

# METHODOLOGY

## MEASURING QUALITY OF RELATIONSHIPS USING ICMM'S UNDERSTANDING COMPANY-COMMUNITY RELATIONS TOOLKIT

**Shift**

### THE METHOD

A structured approach to measuring the quality of relationships between companies and their host communities, with the ultimate goal of using the information to improve these relationships.

### USE THIS METHOD TO



**MONITOR** how relationships with host communities evolve over time based on the voices of community members themselves.



**DISTINGUISH** and **MEASURE** different aspects of relationships, and identify those aspects that need improvement.



**EXPLORE** external factors that shape company-community relationships.

Securing and maintaining a social license to operate is central to the strategies of many companies for which the long-term success of their operations depends on a positive relationship with host communities. While the need for good relationships between companies and the stakeholders affected by their business is widely recognized, there is very little clarity on how to assess if a company is achieving this goal. The International Council on Mining and Metals (ICMM), has developed the *Understanding Company-Community Relations Toolkit* as a structured approach to measure the quality of relationships between mining companies and their host communities, with the ultimate goal of using the information to improve them.

### COMMUNITY SUPPORT

### ASSESSMENT IN PRACTICE

Despite the high emphasis on the importance of “positive” relationships with communities, many companies continue to measure what it is easy to measure, including the number of grievances, number of protests or number and frequency of community meetings.

To unpack what company-community relationships consist of, the ICMM Toolkit **defines their key aspects**. These four aspects or indicators allow companies to measure their relationships with communities in different operational or geographical contexts. The table on the following page outlines these indicators and includes examples of questions asked in an assessment.



# INDICATORS OF THE QUALITY OF THE RELATIONSHIPS

DESCRIPTION		EXAMPLES OF QUESTIONS
LEGITIMACY	Formal and informal approvals necessary for a company to develop its operations	<ul style="list-style-type: none"> <li>Do you think that company personnel act with integrity?</li> </ul>
COMPATIBILITY OF INTERESTS	The degree of alignment of interests between a company and a community.	<ul style="list-style-type: none"> <li>Do you believe the company understands and respects your community's priorities and interests?</li> <li>Do you believe your community and the company can live alongside each other peacefully?</li> </ul>
RESPECT	Includes interpersonal respect, respect for culture and practices, information sharing and community participation in decision-making.	<ul style="list-style-type: none"> <li>Does the company treat you/your community in a way that is respectful of you and of your cultural norms?</li> <li>Does the company include you in dialogue or decision-making processes related to issues that are important to you?</li> </ul>
TRUST	Community expectations of regular, honest and cooperative behavior from a company.	<ul style="list-style-type: none"> <li>Do you believe what the company tells you?</li> <li>Do you believe that the company does its best to do the right thing by you/your community?</li> </ul>

Source: ICMM, 2015: *Understanding Company-Community Relations Toolkit*

In addition to the four relationship indicators, the Toolkit also defines **three external factors** that can impact on company-community relationships. Even though these factors tend to be outside the company's direct control, they are necessary to understand the context in which company-community relationships are built and maintained. These three factors are socio-political and governance context, reputational context, and equity and social capital.

Relationship assessment takes the form of **surveys**, which can be conducted either in person or via phone/online. Each indicator is measured through a set of questions. Community members answer the questions using a five-point scale, with the options of responding "no," "somewhat," "neutral/do not know," "for the most part" or "yes."

Responses are presented in the form of a composite score and visualized using a spider diagram. The picture on the next page is a sample diagram depicting a composite score from negative two (lowest score) to two (highest score) for each indicator.

In this example, the diagram compares responses collected from three different community groups. It suggests that stakeholder Group B lags behind Groups A and C in all four relational indicators shown at the bottom half of the diagram while having very positive perception of the reputational and socio-political and governance contexts.

In addition to questionnaires, the Toolkit also recommends using follow-up interviews and focus



groups to give communities greater space to provide further insights and share experiences. These instruments can also be used to validate collected information with community members or to use their additional insights to interpret the data.

