**When Interests Collide: The Story of an Industry-Community Relationship**

**Julia Jahansoozi**

**PhD Thesis**

**Department of Film, Media & Journalism**

**University of Stirling**

**2007**

**Declaration:**

**This thesis has been composed by Julia Jahansoozi. The work the thesis embodies has been done by Julia Jahansoozi and has not been included in another thesis.**

**Signed:**

        **Julia Jahansoozi**

**Acknowledgements**

**Abstract**

This thesis makes a new contribution to the field of public relations in the area of organization-public relationships (OPRs). The thesis focuses on a petroleum industry-community relationship in Sundre, Alberta, Canada, which was explored in-depth. A qualitative phenomenological orientation was adopted as it suited the focus of the research which was to explore and describe the lived experiences of the actual participants involved in the Organization-Public Relationship phenomenon as well as how they described the relational elements and related them to their experience of the OPR. In-depth interviews, as the primary method, were conducted with both industry and community members. Secondary methods played an important but minor role and were used primarily for the purpose of the researcher as a tool to double check the interview findings and included participant observation, discourse analysis, and a small co-orientation survey.

The empirical research undertaken uncovered the importance of the background context of the OPR when engaging in relationship building and maintenance activities, opinions regarding the relational elements, relationship building processes, including the importance of having communication and trust building workshops. An interesting finding for this particular industry-community relationship emerged concerning the influence of 'management guru' Stephen Covey's work which shaped the way the industry and community members engaged with each other. Trust emerged as the fundamental relational element, whilst transparency was critical for rebuilding trust after a crisis.

This thesis has added to the body of theoretical knowledge in the field of public relations. Specifically it extended the understanding of an area of practice, community relations, and it has explored options for the management of activism and community engagement.

The thesis also contributes to public relations practice. Public relations practitioners working within the oil and gas industry as well as other non-renewable resource extraction industries are responsible for developing and maintaining relationships with key publics, including the communities they operate within. Practitioners need to be able to work with the relational parties and collaborate in the development of processes that meet the needs of the participants. As practitioners shift their focus to

developing relationships with key publics they will need to develop new skills in areas such as conflict resolution, community engagement, and interpersonal relationship building.

This piece of research is functional as it reflects on the OPR and highlights findings that are useful for gaining insight into the relational dynamics for academics and practitioners as well as questioning the power distribution and dynamics within this particular OPR. By adopting the phenomenological approach it has provided a representation of an OPR, which whilst it cannot be generalized it does provide a richer understanding of how relationship building processes can operate as well as the importance of trust and transparency building when there has been a relational history of hostility, distrust and deep unhappiness.

Further qualitative research should explore the development and maintenance of the other OPRs in order to understand more about the various contexts, processes, content and ability to set agendas within relationships. It would also be interesting to further explore the influence of management gurus and management fashions adopted or promoted by senior management involved in OPRs and illuminate how these approaches are implemented and impact an organization's external relationships.

**Table of Contents**

**List of Figures**

**List of Tables**

**Chapter 1 The research context**

This thesis makes a new contribution to the field of public relations in the area of organization-public relationships (OPRs). Its key intervention is to suggest that the background context for OPRs is an important variable that must be considered when engaging in relationship building and maintenance activities. The relational element trust was clearly identified as fundamental for the OPR to exist, and for OPRs that have experienced a crisis transparency is a requirement for rebuilding the relationship. The study focuses on a petroleum industry-community relationship in Sundre, Alberta, Canada. The empirical research undertaken uncovered the background context of the industry-community relationship, opinions regarding the relational elements, relationship building processes, including the importance of having communication and trust building workshops, and for this particular industry-community relationship the influence of 'management guru' Stephen Covey's work which shaped the way the industry and community members engaged with each other.

Public relations is a relatively new academic discipline which has roots primarily in sociology, psychology, communication and management, and it is concerned with the relationship between organizations and their publics. Leitch and Nelson (2001, p.134) have argued that this relationship revolves around the interaction between an organization and its publics which occurs within a context of unequal access to resources as usually organizations have more financial resources available to influence the interaction compared with publics. Ihlen and van Ruler (2007, p.243) recently argued that "to understand the role of public relations in building trust or mistrust and to develop – or destroy – a license to operate it needs to be studied as a social phenomenon". This research has done exactly this.

The thesis in detail explores and describes the local community's relationships with the Sundre Petroleum Operators Group (SPOG), based in the Sundre region of Alberta, Canada. Interest in selecting SPOG for this study was partly because SPOG had distinguished itself by gaining an iconic status and was considered to be "*the flagship for more than 50 synergy groups*" (Sharpe, 2002, p.99). The key agents within the SPOG industry-community relationship were identified as the oil and gas

companies, the Alberta Energy and Utilities Board (EUB), and the local community members who interacted and had an impact upon each other. The Alberta petroleum industry background and SPOG will be explained in more detail further on in this chapter.

The oil and gas industry was chosen as a sector for exploration of the OPR because the very nature of its core business is contentious. The extraction of hydrocarbons, a non-renewable natural resource, is usually problematic for the local communities where the operations are based. Issues relating to noise, environmental pollution, increases in the cost of living amongst others all have implications for the local community. Besides the oil and gas companies and their shareholders, governments are interested in having this type of natural resource exploited because of the tax revenue that is associated with it as well as the influx of jobs, corporate investment, and other economic 'spin-offs' such as infrastructure development. SPOG was chosen because of the very real relational problems that public relations practitioners working for the oil and gas industry were facing. As global petroleum resources diminish the pressure to extract oil and gas from locations which were previously considered not to be cost effective increases. As a result of the increased petroleum extraction activity it is expected that there will be a proliferation of crises and the need to develop industry-community relationships will increase in importance. This situation is an opportunity for public relations research as OPRs have not been researched in depth and it could contribute to solving problems that practitioners are grappling with.

