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engagement experience

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INDICE

Abstract

The paper explores how grant-making foundations widely engage local communities in decision-making processes, reporting and definition of strategies that could help the socio-economic development of the territory. Using Italian Bank Foundations (IBFs) as a case study, the paper maps the tools that enhance a dialog with the local community, and provides a valuable dashboard to support NPOs in meeting needs of local communities for long term planning and decision-making activities. A portfolio of engagement activities will be set and the engagement tools will be classified according to the level of engagement they allow.

JEL codes: M1, G30, L31.

Keywords: Philanthropy, Grant-making foundations, Italian bank foundations

1. *Introduction*

In recent decades, interest has grown in the idea that nonprofit organizations (NPOs) contribute more effectively to the local development of the territory by incorporating stakeholders' viewpoints in decision-making to respond more effectively to broader social interests (Cornforth, 2004). In consequence, NPOs have been pressured to adopt stakeholder-oriented governance models based on participation and inclusiveness, with the aim of engaging stakeholders both in board-level decisions and in operational activities such as accountability and local community initiatives (NCVO, 2010; AA1000SES, 2011; UNESCAP, 2014; Swanson, 2013). For that reason, the attention of researchers and practitioners has focused on *which* NPO stakeholders to engage, and on *how* to do it. The AA1000 Stakeholder Engagement Standard (2011) proposed a range of tools and methods for involving stakeholders, depending on the level of engagement (consult, negotiate, involve, collaborate, and empower). The activities in which stakeholders can be engaged also differ for instance, accounting, strategy, and governance (Swanson, 2013; Manetti & Toccafondi, 2014).

NPOs are usually considered an expression of local communities (Smith & Lipsky, 1993). Yet, while the literature on stakeholder engagement has grown in recent years, studies of community engagement remain underdeveloped. In addition, limited attention has been devoted to grant-making foundations, a typology of NPO in which legitimacy and reputation are deeply linked to local community (Bethmann *et al*., 2014). Since a map of stakeholders is the first step toward their inclusion in organizational strategies (Swanson, 2013), recent studies have identified patterns among local community stakeholder groups and how they might be involved at various levels, such as governance (Leardini *et al*., 2014) or reporting (Moggi *et al*., 2015).

The aim of the present research is to explore how NPOs can more widely engage local communities in decision-making processes, reporting, and definition of strategies to contribute to local socio-

economic development. To this end, Italian Bank Foundations (IBFs) are used as a case study. Among grant-making foundations, IBFs play a key role in fostering local development. By law, their grant-making activity is carried out in the exclusive interest of the local community through the management of huge assets. It follows that community engagement in the organization must be considered pivotal for the pursuit of organizational objectives. The link between an IBF and its local community is strengthened by the mechanisms by which board members are appointed, designed to balance the claims of multiple stakeholders. Furthermore, the formal agreement between the Ministry for Economic and Financial Affairs (MEF) and the Association of Italian Foundations and Savings Banks (ACRI) (2015) has recently recognized the role of stakeholder engagement tools in verifying the capacity of stakeholders who appoint board members to interpret community needs. Mapping the tools that enhance dialog between local communities and IBFs, the present study describes a stakeholder engagement dashboard (SED) that will be of value to NPO management in meeting the needs of local communities for long-term planning and organizational activities. Based on a portfolio of engagement activities, the tools will be classified according to the level of engagement they allow.

This paper begins by analyzing the previous literature on stakeholder engagement in relation to identified main categorizations and the key applied research of relevance here. This is followed by a methodology section, describing how data were collected and analyzed. Then, a description of the main results from the survey is presented. Finally, the SED is tested on an IBF that has been identified as a best practice in terms of the number and frequency of stakeholder engagement tools implemented.

2. *Categorizing community engagement*

Considering the urgency in meeting the community needs, the origin of community engagement practices are in the public sector. While many studies have examined citizens' participation in public life, there has been relatively little research on how such participation has been developed within the nonprofit field. The number and variety of mechanisms for engaging stakeholders is large and growing, and any attempt to summarize them is necessarily incomplete (Rowe & Frewer, 2005), depending on factors such as cultural context, historical period, and organizational features. Nevertheless, the literature offers some categorizations of engagement mechanisms, based on citizen empowerment, flow of information, degree of structure in mechanisms of engagement, and participation objectives.

