G2G) (e.g., e-business). Therefore, to Fung, e-democracy, e-government and e-business are the three primary dimensions of e-governance, and they are ways of governing government relationships and interactions with its stakeholders.

Therefore, in e-government or e-governance, the focus of attention should not merely be on the e-service providers but rather more on the key multi-stakeholders in the broader society. Stakeholders represent any entities, be it individuals, groups or organizations, in the society that influence or are influenced by other entities (Porter, 1985). On the belief that stakeholders should have a say in policies that concern themselves, policymakers have begun to promote the development of stakeholder forums and organizations to address governance issues. For example, innovative empirical research tools, used as an instrument for organizational development and strategic network planning, are newly developed to better understand multi-stakeholder governance by gathering in-depth information about governance networks, goals of actors, and their power and influence (Schiffer and Waale, 2008). What is more, current researchers put in efforts to develop a framework to enable indirect stakeholders to become direct stakeholders participating in large scale e-government systems for use in the public arena (Friedman et al., 2008).

Esteves and Joseph (2008) define stakeholders in e-governance as including citizens, public service providers, enterprises and social organizations, public agencies, information system and information technology (IS/IT) specialists, and special interest groups. Citizens are related to public administration. Citizens use public services to exercise civil rights and participate in democratic processes. Public service providers are broadly defined as the employees of public agencies, including politicians and all types of public servants. Enterprises and social organizations are for-profit and not-for-profit companies and organizations which relate to governments through taxing, subsidies, and social and legal obligations. Public agencies in hierarchical system interact with other public agencies horizontally and vertically. IS/IT specialists, from private enterprises or public agencies, possess technology-oriented professional knowledge and provide e-government program solutions and suggestions. Finally, special interest groups integrate or organize social and/or regional communities, to shape or strengthen public voice and opinions. Special interest groups include NGOs, citizen service organizations and international organizations like the EU, UN and OECD.

In addition, information agents are another category of stakeholders. Because regular citizens and groups do not have the capability to obtain needed information efficiently, an information agent sifts and retrieves useful information from public web sites for its clients (Tomoko and Toyohode, 2000). These information agents may include insurance agents, travel agents, voter registrars, telephone information operators, employment agents, travel route planners, customer service agents, bank loan officers, and so on. Such information agents must typically possess a common set of skills, including communicating with clients, reading from and writing to databases of various sorts, knowing, understanding and adhering to company or agency policies, planning and decision making, negotiating with clients about the issues involved, and generating a tangible product.

3. CHANGE OF STAKEHOLDER RELATIONSHIPS IN E-GOVERNANCE IN GENERAL

How have relationships between government and stakeholders changed and adapted in e-governance? A review of literature reveals in general several views.

3.1 Positive Views

Many researchers hold optimistic views toward the potentials of ICT. They believe the use of ICT will have profound impacts on democratization, can guarantee freedom and openness of democratic governments, can wipe out political non-enthusiasm and low participation, can make citizen participation more easily and more efficiently, and can overcome idleness and non-responsiveness in politics and of governmental institutes (Barber, 1984; Boncheck, 1995; Rheingold, 1995; Brants, et al., 1996; Kurland and Egan, 1996; Macpherson, 1997; Rash, 1997; Casaregola and Cropf, 1998; Parliamentary Office of Science and Technology, 1998). Among the technologies, due to its easy-access, convenience and low cost, internet and interaction in it are seen to have great potential in attracting more people, especially those who were previously not allowed, to enter the political arena created within (Ogden, 1994; Negroponte, 1995; Dutton, 1999). The supporters of internet thus declare that it helps in extinguishing inequity of political participation in the traditional, offline world.

Falch (2006) argues that ICT in particular challenges the European public service model of governance as it has been exercised in continental Europe and therefore has contributed to the development towards a more liberal market model of governance. Examining areas of regulation, Falch (2006) has found a clear trend from governance exercised by public authorities towards a more liberal market model of governance, which has
somehow restricted formal democratic influence from citizens. Present regimes of governance have been challenged by technological development. The results of the challenges have primarily been giving more power to the market and more international coordination.

3.2 Negative Views

Many others are skeptical about the bright expectation visions of ICT. Some even doubt whether ICT can bring any change to public governance. Skeptics argue that we should not be naive about the potential of ICT, for technologies are not purely neutral tools. Although using digital tools in implementing democracy may be a fine prescription, it may also possibly be a latent poison that further persecutes the already fragile democracy. They worry that technologies will be controlled by the ones already with power (Clarke, 1998). ICT will make powers more concentrated, making political leaders further dominate and monopolize information. ICT will also empower the already influential ones to possess potential control to exclude citizen input and to make policies alone by themselves, which additionally polarizes powers of the influential and non-influential ones.

Tehranian (1990) points out that although ICT allows a highly productive and directly democratic society to form, autarchy is prone to emerge at the same time. Habermas (1971) emphasizes that powers and authorities that monopolize technologies will damage democracy. Gandy (1989) argues that advanced electronic technologies are beneficial to bureaucracy, enlarge inequity between information-provider and information-receiver, and therefore worsen the rifts between individuals and bureaucrats. Also, as Tsagarousianou (1998) points out, there are limits of electronic democracy. They include technical limits, financial resources, citizens lacking necessary technology access, citizen’s negative impression towards technology, lack of political will and political culture related factors.