**Thesis structure**

The thesis is organised into seven chapters. Chapter 1 introduces the thesis topic and relevance to the public relations discipline and provides and the background to the Alberta petroleum industry and the Sundre Petroleum Operators Group.  Chapter 2 is a literature review which draws together the key perspectives from public relations, interpersonal communication, conflict resolution, management, organisational communication, and marketing to frame the study. Particular attention was given to frameworks and theories of OPRs, stakeholders, community and relationships.

Chapter 3 explains and justifies the methodological approach taken and the research design that was implemented. It describes the phenomenological research approach

that was adopted to explore and analyse the OPR. The empirical research was based on 18 in-depth semi-structured interviews with SPOG industry and community members which included a local journalist and an Alberta Energy and Utilities Board (EUB) representative. Ethnographic notes from participant observation conducted over a six week period were also included in the analysis and a small questionnaire sample was used to gauge opinions. Further sources of data included organizational literature and documentation about SPOG available in the public domain / Internet such as its newsletters, processes, books and newspaper articles relating to the background context and events that have been important in shaping this particular industry-community relationship. The research questions that framed the investigation were:

> RQ1: How do the actual participants involved in the Organization-Public
> Relationship describe their personal experience of this phenomenon?
> RQ2: How do the participants describe the relational elements and relate them
> to their experience of the OPR?

The two overarching research questions were further explicated and the perspectives of the individuals involved in the SPOG industry-community relationship were explored and analyzed with reference to the theoretical perspectives discussed and referenced in the literature review.


A number of themes emerged from the interviews which are explored in the chapters 4, 5 and 6. Chapter 4 'The story of a relationship' explores the background story pertaining to SPOG's development including the changing demographics and the erosion of trust in the industry-community relationship. Chapter 5 'Relational elements: trust, transparency, dialogue, commitment, and power' focuses on the post-crisis OPR and explores the relational elements of trust, transparency, dialogue, commitment, satisfaction and control mutuality and the importance of these elements in developing and maintaining the OPR. Chapter 6 'Gurus and witchdoctors: discourse and relationships' provides an insight into how the industry and community members developed a schema and 'common' language and through workshops based on Covey's *Seven Habits of Highly Effective People* (1989) and *Principle-Centered Leadership (1990)* developed communication and relational skills as well as SPOG's vision statement.  This chapter also explores the use of peer pressure and promotion of SPOG approaches to other 'synergy' groups in Alberta.

Chapter 7 'Conclusions and implications' attempts to further contextualise the findings within the theoretical frameworks and considers the contribution of collaborative stakeholder engagement and community building to the public relations discipline. The final section reflects on the effectiveness of the research methodology, limitations, and possible future areas for continued research.

Although it is beyond the scope of this thesis to provide a thorough historical background relating to the development of Alberta's petroleum industry the next section aims to provide a brief synopsis of Alberta's petroleum industry and the role of the Energy and Utilities Board, in order to contextualise the external environment pertaining to the SPOG industry-community relationship. Much of this account depends upon David Breen's (1993) *Alberta's Petroleum Industry and the Conservation Board* which extensively covers the historical development and exploitation of oil and gas resources in Alberta and the regulatory environment.

**Alberta's Petroleum Industry and the EUB**

*Discovering oil*

Alexander Mackenzie was one of the first people to document the existence of petroleum[1] in northern Alberta during his expedition in 1793 across Canada to find the Northwest Passage. The first discovery of petroleum in southern Alberta was by accident in 1883, when railway engineers started drilling wells for water near Medicine Hat and instead found natural gas (Breen, 1993, pp.8-9).

The petroleum industry in Alberta is similar to the rest of North America as it is dominated by a few corporate giants that rank as some of the most profitable companies on the world stage. These companies locate, extract, produce, transport, refine, and sell petroleum products. What distinguishes the North American petroleum landscape from the rest of the world is the plethora of independent oil producers that also exist along side the corporate giants (Breen, 1993, p.Ii). In Alberta by 2000 there were approximately 1200 oil and gas operators (EUB, 2000, p.1) and it was estimated that in 2006 that number had increased to approximately 1700. Breen (1994, p.Iii)

---

[1] Alexander Mackenzie noted petroleum in the form of bitumen in the Athabasca region of Northern Alberta.

mentioned that the vast majority of these operators do not have the capacity to refine the oil or gas, which was a core difference compared with other mineral industries in North America which tended to process the mineral resource themselves. Breen interpreted the presence of the vast number of independent operators and their lack of capacity in refining the petroleum products as an indication that the industry was less integrated than in other places. Breen also argued that because Alberta's petroleum industry developed after that of Oklahoma, Texas and California, it was "largely conditioned by what had happened, and what was happening, in the United States" (1993, p.Iiii). In Alberta one of main differences the petroleum industry faced compared with the United States was the separation of legal ownership between surface and subsurface mineral rights. Oil and gas companies had to obtain drilling rights from the Alberta Provincial Government, which owned all subsurface mineral rights, in order to access subsurface minerals.

In 1938 the Alberta provincial government established the Petroleum and Natural Gas Conservation Board (PNGCB) to ensure that the development of the natural resource was done in the public interest. The PNGCB later was renamed the Oil and Gas Conservation Board (OGCB) and in 1995 it was amalgamated with the Utilities Board to become the Alberta Energy and Utilities Board (EUB).

The EUB's mission is clearly stated on its website: "*To ensure that the discovery, development and delivery of Alberta's energy resources and utility services take place in a manner that is fair, responsible and in the public interest.*" (EUB, 2007) What is important to note is that the EUB is concerned with the public interest for all Albertans, so not just those who experience the impact of the oil and gas activity on their property. The provincial government's department of energy sets the policy and the EUB is responsible for translating the policy into regulations and then has to ensure that they are implemented: "*…basically we make the rules and everybody else has to follow them…*" (Deborah Eastlick, EUB, January 2007). The industry is used to working within the EUB's regulatory framework and it is clear that the rules are there to conserve resources, protect public safety and ensure that the environment is protected as well, all within the public interest. Mineral resources in Alberta are for the most part owned by the Crown and are held in trust for the people of Alberta.