According to their degree of structure, mechanisms of engagement can be distinguished as unstructured, structured, active process, and passive process techniques (Glass, 1979). Unstructured techniques (such as drop-in centers, neighborhood meetings, agency information meetings, and public hearings) are designed to provide direct contact with citizens. Structured techniques (such as citizen advisory committees, citizen review boards, and citizen task forces) usually involve groups of citizens selected according to the topic to be discussed. Active process techniques (such as nominal group process, analysis of judgement, and value analysis) allow an organization to exercise control over who participates, how participation occurs, and what information is provided. Finally, passive process techniques (such as citizen surveys) do not lead to direct citizen participation in decision-making but provide the organization with generalizable data obtained through well-developed methodologies.

Because citizen participation is "a means to other ends and not just an end in itself" (Glass, 1979, p. 180), participatory techniques must be appropriately matched with objectives in order to design a successful participatory program. Different purposes for participation require different tools for engaging stakeholders (Bryson *et al*., 2013). The International Association for Public Participation (2007) designed a public participation spectrum to characterize possible

goals pursued through community engagement. The goals range from inform, through consult, involve, collaborate and to empower stakeholders, with an increasing level of public impact on the decisions. Different goals of participation are associated with the use of different tools of engagement. *Informing* is the foundation of all community engagement processes and aims to provide stakeholders with knowledge about problems, alternatives, and solutions. Informing commonly involves one- or two-way communication tools such as fact sheets, web sites, brochures, media releases and open houses. *Consulting* seeks community views, eliciting public feedback on analyses, alternatives, or decisions while responsibility remains with the consulting organization. Examples of consultation tools include public comments, focus groups, surveys, and public meetings. *Involving* the community means working directly with the public to ensure that its concerns and aspirations are consistently understood and taken into account. Although the organization still retains power over the final decision, this method of engagement assumes a greater level of participation, usually developed through workshops and deliberative polling. *Collaborating* with the public implies to partner with the community in formulating decisions through collaborative engagement arrangements such as citizen advisory committees, consensus-building, participatory decision-making and membership of boards and committees. Finally, *empowering* stakeholders aims to place final decision-making in the hands of the public in a way that communities share responsibility for decisions and accountability for the outcomes. Community empowerment tools include citizen juries, ballots and delegated decisions.

3. *Research on tools for community engagement*

According to Freiwirth (2005), the use of traditional engagement tools in NPOs tends to be sporadic and is often intended simply to solicit input or to establish a connection rather than to bring constituents and the community into active partnership with the organization. In the literature on stakeholder engagement, tools for im-

plementation commonly focus on three main areas: appointing NPO board members, the decision making process, and accounting activities.

The community may be involved in appointing NPO board members. Traditionally, studies have examined democratic mechanisms such as elections (Pitkin, 1967; Ragab *et al*., 1981; Cnaan, 1991; Guo & Zhang, 2013) but have seldom considered the appointment of representatives by local organizations (Guo & Musso, 2007). More recently, Rossi *et al*. (2015) mapped the appointment practices adopted by IBFs, distinguishing between direct designation by stakeholders, list of candidates proposed by stakeholders, and appointment by the outgoing board. While the last-mentioned of these gives local stakeholders no power in choosing board members, their power increases with the adoption of lists of candidates and direct designation.

In relation to depth of participation in the decision-making processes of NPOs, Saxton (2005) highlighted how, even among the most stakeholder-oriented organizations, only a minority use engagement tools such as advisory boards, councils, or committees to facilitate actual constituent participation in governance and oversight functions. This indicates that, in a majority of cases, there is little depth of participation, and "stakeholders are only indirectly included in the decision-making process via the 'representative' role by which individual board members serve their constituencies". Guo and Musso's (2007) framework acknowledged the importance of engaging the community in decision-making to ensure more democratic NPOs, defining participation as the direct relationship between an organization and its community.

Stakeholders may be engaged in accountability practices. Ebrahim (2010) considered four different typologies of participation in accountability tools: information, public involvement, negotiation, and community initiatives. The first two levels respond to a need for compliance, in which communities are vested with little decision-making authority. Conversely, negotiation and community initiatives are based on a proactive approach, addressing accountability processes strategically (Ebrahim, 2010). This distinction highlights how

accounting and accountability can be viewed in terms of several dimensions and for different stakeholders (Wellens and Jegers, 2014; Fowler, 1996; Najam, 1996), depending on the degree of closeness between the organization and its stakeholders (Rawls, 1972; Gray *et al.*, 2006). Previous studies confirm that community involvement in reporting activities is usually limited to one-way communication mechanisms, where information about financial and social performance flow from the organization to the stakeholders without feedback (Moggi *et al*., 2015).