## HOW TO USE THE DATA

### TO MEASURE CHANGES IN RELATIONSHIP OVER TIME.

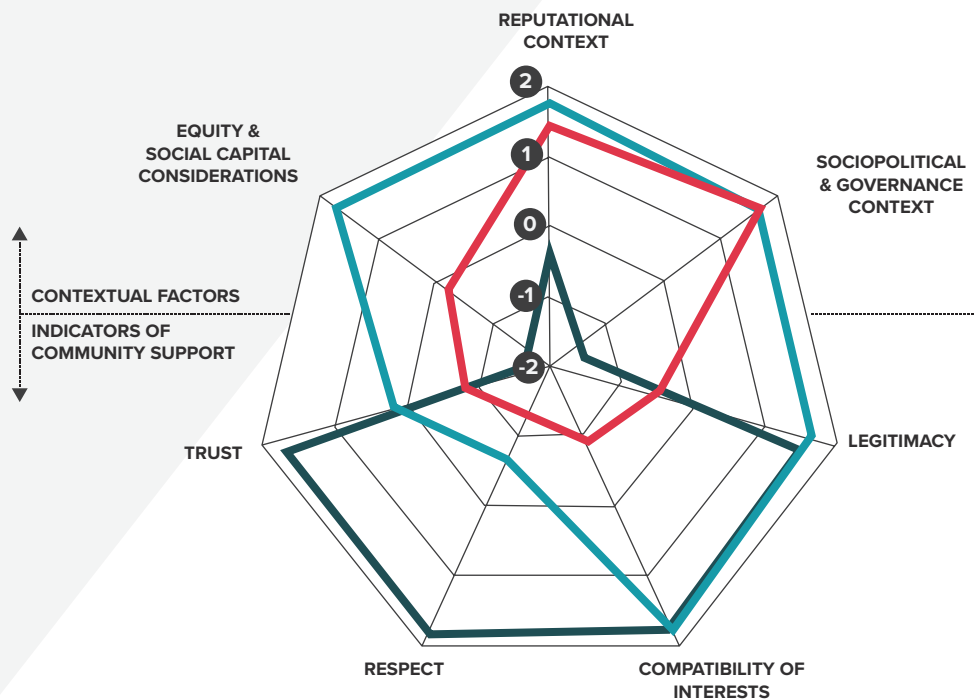
If used systematically and regularly, assessments can measure changes in company-community relationships over a longer period of time. In our case study, Gold Fields, a mining company in South Africa, used relational assessments to track how its relationships with three hosting communities have evolved between 2014, 2017 and 2019. The company was also able to use the assessment to measure the difference in support between communities located closer to and further from its mining operation.

In addition, the assessment can measure any gap between company and community perceptions of the relationship. This is done by asking company employees the same questions as a community and comparing the difference in the score. In the instance of Gold Fields, the assessment found that the company overestimated how good its relationships with communities were.

### TO GUIDE COMPANY DECISIONS ABOUT WHERE TO FOCUS EFFORTS TO BUILD BETTER RELATIONSHIPS.

Collected data can help a company to know with which segments of a community it has better or worse relationships. For example, data can be disaggregated by gender, age, education or employment status, geographical proximity to a mining operation or other signifiers. Similarly, assessments can reveal which aspect of relationships needs further strengthening. Having such detailed information can help a company

STAKEHOLDER GROUP A  
 STAKEHOLDER GROUP B  
 STAKEHOLDER GROUP C



Source: ICMM, 2015: *Understanding Company-Community Relations Toolkit*, page 26

direct its resources and create a more targeted approach to building relationships.

Furthermore, having a way to monitor community support can help those responsible for community relationships to evidence progress and create alignment within a company. You can read about how [Gold Fields uses data to inform discussions at the board-level in our case study](#).

### TO UNDERSTAND WHAT EXTERNAL FACTORS SHAPE RELATIONSHIPS AND MONITOR OR INFLUENCE THOSE.

In addition to better understanding aspects of relationships, the assessment can also help companies understand how broader political, social, economic and reputational contexts can impede or facilitate better relationships. A company on its own probably cannot change the context but can collaborate with peers, local government or civil society to seek improvements.



## THINGS TO KEEP IN MIND

### ● INCLUDE VULNERABLE GROUPS:

Selecting community members for surveys is not always straightforward, and it can be easy to overlook those who are either less vocal or too critical of the company's actions. Not all community members are impacted equally, and not all their perceptions are the same. It is therefore important to include all groups within a community, including the youth, elderly, women and the unemployed.

### ● LEVERAGING EXISTING EFFORTS:

Data collection for a relationship assessment can be incorporated into the company's existing community engagement and risk assessment processes. It can become a part of needs assessment, social impact assessment or other engagement.

### ● CLOSING THE FEEDBACK LOOP:

Engaging stakeholders does not end with data collection. A company can share the findings from the assessment through regular or one-off communication with communities. These can also be opportunities to consult or inform communities about the next steps in light of the assessment. Including communities in decision-making about proposed actions can be one way to build more positive relationships going forward.



This is one of five methodologies focusing on quality of relationships developed by Shift as part of the Valuing Respect project. To access other resources in this series, visit [valuingrespect.org](https://valuingrespect.org).

Shift thanks Hannah Clayton of ICMM for her contributions to this resource.

## ABOUT SHIFT

Shift is the leading center of expertise on the UN Guiding Principles on Business and Human Rights. Shift's global team of experts works across all continents and sectors to challenge assumptions, push boundaries and redefine corporate practice in order to build a world where business gets done with respect for people's dignity. We are a non-profit, mission-driven organization headquartered in New York City.

 [shiftproject.org](https://shiftproject.org)

 [@shiftproject](https://twitter.com/shiftproject)

## ABOUT VALUING RESPECT PROJECT

Valuing Respect Project is a global collaborative platform, led by Shift, to research and co-create better ways of evaluating business respect for human rights. Our aim is to develop tools and insights that can help both companies and their stakeholders focus their resources on actions that effectively improve outcomes for people. Valuing Respect is generously funded by the Ministry of Foreign Affairs Finland, the Norwegian Ministry of Foreign Affairs and Norges Bank Investment Management.