*Oil dependency*

Alberta's economy is heavily reliant upon natural resources and has been vulnerable to the economic 'boom-bust' cycle depending upon the global demand for commodities and pricing levels. The Alberta petroleum economic boom of the 1970s crashed when the 1980s 'bubble' burst owing to the global slump in oil prices caused by over production and an oil glut on the world market (Conway, 1982; Caragata, 1983; McArthur, 1987; McCarthy, 1988; Carlisle, 1988). The oil boom collapse resulted in companies shedding tens of thousands of employees (Cox, 1988; DeMont, Howse & Walmsley, 1989; Owen, 1989; Dabbs, 1989.) and cut backs on exploration activities (Carlisle, 1989). Alberta's economy suffered as a result of the loss of royalties and the lack of exploration and production, and budgets such as the EUB's were cut. It was only in the early 1990s that the recession ended and the outlook for the industry slowly improved with the 'good times' returning in the latter part of the decade which coincided with increased industry activity.

When the Alberta government cut the EUB's funding in the mid-1990s the implication for the EUB was that it could only perform 'light touch' regulation, whilst at the same time the petroleum industry expanded and increased its activity (Sharpe, 2002, p.110). The 'public interest' emphasis in the EUB's mission statement is linked with Alberta's prosperity and because of the EUB's budget cuts the perception was that the EUB was 'industry friendly' and that the granting of application licenses was a formality (Molyneaux, cited in Sharpe, 2002, p. 115). The EUB's funding cut damaged its credibility and reinforced the perception that as long as there was a positive financial outcome for the Province then all oil and gas development would be given a 'green light'. During this period of funding cutbacks the EUB's workload doubled with license applications rising from 12,842 in 1990 to 30,096 in 2000-2001. The change to the EUB's funding came after the Alberta government was lobbied by the petroleum industry to increase the EUB's budget. The petroleum industry recognized that without the EUB's ability to regulate the industry's reputation would be damaged. The EUB's budget for 2001-2002 was increased and stood at $100 million (Sharpe, 2002, p.110).

The Alberta petroleum industry has developed and its activity increased against a backdrop of population growth. The Alberta population has grown from 73,022 in

1901 to 3,413,500 in 2006 (Statscan, 2005; Statscan, 2006). The population started to increase more quickly between 1971 and 2006 as it grew by approximately 1.8 million people during those 35 years. During a similar time period the oil and gas industry also increased exponentially from 70 companies to over 1200 (EUB, 2000, p.1). Oil and gas well activity increased by 700% from 617 wells in 1970 to 5,000 in 1999. The increase in industry activity has led to some friction with the various communities that have been coping with this activity in their backyards. An additional issue is that 30% of the natural gas produced in Alberta contains toxic hydrogen sulphide (H2S), which is deadly (EUB, 2000, p.2).

The increase in petroleum activity and in Alberta's population had an impact on the relationship between landowners and the oil and gas companies as the number of conflicts multiplied. Some rather high-profile sabotage incidents pertaining to the oil and gas industry in Alberta took place in the 1980s and 1990s and are of particular interest because of the subsequent impact and changes which resulted in a 'stakeholder' approach by the EUB and the petroleum industry.

*The evangelist activist*

Andrew Nikiforuk's[2] (2002) Canadian bestseller, '*Saboteurs*', describes in great detail the events that led to the activist fight between the petroleum industry and Wiebo Ludwig. In 1985 Ludwig, a leader of the Christian Reformed Church in Goderich, Ontario, moved his family and a few fellow worshippers to the Peace River region of northwest Alberta, founding the Church of the Good Shepherd. Ludwig bought a property and after a few years also bought the adjacent land. In 1990 Ludwig found out that land in Alberta had two titles and two rights when he was contacted by a landman[3] from Ranchmen's Resources Ltd. In Alberta the landowner only owns the surface rights, whilst the Crown[4] owns the mineral and subsurface title and can lease the rights to the mineral and subsurface title to companies in order for them to conduct exploration and extraction activities.

---

[2] Nikiforuk's book '*Saboteurs*' won the Arthur Ellis Award for Best True Crime and the W.O. Mitchell City of Calgary Book Prize. It was also a finalist for the Wilfred Eggleston Award for non-fiction. Nikiforuk's background is in journalism.
[3] Landman or land agents are often contract workers hired to negotiate access rights with landowners on behalf of the oil and gas companies. Some landmen are employed on a full-time basis (non-contractual).
[4] The 'Crown' refers to land owned by the provincial or federal government of Canada.

Eventually a sour gas well was drilled on a neighbour's property and the Energy Resources Conversation Board (ERCB) had a hearing to explore Ludwig's objections. The well development went ahead and there was significant flaring[5] activity. By 1996 there were approximately 600 wells in operation in the area, including further development next to Ludwig's property. The conflict between Ludwig and the petroleum industry escalated and after being found guilty on mischief and explosives charges (bombing), Weibo Ludwig was sentenced to 28 months imprisonment at Grande Cache in 2000.