The picture emerging from the state of the art shows that community engagement can take different forms, making use of different mechanisms with their associated strengths and weaknesses (Rowe & Frewer, 2005). Because effective engagement ultimately depends on contingent factors, it is essential to ensure that participation processes fit the context in which they occur; to identify which stakeholders should be involved in decision-making and manage their participation; and to continuously evaluate and redesign participation processes (Bryson *et al*., 2013).

4. *Methodology*

4.1. Case study selection

To identify appropriate community engagement tools in the context of NPOs, the present study considers the IBFs as a case study, as these represent a particular kind of NPO in which the local community is on board by law. According to Yin (2014), a case study investigates a contemporary phenomenon in its real-world context when, in particular, the boundaries between this case and the environment are difficult to delineate. On that basis, the present research considers the 88 IBFs as a case in which there is great sensitivity to local community engagement, as demonstrated in their origins and through to the present day (Leardini *et al*., 2014).

IBFs meet the defining criteria provided by Anheier and Toepler (1999, p. 11), who stated that "the foundation idea is based on the

transfer of property from a donor to an independent institution whose obligation it is to use such property, and any proceeds derived from it, for a specified purpose over an often undetermined period of time." However, the peculiarity of the donor transferring the property distinguishes IBFs from other types of foundation. In particular, their origin by law following the privatization of the nineteenth-century public savings banks (Leardini *et al.*, 2014) characterizes them as community-owned foundations (Jassaud, 2014) that are legally constrained to use their huge assets and resulting income to pursue the social, cultural, and economic development of the local community that formerly owned the savings. In this way, the local community plays both the role of "collective" constituent and beneficiary of IBF activities.

This "philanthropy by decree" (Boesso *et al.*, 2015) establishes a strong link between IBFs and the communities for which they must act, requiring a deep and thorough knowledge of the needs of residents. This link is strengthened by the mechanisms through which board members are appointed, which serve to balance the claims of multiple stakeholders. As highlighted by Leardini *et al.* (2014), four groups of stakeholders are considered to represent the interests of the local community: public sector entities; cultural, educational, and research organizations; trade and professional associations; and civil society associations. These stakeholder groups have the power to designate an IBF's board members or to propose lists of candidates from which the outgoing board must select new members.

Despite IBFs are characterized by the presence of two boards – the Board of Directors and the Board of Trustees – the present study will consider only the latter, as Italian law clearly states that the Board of Trustees is the policy-making body, assigned to meeting local community needs. Conversely, the Board of Directors is appointed by the Board of Trustees, and its functions are solely administrative.

4.2. Data collection

For the purposes of the case study, a qualitative approach was considered appropriate for data collection, employing a mix of techniques for different phases of the research. Firstly, an analysis was conducted of all statutes governing IBFs in order to identify the various mechanisms for appointing board members. Using content analysis techniques (Krippendorff, 2013; Mayring, 2004), three researchers each analyzed the sample in full, and their codings were compared. This triangulation between researchers highlights any discord regarding the presence or absence of an aspect and is also useful for increasing the reliability of any conclusions derived from the analysis of data (Yin, 2013).

In a second phase, a survey was sent to the chairman and executive director of each of the 88 IBFs operating in Italy in 2014, who were considered key informants at a governance level. The survey questions focused on the organization's main practices for engaging stakeholders in organizational activities such as governance decisions or reporting, which served to define one of the dashboard dimensions. The results from the survey also facilitated identification of best practices in stakeholder engagement in terms of frequency and variety. Triangulation of data from the survey, the content analysis, and a wider documentary analysis (e.g., press releases, reports and web sites) provided a high level of reliability (Patton, 2002).

By merging our empirical findings on stakeholder engagement tools with the International Association for Public Participation (2007) classification on engagement levels, we formulated a comprehensive SED for the management of local, community-owned NPOs (Jassaud, 2014).