 [valuingrespect.org](https://valuingrespect.org)



## FURTHER INFORMATION

- [ICMM Toolkit](#)
- [ICMM Toolkit slide deck set](#)

## ALSO READ

**CASE STUDY**

**USING RELATIONSHIP DATA TO IMPROVE BUSINESS PRACTICES: MEASURING COMPANY-COMMUNITY RELATIONSHIPS AT A SOUTH AFRICAN MINE**

March 2017

This is a case study about how Gold Fields, a global mining company, has assessed its relationship with communities around the South Deep Gold Mine in the West Rand, South Africa. Three assessments, in which the company gathered extensive community perceptions via surveys and focus groups, were conducted between 2014 and 2019.

This case study:

- provides an overview of the methodologies applied by the company, including the indicators that were assessed, how data was gathered, and the ways in which the data has been analyzed by the company to inform actions; and
- defines the steps the company has taken to improve its practices based on the insight from community shared in the assessments. These range from board-level discussions of resources to adjustments in how the company engages with local communities.

The case study is a good example of how measuring the quality of company-community relationships can not only shed light on the nuanced realities that feed into a company's overall social license to operate, it also enables data-driven company discussion and decision-making, including among senior leaders and the board.

**QUICK FACTS:**

- SECTOR: MINING
- COMPANY: GOLD FIELDS
- COUNTRY: SOUTH AFRICA
- TIME FRAME: MULTIPLE ASSESSMENTS BETWEEN 2014-2019

**BACKGROUND**

Gold Fields is a gold mining company with operations in five countries. In South Africa, the company owns the South Deep Gold Mine (later Mine), which is surrounded by mining communities experiencing high levels of unemployment, poverty and inadequate living conditions. These economic realities have historically been accompanied by tensions and lack of trust between all stakeholder groups, including between communities and local businesses, and between communities and local governments. This breakdown in relationships reflected community dissatisfaction with the

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Our case study on how [Gold Fields](#) evaluates its relationship with mining host communities in South Africa.

## OTHER METHODOLOGIES IN THIS SERIES

**METHODOLOGY**

**CULTIVATING VOICE IN RELATIONSHIPS**  
 (HOW REGULAR DISCUSSIONS CAN LEAD TO MORE STRATEGIC EXPERIENCE AND PERCEPTION) INTO ACTIONABLE DATA

**THE METHOD**

Developing and using this method involves a series of steps that can be used to gather and analyze data from workers and their managers.

**USE THIS METHOD TO:**

- Understand and learn from the experiences of workers and their managers.
- Identify areas for improvement.
- Develop a plan to address the issues identified.
- Monitor progress and adjust the plan as needed.

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Cultivating Voice in Relationships

**METHODOLOGY**

**USING WORKER VOICE TOOLS TO ASSESS RELATIONSHIPS BETWEEN WORKERS' AND THEIR MANAGERS**

**THE METHOD**

Using worker voice tools to assess relationships between workers and their managers involves a series of steps that can be used to gather and analyze data from workers and their managers.

**USE THIS METHOD TO:**

- Understand and learn from the experiences of workers and their managers.
- Identify areas for improvement.
- Develop a plan to address the issues identified.
- Monitor progress and adjust the plan as needed.

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Using Worker Voice Tools to Assess Relationships

**METHODOLOGY**

**USING EXPERIMENTS TO ASSESS BEHAVIOR CHANGE INTERVENTIONS**

**THE METHOD**

Using experiments to assess behavior change interventions involves a series of steps that can be used to gather and analyze data from workers and their managers.

**USE THIS METHOD TO:**

- Understand and learn from the experiences of workers and their managers.
- Identify areas for improvement.
- Develop a plan to address the issues identified.
- Monitor progress and adjust the plan as needed.

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Using Experiments to Assess Behavior Change Interventions

**METHODOLOGY**

**SENSEMAKER™: COMBINING STORIES, NUMBERS AND DATA ANALYTICS TO UNCOVER HIDDEN DIMENSIONS OF RELATIONSHIPS**

**THE METHOD**

Using SenseMaker to combine stories, numbers and data analytics to uncover hidden dimensions of relationships involves a series of steps that can be used to gather and analyze data from workers and their managers.

**USE THIS METHOD TO:**

- Understand and learn from the experiences of workers and their managers.
- Identify areas for improvement.
- Develop a plan to address the issues identified.
- Monitor progress and adjust the plan as needed.

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SenseMaker™: Combining Stories, Numbers and Data Analytics

In collaboration with business leaders, independent evaluation practitioners, worker voice innovators and non-governmental and advocacy organizations – Shift, through its Valuing Respect Project, captured five methodologies to measure a company's quality of relationships throughout their supply chains and operating contexts.

Each methodology profiles a different approach to gather, analyze and work with data to make tangible improvements in business practices and people's lives.