Nikiforuk (2001, pp172-182) also described the events that led up to the murder of Patrick Kent, vice president of KB Resources in 1998. This incident occurred in the Bowden area near Sundre, Alberta. KB Resources had bought a suspended well on Eifon Wayne Roberts'[6] farmland from Petro-Canada, which in turn had bought it from Amerada. The well had been deemed uneconomic for Amerada and Roberts was concerned about contamination issues, and had raised this with Kent. The relationship between Kent and Roberts became tense and hostile, and during an excavation of the well site Roberts shot and killed Kent. Roberts was convicted of second-degree murder and sentenced to 15 years imprisonment. According to Nikiforuk (2001, p. 249) Roberts' defence lawyer, Blaise MacDonald, was shocked that Justice Peter Martin did not mention the environmental contamination issue that had at least partially driven Roberts to murder Kent. MacDonald is quoted as saying *It's like the three blind mice. I'm not saying the judge didn't have reason to reach the conclusions he did, but there is a pattern of bullying by authorities in Alberta that's worth being sensitive to. There are a lot of farmers in the same circumstance as Roberts.* (MacDonald, cited in Nikiforuk, 2001, p. 249)

---

[5] Flaring activity is when the gas is burnt off and usually is done during routine cleanups or emergency burn-offs.

[6] Eifon Wayne Roberts owned the land (surface rights) which had a well owned and operated by Amerada on it. By 1993 Amerada suspended the well when it became uneconomical to operate. Roberts had noted that there was a gas leak around the wellhead and noticed there was an illegal valve that made it difficult to test the well pressure and mentioned this to Amerada but nothing was done regarding reclamation of the contaminated site nor the valve. In 1995 Amerada sold all of its holdings to Petro-Canada which subsequently sold the suspended well to KB Resources. Patrick Kent inspected the site and agreed that the valve was illegal. Kent contacted the EUB which investigated the gas leak and determined it was "non serious". Roberts was concerned that KB Resources would not have the financial resources to deal with the reclamation as larger companies were off-loading uneconomic wells onto small companies in order to avoid reclamation costs. Unfortunately Roberts did not know that the liability for the reclamation remained with the oil operator, or in the case of bankruptcy with the provincial government as this information had not been widely disseminated (Nikiforuk, 2001, pp.172-175).

*Activism, the media and corporate defence*

Both the Ludwig and Roberts examples were sensationalised and gained a high level of media coverage (Sharpe, 2002, p23). However, these examples thrust the issues surrounding industry development and environmental impact into the Albertan public sphere. Besides these examples there are other documented cases of sabotage and vandalism of petroleum facilities in Alberta. According to McKeen (1999) between 1997 and 1999 there were more than 150 acts of vandalism, including bombings targeted at petroleum industry in northern Alberta. The crises that developed provided the impetus for the petroleum industry to start considering the way they interacted with the local communities.

In response to increasing hostility the oil and gas industry first shared problems amongst themselves and from discussions, formed the Sundre Petroleum Operators Group with the intention to resolve common problems and share knowledge and information. I shall now proceed to provide an introduction to the Sundre Petroleum Operators Group, explaining what it is and what it does, how it is organised and structured, including the various roles played by industry and community members, and funded. This information is available within the public domain and was sourced primarily from the SPOG website ([www.spog.ab.ca](www.spog.ab.ca)) and from an information pack that is given to oil and gas operators and community members (Sundre Petroleum Operators Group Management System, 2002). This information should be useful for understanding SPOG's role as it is formalised and help with the background context which is connected to the chapters following the methodology discussion.

**The Sundre Petroleum Operators Group – the 'basic storyline'**

"To have successful change, you first need to have the desire to change. The status quo must first become unbearable before the motivation to change is present." (SPOG, 2002, chapter 1, p.1) Change in the Sundre area was necessary as the relationship between the oil and gas industry and the local community had become untenable. The community demanded that industry changed its behaviour.

The Sundre Petroleum Operators Group (SPOG) was established in 1992 as an operator group but was later registered as a society with its charter on November 18th,

1994. SPOG was created as a support group for the petroleum operators because of two crises that had an impact on them.

The first crisis was the NOVA Schrader Creek Compressor Station pipeline leak which caused huge sweet gas pipeline explosion on June 6th, 1992, at around 4am at the Nova petrol station near to where the Shell Caroline plant was being built. The fire was so enormous it was visible from Calgary. Luckily, other than the person who lived directly by where the explosion occurred there was little danger for the rest of the community. However, it was chaos as nobody knew who to call and the 1200 workers building the Shell Caroline Complex had to be immediately evacuated to Caroline.

> *"...it was a huge spectacular fire, and I turned on the radio and it said a mushroom shaped cloud over the Caroline gas plant and I was thinking what could have possibly blown up there because we haven't built it yet, you know there is no actual gas there and so like there was no communication, no information, people didn't know if they should all get into their car and leave, people were very frightened..."* (Alice Murray, Shell Canada, May 2005)

The second crisis was the need for an emergency response system for the new Shell Caroline Complex as the local community wanted one telephone number for people to call in case of an emergency, not just for the Shell Caroline Gas Plant, but also for reporting emergencies pertaining to any operator in the region. In both of these instances it can be seen that SPOG directly addressed community concerns. The desired emergency response system would allow a resident to phone in an emergency and all the companies in the area would be notified via a 'call down' system. Shell responded to the community's request for one emergency reporting system and so instead of developing its own separate system Shell collaborated with the other companies in the area to fulfil the community's request. By having only one emergency reporting system far more people, both community and industry, would benefit. This change in approach marked a shift in ideology towards more utilitarian principles. As a result of widening the emergency response plan beyond Shell to include other interested operators the Sundre Petroleum Operators' Groups was established in February 6th, 1992. For the first five years there were approximately 13 member companies actively involved with SPOG. (SPOG, 2002)

According to the information provided on the SPOG website (www.spog.ab.ca) and in the SPOG Management System information pack (2002) SPOG remained an industry group until late 1997 when community members were invited to join as associate members and to participate actively in the Community Affairs (CA) Working Group. This change to include community membership was a direct result of an EUB pre-hearing board in June 1996 regarding Shell's proposal to increase the gas throughput at its Caroline Gas Plant. Because of the complaints that were mentioned at the pre-hearing the EUB decided to have a separate hearing for the throughput increase and have the rest of the community's concerns and grievances that dealt the general industry operations via the EUB Interrogatory Process[7] (SPOG, 2002).