Finally, to test the dashboard, an IBF (hereafter referred to as "Delta") was selected from among the best practice organizations identified from the survey. Semi-structured interviews conducted with key informants (e.g., chairman, executive director, board members, managers) provided deeper insights into the processes of selection and construction of stakeholder engagement tools. Additionally, documents from the website (such as statutes and reports) were included

in the hermeneutic unit. The data were coded by using Atlas.ti, applying labels based on the analysis of the literature and the survey results.

5. *Findings*

5.1. Appointing board members

Analysis of the relevant statutes made it clear that IBFs do not hold elections for representatives on their governing boards. Instead, the appointment of board members variously employs a mix of three different mechanisms: direct designation by local stakeholders, a list of candidates proposed by local stakeholders, and appointment by the outgoing board. Table 1 shows the number of IBFs adopting each mechanism.

Table 1 - Number and percentage of IBFs using different mechanisms for appointing board members

Mechanism for appointing board members	N	%
Direct designation by local stakeholders	73	82.9
List of candidates proposed by local stakeholders	35	39.7
Appointment by the out-going board	37	42.0

As these results indicate, while local stakeholders directly designate members of the board in a majority of cases (82.9%), listing of candidates proposed by local stakeholders and appointment by the out-

going board are less common (39.7% and 42%, respectively). A more detailed analysis showed that 96% of IBFs required that local stakeholders should directly designate at least half of their board members, and in 44% of cases, all board members were appointed in this way.

5.2. Engagement in organizational activities

With regard to stakeholder engagement in organizational activities, the survey first sought to establish whether the main practices developed by IBFs were continuous or sporadic. As Table 2 shows, IBFs regularly engage their communities in decision-making through institutionalized mechanisms in only 26.2% of cases. In the great majority of cases, stakeholders are engaged only occasionally, through one-off or ad hoc tools for solving a problem or crisis.

Table 2 - Number and percentage of IBFs engaging the community continuously or occasionally

Size	Continuous engagement		Occasional engagement	
	N	%	N	%
Large	4	28.6	10	71.4
Medium-large	2	22.2	7	77.8
Medium	4	26.7	11	73.3
Medium-small	4	40.0	6	60.0
Small	2	15.4	11	84.6
Total	**16**	**26.2%**	**45**	**73.8%**

Considering IBFs by size[1], it emerges that engagement is sporadic for small IBFs in particular (84.6%) but remains an occasional behavior for large (71.4%) and medium (73.3) foundations as well.

The analysis also considered the number of engagement tools employed simultaneously, rating IBFs from a minimum of 1 to a maximum of 11. For example, if a foundation engaged its stakeholders by means of a website, reporting process, and workshops, it used 3 of the 11 available tools. Most IBFs used 4 or 5 tools simultaneously while none employed the total available set.

Table 3 - Number of community engagement tools used by IBFs

Number of stakeholder engagement tools employed	Number of IBFs	% of IBFs
1	1	1.6
3	5	8.2
4	14	23.0
5	15	24.6
6	10	16.4
7	9	14.8
8	2	3.3
9	5	8.2
10	0	0
11	0	0

To understand the scale and variety of engagement, we also considered how many engagement mechanisms are used according to organization size. As shown in Table 4, 24.6% of IBFs employed five different mechanisms for engaging the community in decision-making processes. The broadest mix of engagement tools was found among large IBFs, 36.4% of which were found to use nine different tools. Conversely, small IBFs usually employed between three and seven tools of engagement.

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[1] The size of IBFs is measured in terms of net assets (ACRI, 2015).

Table 4 - Percentage of IBFs using community engagement tools by size of organization and number of tools

IBF Size	Number of tools employed							
	1	3	4	5	6	7	8	9
Large	0	9.1	9.1	27.3	18.2	0	0	36.4
Medium-large	0	11.1	22.2	22.2	22.2	0	11.1	11.1
Medium	0	0	14.3	35.7	21.4	21.4	7.1	0
Medium-small	0	0	25.0	16.7	25.0	33.3	0	0
Small	6.7	20.0	40.0	20.0	0	13.3	0	0
Total	**1.6%**	**8.2%**	**23.0%**	**24.6%**	**16.4%**	**14.8%**	**3.3%**	**8.2%**

To further investigate how the community is involved in decision-making, we asked chairmen and executive directors about the use of the 11 engagement tools identified from the existing literature. Table 5 summarizes the results, indicating the number and percentage of IBFs adopting each of the 11 mechanisms.