Golding (1996) and Wilhelm (2000) further argue that, even though internet penetration and access rates have increased, internet still cannot overcome limited participation in public affairs by the indifferent ones. Some hold the view that heavy users of internet are advantaged in online public discourse, and these heavy users belong primarily to certain groups of ages, gender, ethnic groups, educational levels and even economic conditions. Margolis and Resnick (2000) point out that applying ICT in political arena only extends “politics as usual” to another media, for internet does nothing but strengthen clout of those who have been advantaged, e.g., political parties, the media and big enterprises. Also, Shenk (1997) argues that although improving information access will increase governmental transparency, but if citizens are lack of basic knowledge of and commitment to political process, soon they will be helplessly submerged by huge amount of information. Nie and Erbring (2002) worry that heavy usage of internet would actually intensify people’s social isolation and weaken willingness and effects of citizen participation.

Chadwick and May (2003) and Torres, Pina, and Acerete (2006) also found that e-government programs in developed countries actually only strengthen existing managerialism without providing any opportunities for citizen participating in public affairs. Thomas (2004) doubts that the application of technologies will improve or facilitate citizen participation in public affairs. That is, ICT actually help only some people participating in public affairs through online channels. ICT in fact bring new challenges to segregation of certain individuals from the society, for divide between the information-rich and information-poor will prevent the latter from influencing political agenda.

Kakabadse, Kakabadse, and Kouzmin (2003: 51-52) point out drawbacks and negative factors of e-democracy and e-governance. They argue that democracy is mainly to put together and crystallize citizens’ common interests and concerns. However, currently available e-democracy technologies and programs still cannot effectively integrate and sum up preferences of stakeholders, which still relies on institutional ways to persuade one another and to take collect actions. Excessive web-based citizen participation could actually paralyze a government. With multitudinous stakeholders taking part in decision-making would unavoidably make policy decisions lag, which would then create risks for decisions not being made timely in a political crisis. Momentary respondence and interactivity in on-line discussion will hinder reasonable deliberation and well-thought democracy from appearing. We are not sure whether ICT intensifies cleavage and individualism instead of pushing through public collective thinking. What is more, limitations in modern ICT technologies, concerns of security and privacy protection, and internet and computer crime curb effective implementation of programs of e-democracy, e.g., online voting.

3.3 Some Other Views
In empirical studies and with evidences, there are illustrations of the change and adaptation of stakeholder relationships in e-governance. There are more and more citizens participate in public affairs through channels of e-government (Friedman et al., 2008), which makes the two parties closer to each other. In the commercialization of public sector information, with the emergence of the internet and related e-government applications as a direct link, the need and importance of information agents as intermediaries between government and other stakeholders have decreased and have been intentionally reduced by certain public agencies (Hadi and McBride, 2000). That is, governments now provide their information assets through their own web sites directly to citizens and information customers.

On the contrary, some other kinds of public agencies now relies more on special interest groups. Stoltzfus (2008) found that, before the era of e-governance, state actors had supreme authority in informational roles in foreign affairs. Now in e-diplomacy, non-state actors like NGOs (non-governmental organizations, e.g., Catholic Relief Services), IOs (international organizations, e.g., the International Committee of the Red Cross) and MNCs (multi-national corporations, e.g., Coca Cola) have increasingly occupied the information agent roles as public diplomats. Use of technology provides on-the-ground logistical assistance and serves as a mediator between the state and local figures. Also, technology provides a timely, central repository for NGOs to post information about refugee issues. Lastly, news media equipped with modern technologies provides immediate coverage of international issues. All these give non-state actors roles of public diplomat, information broker and information gatherer. As a result of globalization activated significantly by information technology, the movement towards international technology networking has effects on national sovereignty. Nature of the relationships between government and non-state actors has thus changed. States now rely more on non-state actors for accurate information and intelligence in foreign affairs, while more intense scrutiny of non-state actors has appeared. At the same time, the state’s role has changed, to more a stake in the synthesizing and analyzing of information than information collection. A new partnership has gradually occurred between the stakeholders.

4. CONCLUSION – MORE SPECIFIC ANALYSIS OF STAKEHOLDER RELATIONSHIPS IN TERRITORIAL INTELLIGENCE

In the new era of e-governance, a framework of governmental relationships with stakeholders has yet to be developed to help improving stakeholder relationships and realizing good governance. Before this framework can be developed, a more specific analysis of how the relationships with various stakeholders have evolved must proceed. The analysis can be done in the following dimensions.

First, according to Savage et al. (1991), with its potential for threat and potential for cooperation, we may classify stakeholders into several types. With this typology, governments can develop generic strategies in managing their relationships with their stakeholders. Second, types of partnerships and collaboration (Kernaghan, 1993; Kamensky, Burlin and Abramson, 2004) between stakeholders and governments can be identified to further or to foster positive and constructive relationships. Third, potential conflicts between governments and stakeholders in e-governance, whether task conflicts or emotional conflicts (Rose and Shoham, 2004) can be recognized and forecasted to avoid any unnecessary confrontation. Fourth, with power relationship analysis, governments can explore the possibility of balancing uneven relationships with stakeholders. Altogether, change and adaptation of stakeholder relationships in e-governance can be scrutinized and monitored, and efforts can be put into establishing and improving such relationships to reach the values of good governance.

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