The Interrogatory Process was led by a communication consultant, George Cuthbert, who interviewed members of the community and produced a report that outlined the community's concerns. The report was submitted to the EUB and to the industry operators who were asked to respond to it. The purpose of having an Interrogatory Process was so that the community's concerns could be formally collated and addressed by the companies responsible for the issues either by providing the residents with more information or by resolving the problem by making changes. One of the findings from the Interrogatory Process was that the communication between the petroleum operators and the local community needed improving.

In late November 1997 a meeting was held to discuss having community members join SPOG and participate on the Community Affairs Working Group. The community within the SPOG geographic area was invited to participate and attend a meeting where they decided upon having a total of 12 public / municipal representatives to join SPOG as Associate Members. SPOG's geographic boundaries were agreed upon to cover a 600 square mile area (SPOG, 2002). Figures 1 and 2 show the geographic location of the SPOG area in Alberta.

---

[7] The Interrogatory Process involves the EUB retaining a communication consultant who interviews residents regarding their concerns relating to the petroleum activity and its direct impact. The residents' concerns are complied into a report which is submitted to the EUB and given to the petroleum industry operators in the SPOG area to respond to.
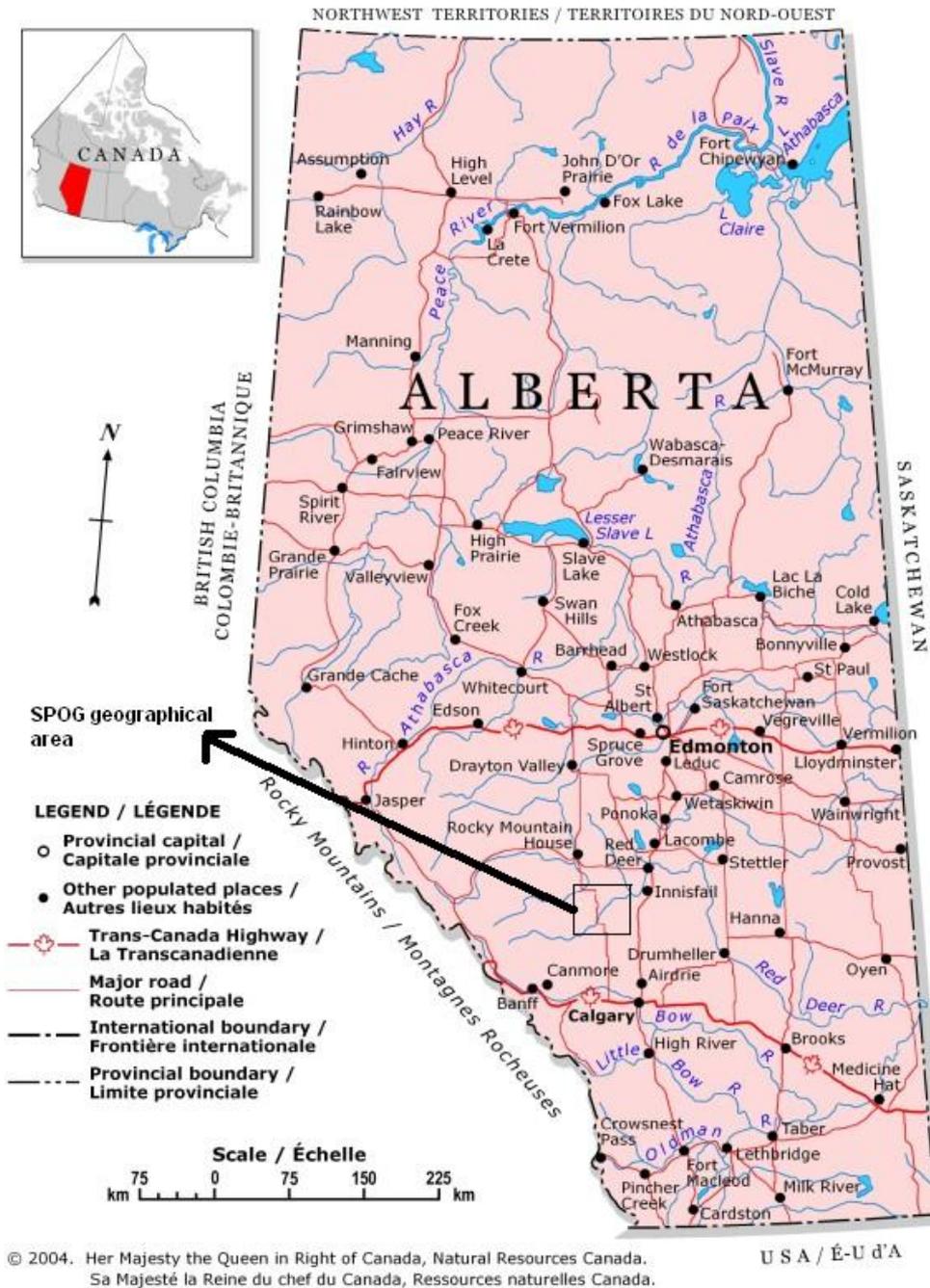
Figure 1: Map of Alberta, adapted from Natural Resources Canada (downloaded from
http://atlas.nrcan.gc.ca, July 2007).
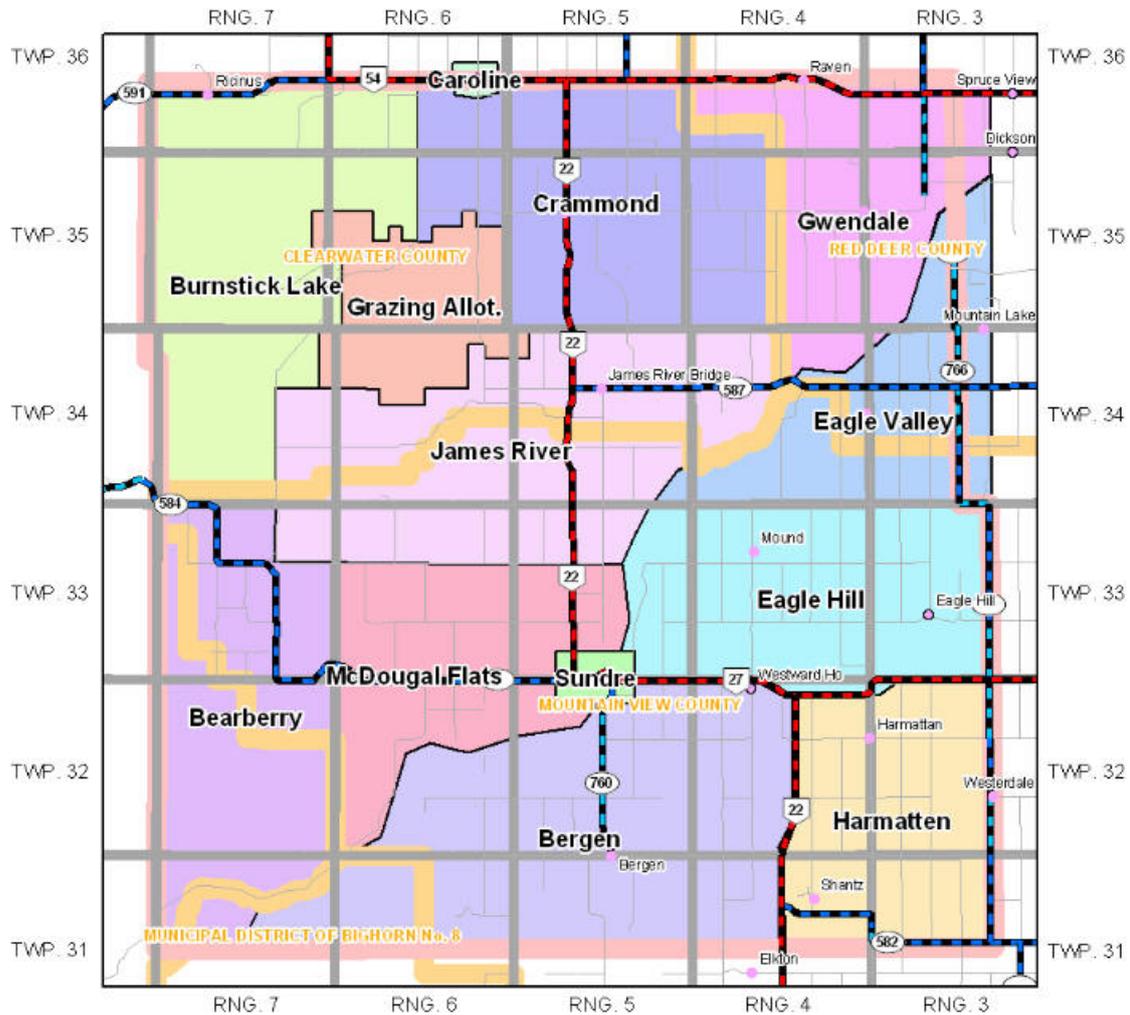
Figure 2: Detailed view of the SPOG geographical area (downloaded from www.SPOG.ab.ca, March 2007)