Providing information through the web was the commonest means of engagement, adopted by 67% of IBFs. Public meetings (63.6%), workshops (48.9%), reporting (38.6%), and temporary commissions and committees were also widely used. Some respondents also indicated the possibility of using tools other than those listed, as four IBFs declared their use of mass media communications, newsletters, and traditional press releases. It is important to note that a large number of IBFs (67%) have recognized the importance of informal meetings between the board and the subjects in charge of local organizations, that is recognized as an informal stakeholder engagement tool.

Table 6 shows that small foundations engage the community mainly through web sites but do not employ questionnaires, panels, work groups, or focus groups, perhaps because of the expense involved. Community attendance at board meetings occurs mainly among medium-small IBFs; medium IBFs usually engage the community through permanent commissions and committees. Questionnaires on community satisfaction are more frequently used by medium-large IBFs, while large foundations are more likely to use panels, work groups, and focus groups.

Table 5 – Number and percentage of IBFs using each community engagement tool

Tool	N	%
Informal meeting	59	67.0
Internet information (web site)	59	67.0
Public meetings for presenting the foundation and its projects to the community	56	63.6
Workshops	43	48.9
Reporting	34	38.6
Temporary commissions and committees involving community members	28	31.8
Permanent commissions and committees involving community members	10	11.4
Questionnaires on community satisfaction	9	10.2
Community attendance to board meetings	9	10.2
Open days	8	9.0
Panels, work groups or focus groups	8	9.0

Table 6 – Percentage of IBFs using community engagement tools (by organization size)

Tools	IBF size					
	Large	**Medium-large**	**Medium**	**Medium-small**	**Small**	
Informal meetings	18.6	15.2	23.7	16.9	25.4	
Internet information (web site)	18.6	15.2	23.7	16.9	25.4	
Public meetings for presenting the foundation and its projects	19.6	16.1	25.0	17.9	21.4	
Workshops	23.3	13.9	25.6	23.3	13.9	
Reporting	23.5	17.6	26.5	20.6	11.8	
Temporary commissions and committees involving community members	17.9	10.7	25.0	25.0	21.4	
Permanent commissions and committees involving community members	20.0	20.0	30.0	20.0	10.0	
Questionnaires on community satisfaction	22.2	33.3	22.2	22.2	0	
Community attendance to board meetings	22.22	0	11.1	44.4	22.2	
Open days	37.50	25.00	12.5	12.5	12.5	
Panels, work groups or focus groups	50.00	12.50	25.0	12.5	0	

In particular, from Table 7 it emerged that the use of commissions and committees for involving community members is not widespread among IBFs; only 23 IBFs (38%) employed such tools. Among these, only a strict minority regularly involved community members (4 out of 23) while in the majority of the cases (22 out of 23), community members were engaged only occasionally for ad hoc initiatives. Table 7 summarizes these results.

Table 7 - Number of IBFs that regularly or occasionally involve community members in commissions and committees

Participation of community members in commissions and committees	Number of IBFs		
	Yes	No	Total
Regular participation	4	19	23
Occasional participation	22	1	23

With regard to community engagement in reporting activities, the survey investigated whether the community was involved in the process of reporting results, in which IBFs highlight their institutional goals and how they achieved them. As Table 8 shows, about 55.7% of respondents claimed to involve their communities in this process, mainly among medium (78. 6%), medium-large (66. 7%) and medium-small (58.3%) IBFs. The practice is less common in large and small IBFs, where community engagement in reporting activities is adopted in only 45.4% and 33.3% of cases, respectively.

Table 8 - Number and percentage of IBFs that involve community members in reporting activities

IBF Size	Yes		No		Don't know	
	N	%	N	%	N	%
Large	5	45.4	6	54.5	0	0
Medium-large	6	66.7	3	33.3	0	0
Medium	11	78.6	2	14.3	1	7.1
Medium-small	7	58.3	5	41.7	0	0
Small	5	33.3	10	66.7	0	0
Total	**34**	**55.7**	**26**	**42.6**	**1**	**1.6**

Considering only those IBFs that involve the community in the reporting process, the survey investigated what tools are used to engage the community in these activities. The results are summarized in Table 9.