The SPOG Associate Members are responsible for bringing forward the concerns and questions from members within their community area and to represent them at the meetings as well as provide feedback. When an individual issue arises a subcommittee is created to address it and these can be chaired by a community or industry member (SPOG, 2002).

SPOG's organisational structure is illustrated in Figure 3 below. The structure includes a Chairman, Board of Directors, bylaws, annual budget and membership fees. Industry members need to have at least one representative who participates fully

in each of the working groups which are: Mutual Aid, Environment, and Community Affairs. Community members represent each of the 'distinct' rural communities, the two urban centres (Caroline and Sundre), and the four municipal government areas. There is one full-time SPOG coordinator who works from the SPOG office and attends all the meetings and is a contact point for both industry and community (SPOG, 2002).



Figure 3: SPOG organizational structure (downloaded from www.SPOG.ab.ca, July 2007)

The influence in SPOG's organizational structure and the process maps for each of its working groups clearly is derived from the engineering background of its founding members. Engineers commonly use and produce process maps to visually depict the stages involved in a particular procedure in order to achieve the desired outcome. Together the three working groups, Community Affairs, Mutual Aid, and Environment, cover the perceived needs of the local operators and communities. The Community Affairs Working Group is the main focus of this thesis as this is where the main interaction between industry and community occurs. Within the Community Affairs Working Group are three key work maps which essentially are work flow type diagrams, which indicate the steps industry and community members need to follow so that the specific objectives are met and issues dealt with: complaints / queries, informing and educating, and new development. Each of these three areas has specific processes which guide industry and community members involved. The SPOG process maps for complaints, informing and educating, and new development may be viewed in Appendix 1.

SPOG's vision statement was developed collaboratively at the first industry and community communication workshop. Members were asked to think about what was important for them in order to have a good relationship and what needed to be SPOG's backbone. The resulting vision statement was produced:

> "*A long-term relationship based on mutual trust, honesty, and respect, by way of sharing pertinent information and resolving issues to benefit all stakeholders.*" (SPOG, 2006)

The SPOG vision statement refers to some key theoretical concepts such as it being a 'long-term relationship' and that it is based on 'mutual trust'. These concepts are central for OPRs and are explored in detail within the next chapter. After the SPOG vision was created the Community Affairs Working Group then developed seven goals which they thought would help them achieve the SPOG vision, and from these seven goals they derived 19 objectives. The SPOG activities needed to support the objectives and goals. Appendix 2 lists the Community Affairs goals and objectives.