Table 9 - Number and size of IBFs by tools used to engage community in reporting activities

IBF Size	Communication of the report	Report on the web site	Conferences for presenting the report	Workshops for preparing the report	Workshops for assessing the report	Questionnaires for assessing the report
Large	5	5	4	2	0	0
Medium-large	6	6	5	0	0	0
Medium	11	10	3	2	0	2
Medium-small	3	7	3	0	0	0
Small	3	5	2	0	0	0
Total	**28**	**33**	**17**	**4**	**0**	**2**

Communication of the report, publication of the report on the foundation's web site, and conferences for presenting the report were the most diffused mechanisms for involving the community in reporting activities. Respondents could also indicate the use of any other tools; only five IBFs availed of this opportunity, so confirming the relative completeness of the list. They indicated to request individual opinions, to present to the community the reports of the foundation's partners, to search for the discussion with stakeholders, to publish imagines and information provided by the community, and to illustrate the report to an assembly of community representatives.

6. *Evaluation of tools for stakeholder engagement*

The results from the content analysis of statutes and from the survey provided a comprehensive picture of the different tools that can be used by NPOs to engage their communities in the appointment of board members, in developing organizational activities, and in the reporting process. Despite the lack of attention in previous studies, the data show that the appointing governance mechanisms could be seen as a stakeholder engagement tool to involve the local community. Based on these findings, the extremely high percentage of board members directly designated by local stakeholders suggests that IBFs deeply include their stakeholders in defining the composition of governing boards, so acting in the interest of the local community.

The results reveal that some stakeholder engagement tools are more widely used than others whose potential contribution to the engagement process may be undervalued. Tools based on information and communication, where the role of the community is generally passive (e.g., online information and public meetings), prevail over more involving mechanisms. This also confirms that there is little in-depth participation in organizational life, decisions, and reporting in these NPOs (Saxton, 2005). Such community engagement is usually designed to solicit input and to establish a one-way relationship between IBF and stakeholders rather than developing active partnerships (Freiwirth, 2005).

Our findings also highlighted how the size of assets can influence both the number and variety of tools employed. With increasing size, the number of tools simultaneously employed also grows. This may indicate that where grant-making activity is relevant, meeting community needs requires engagement with the community through a broader mix of tools. Although small foundations reported sporadic stakeholder engagement at the begging of the survey, the following results clearly indicated that a number of tools are employed, such as informal meetings (Wellens & Jeger, forthcoming) and the website.

In terms of reporting activities, our findings revealed that engagement is aimed especially to inform stakeholders, confirming that community involvement in reporting activities is limited to one-way

communication, where information flows from organization to stakeholders without any provision for feedback (Moggi *et al*., 2015). This suggests that IBFs' communities play a limited role in participating and addressing accountability processes (Ebrahim, 2010), as other tools are probably more suited to stakeholder involvement (Gandia, 2009).

7. *Testing the stakeholder engagement dashboard*

To test the applicability of the SED in the field, Delta was selected as a best practice organization for stakeholder involvement on the basis of the survey results (Patton, 2002). The selection of this specific case will enhance the understanding of a wide range of stakeholder engagement tools in terms of level of involvement and related features. Delta is a large-sized IBF that aims to support the social, cultural, and economic needs of its local community of the specific territorial zone that hosted the organization. In particular, Delta focuses on five areas of interest: 1) research; 2) education; 3) art, cultural heritage, and environment; 4) healthcare; and 5) charity.

Table 10 – Dashboard test of stakeholder engagement in Delta

Engagement Tools	Engagement Level				
	Inform	**Consult**	**Involve**	**Collaborate**	**Empower**
	We will keep you informed.	We will keep you informed, listen to you, and provide feedback on how your input influenced the decision.	We will work with you to ensure your concerns are considered and reflected in the alternatives considered, and provide feedback on how your input influenced the decision.	We will incorporate your advice and recommendations to the maximum extent possible.	We will implement what you decide.
Appointing governance mechanisms					X
Informal meetings		X	X		
Internet information	X	X			
Public meetings	X				

Engagement Tools	Engagement Level				
	Inform	Consult	Involve	Collaborate	Empower
Workshops					
Temporary commissions and committees		X			
Permanent commissions and committees		X			
Questionnaires on community satisfaction					
Community attendance at board meetings					
Open days					
Panels, work groups or focus groups		X	X		
Reporting	X				