The SPOG industry-community relationship developed out of a crisis situation which was used to change the way the SPOG company members interacted with the local residents. The EUB Interrogatory Process forced the petroleum operators to respond to the community's concerns and to also pay attention to the relationship they had with the community. By changing SPOG's membership to include community members as associate non-fee paying members the petroleum operators wanted to improve the relationship and carry on with the collaborative practice they had started to move towards during the development of the emergency response system. By including the community as participative members the scope of the collaboration increased as the relationship developed.

Interest in exploring OPRs such as the SPOG industry-community relationship has grown since the late 1990s. Within the public relations discipline interest in the relational perspective was instigated in 1984 by Mary Ferguson, a US media communications academic. Ferguson reviewed potential research areas that belonged within the public relations realm, and identified three areas that were the most

promising for theory building: social responsibility and ethics, social issues and issues management, and public relationships[8]. With public relationships, Ferguson proposed that by researching the actual relationship a better understanding would be gained of what was important about the relationship for both the organization and public involved. By the late 1990s a number of academics started to research into organization-public relationships (OPRs), initially identifying relational elements, and then developing quantitative measurement scales useful for measuring relationships. However, very little qualitative research on OPRs has been done on how the relational participants experience the relationship and which would be useful for the continued development of a theory of organization-public relationships.

This thesis attempts to fill the gap identified by the lack of qualitative research as it explores what an organisation-public relationship (OPR) is, and how it is experienced by those involved. Relational elements of an OPR such as trust, transparency, dialogue, satisfaction, commitment and control mutuality are examined from the participants' perspective. The thesis' focus was on the actual relationship, its development, and the perception of the relational elements that were identified as being important for the continuation of the relationship. The research provides an insight into an OPR's development and maintenance which is of importance considering the emphasis in public relations has moved toward developing relationships with key publics.

This case is of interest in terms of public relations concepts and practice because it provides further insight into the importance of the relationship context as well as the importance of transparency and trust for rebuilding OPRs after a crisis. This particular research offered an opportunity to explore an OPR using a qualitative methodology in order to develop a deeper understanding of the dynamics involved in rebuilding an industry-community relationship.

The main purpose of this thesis was to explore organization-public relationships with the focus on the SPOG industry-community relationship, its relational elements, and

---

[8] Ferguson's current research interests include social responsibility and ethics.

relationship building and maintenance strategies. Therefore it was important to review literature in public relations, interpersonal communication, conflict resolution, organizational management, and marketing to source relevant concepts for use in analysis. The following chapter reviews the background literature pertaining to these areas.

**Chapter 2  Organizational relations: interdisciplinary perspectives**

This chapter[9] reviews literature from a range of key fields including public relations, relationship marketing, organizational theory, conflict resolution, and interpersonal communication, in order to shed light on the research area of organization-public relationships. It discusses the concept of organization-public relationships and the relational perspective. Definitions of key terms such as organization, publics, and organization-public relationships within the public relations context are reviewed. As a number of other fields use relationships as a fundamental concept, this chapter reviews literature from relationship marketing, organizational theory, conflict resolution and management, interpersonal communication, and public relations in order to identify relationship components (characteristics or elements) deemed necessary to build and maintain organization-public relationships. Dialogue and transparency are identified as relational elements that have been largely ignored in public relations literature on the relational perspective. Dialogue is considered essential for a relationship to exist and transparency is identified as a key relational condition that is connected to other relational characteristics such as trust, accountability, cooperation and collaboration. Transparency also has 'negative' coercive attributes as increased transparency may lead to lowering the level of decision-making, and increase self-censorship in an attempt to protect senior management from perceived negative societal consequences.  A new phenomenon termed 'stakeholder fatigue' is also briefly discussed, as is a summary of recent public relations research on evaluating organization-public relationships and possible evaluation methodologies.

This chapter initially explores the relational perspective and defines key concepts before examining literature from related disciplines. Further in the chapter recent research on OPRs and methodological approaches are discussed.

---

[9] Part of this chapter has appeared in the following publications:
Jahansoozi, J. (2006). 'Relationships, transparency, and evaluation: The implications for public relations. In L'Etang, J., & Pieczka, M. (Eds). *Public relations: Critical debates and contemporary practice*, pp. 61-91.Mahwah, NJ: Lawrence Erlbaum Associates.
Jahansoozi, J. (2006). 'Organization-stakeholder relationships: Exploring trust and transparency. *Journal of Management Development*, Vol.25, No.10, pp.942-955.
Jahansoozi, J. (2007, NYP). Organization-public relationships: An exploration of the Sundre Petroleum Operators Group. *Public Relations Review,*Vol. 33, No.4.

The academic field of public relations compared with other disciplines is still relatively young and is acquiring a body of knowledge that distinguishes its boundaries from neighbouring fields such as marketing, communication, and management. Research within public relations has been criticized for being of the 'naval gazing' variety as it focused on defining the discipline and practice, as well as not moving beyond Grunig and Hunt's (1984) four models which became the dominant paradigm. Some of the criticisms regarding the development of public relations research and theory building from the 1980s were based on the assumption that it is not a 'real' discipline as it borrows theories from related fields and simply applies them to the context of the practice. More than two decades later similar criticisms continue to be vocalised at conferences, such as at the recent 14th BledCom International Public Relations Symposium in July 2007[10].