25

Table 10 summarizes our case study through the SED applied on Delta. The dashboard indicates the presence (X) or absence of stakeholder engagement mechanisms giving a double dimensional depth of investigation (tools and levels of engagement). The evidence confirms that Delta uses a number of different tools to engage its stakeholders in organizational activities. The same tool is often applied for different purposes and for different stakeholders. Regarding board composition, statutory provisions emphasize local stakeholders and their weight in appointing board members. The outgoing board chooses new members by selecting them from a list of candidates proposed by local stakeholder groups; only three members are appointed directly by the outgoing board. Interviewees emphasized the importance of maintaining a balance among the different local community interests represented on the board to ensure effective empowerment within the decision making process.

As Table 10 shows, some tools are underutilized or are not utilized at all. As respondents emphasized, stakeholder engagement is often achieved through indirect and informal channels that allow easier, closer, and more frequent contact. These are employed especially in the engagement of local public entities (e.g. local government) with the aim to consult and involve them in organizational activities. Respondents emphasized that the use of these informal channels could improve the decision-making process when public entities are involved (Wellens & Jegers, forthcoming).

The case analysis confirmed the pivotal role of the Internet as a clear and direct information tool, which is readily accessible and is favored by stakeholders as a source of information about the organization (Gandia, 2009). The web is also used by Delta for dialoguing with citizens, especially via email. Internet information enables different groups of stakeholders to be informed and consulted, without involvement and collaboration. For this reason, other stakeholder engagement tools (such as workshops) are designed to take account of stakeholders' concerns.

At Delta, there is a commitment to commissions and committees with the aim to consult local stakeholders for planning actions, and identifying funding priorities to meet community needs. Because of the large number of endowments requested, respondents underlined the importance of local community consultation in understanding priorities. To plan actions and develop projects, Delta involves local actors by organizing round tables and focus groups throughout the process, involving experts in the field of action as well as the beneficiaries of funds. By involving the latter group, Delta can listen to stakeholder voices and keep them informed of decision making. Commissions also enhance stakeholders' understanding of the decision making process and educate stakeholders to set priorities in light of common interests.

The case study suggests that the goals of engagement in planning activities differ from the goals of the evaluation phase of the foundation's activities. In the first case, the main aims are to inform, consult, and involve stakeholders through commitments and technical commissions. In the second case, the primary aim is to inform stakeholders by reporting the foundation's actions, and then to involve these local actors in the evaluation of both the level of accountability and of performance in meeting community needs.

Reporting activity at Delta involves one-way communication to the stakeholder at public events. Each year, an entire day is usually dedicated to the presentation of the annual report related to foundation activities and results. The document is presented to local stakeholders without inviting any feedback on the effectiveness or usefulness of this accounting tool. One interviewee highlighted how these public meetings could be useful for consulting local stakeholders as well as for presenting results. However, he/she also noted the difficulty of avoiding manipulation when using this tool. Additionally, the importance of reconsidering the framework of the document was highlighted, to better present both community requests and responses from the foundation in terms of projects supported.

8. *Conclusions*

Given the pivotal role of NPOs in meeting local community needs, there is growing interest in how to increase management awareness of priorities in defining long-term plans and organizational activities. In this context, our research explored how NPOs might engage local communities, taking account of a wide range of tools and mechanisms according to the engagement goal. The collected data make it clear that a mix of tools is needed to support various decisions at both governance and operational level. Context, assets, and culture must be considered in selecting the appropriate tools, as different results may be obtained by the same means. To rationalize decisions about the best tools to apply, a SED has been proposed, outlining how each stakeholder must be considered separately. Based on a map of the stakeholders, dashboards can provide a useful framework within which NPOs can consider how to involve stakeholders by clearly depicting and meeting the local community's needs. This approach can support a transition from an *informing* level of engagement to *consulting* the local community more effectively and transparently about specific issues and activities.

Thanks to the test on the case study Delta, an appropriate balancing of stakeholder engagement tools appears the best way to reach an in depth involvement of the local actors into the NPO life, strategies and operations. The test also demonstrated the difficulty of generalizing the level of engagement for each tool, as each stakeholder will have different needs in terms of involvement and accountability. For this reason, further studies will explore the dimensions that managers must consider in shaping their stakeholder engagement system, taking account of the closeness of stakeholders and the environment in which the dashboard is developed.

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