**The relational perspective**

The relational perspective builds upon and transfers ideas based on inter-personal relationship initiation, development, maintenance and dissolution from the individual level to organizations and publics. This may be problematic in that it is not as straightforward simply to treat an organization or a public as if it was an individual. Many models and theories of public relations involve the concept of communicating with groups, group dynamics and behaviour, and building relationships with specific groups or publics, a bias resulting from an emphasis on the media relations function. What has been sidelined is the central concept of the individual and inter-personal communication (persuasive communication) and inter-personal relationships which is emphasized once again in the relational perspective. Sriramesh's (cited in Taylor, 2001) personal influence model is based upon individual relationships between public relations practitioners and external publics. In reality these relationships are cultivated with 'opinion leaders' or key representatives of targeted external publics. Public relations practitioners do not have relationships with publics, they build and nurture relationships with individuals within publics. Campaigns target individuals within defined publics in order to reinforce or change particular attitudes and the linked

---

[10]Steve McKie, Eric Koper and others voiced concerns at the 14th Bledcom International Public Relations Symposium, July 2007 that public relations research needed to expand beyond the dominant 'excellence' paradigm as it was limiting the research diversity and there was a danger of the field becoming too insular.

behavioural outcomes. Therefore relationships are not with publics but with individuals identified as belonging to the particular public.

The relational perspective concentrates on the organization-public relationship and sees it as being central to the public relations function. Interest in public relations shifting over to a relational perspective is a quite recent phenomenon within the mainstream public relations literature. It has been identified as part of the natural evolution of the field as it moves away from technician practitioners toward strategic counselors (Heath, 2001).

The first person to challenge academics and practitioners to take a fresh approach to public relations by focusing on relationships and also proposed that it was likely to be the most fruitful area for future theory building was Ferguson in 1984. She issued her challenge as a response to criticisms that public relations was not an area worthy of scholarship or theory building as it simply absorbed theories from related disciplines such as communication, management and psychology. In order to identify areas of potential research for public relations scholars that were distinct from other disciplines, Ferguson attempted to categorize research published from 1975 until 1984 in the journal *Public Relations Review*. As a result of this categorizing three broad categories emerged: introspective articles, the practice and application of public relations, and public relations theory development. Ferguson went on to identify three areas of scholarship that were unique to public relations and which she believed might be further developed into paradigms: social responsibility and ethics, social issues and issues management, and public relationships. She argued that the public relationships area had the most potential because of the primary focus on the relationship between organizations and publics. Whilst organizational theory specifically looked at the organization and sociology was concerned with social groupings (or publics), public relations could legitimately consider the actual relationship and adopt it as the unit of analysis. Ferguson proposed that the initial steps in developing the organization-public relationship theory would benefit from categorizing the types of public relationships that exist, and also examining the relational elements such as satisfaction and control mutuality. For the underpinning theory Ferguson pointed to Scott (1983, cited in Ferguson, 1984, p17) who proposed that the relational and normative structures found in the interorganization field affected both the nature and type of

relationship experienced. Organizational variables such as structure, values, goals, leadership and management style, need to be considered as they may have an affect on the type of relationship. For example, if the organization is hierarchical in structure and has an authoritarian management style it would affect the relational elements found in the relationships it has with all its publics. Grunig (1983, cited in Ferguson, 1984, p 18) suggested that environmental variables explained public relations behaviour far better than structural ones. Therefore, public relations variables were dependent upon the organization's environment, emphasizing the necessity of the boundary-spanning activity and careful analysis of external variables. The organization's relationship with its publics is linked to the nature of the external variables and their impact on the organization but the organizational-level variables will dictate the tone of the actual relational elements or characteristics. Since 1984 there has gradually been increased interest in this 'new' perspective, especially with regard to measuring and evaluating relationships, as public relations practitioners still need to be able to prove the value of their expertise to senior management and budget holders.

The continued interest in evaluating organization-public relationships led Hon and Grunig (1999) to start to address the question: "Why is it important to measure *relationships* in public relations?" (p.4). As the practice and academic pursuit of public relations matures and evolves, evaluating only the short-term outputs and even outcomes of specific public relations programmes is recognized as being shallow in that it provides no concrete information regarding the actual state of long-term relationships (Hon & Grunig, 1999). If public relations is to be taken seriously as a management function, then the focus must shift to on-going monitoring through continual measurement and evaluation. Only this can provide an accurate assessment of the organization's long-term relationships with its publics.

While measuring and evaluating outputs is the most basic level in assessing the success or failure of a particular public relations programme or campaign as opposed to measuring the success of a strategy, (as outputs are the visible results of a particular public relations programme such as news releases and feature articles), measuring and evaluating outcomes (such as attitude and behaviour change) provides a far more sophisticated look at whether the persuasive communication message was successful.

Most public relations evaluation centres on measuring the tactics used and whether they were successful. For example, whether the news release was picked up in the target media. Very seldom is the strategy evaluated, which would entail examining the actual outcomes. Measuring and evaluating outcomes involves looking at "whether target audience groups actually *received* the messages directed at them…paid *attention* to them…*understood the messages* … and *retained* those messages in any shape or form" (Hon & Grunig, 1999, p.4). Measuring outcomes also requires looking at the actual organization-public relationships to see how they have been affected. Most public relations strategies revolve around building or maintaining a particular relationship or sets of relationships yet these relationships are not evaluated before the programme is launched or after it is completed.

This focus on behavioural outcomes links with the research around persuasive communication and hinges upon the origins of public relations in mass media, which emphasises "an interest in message design and dissemination to achieve awareness (publicity and promotion at their best), to inform, and to persuade – even manipulate" (Heath, 2001, p.2). From an idealistic and functional view point within the relational paradigm the role of public relations practitioners as persuasion gurus should be relinquished or at least take a back seat to the relational perspective which enables practitioners to identify mutual values, interests and benefits between the organization and its publics so that 'win-win' situations result. This perspective is based on achieving organizational effectiveness and also strives to achieve a different role for public relations practitioners and fulfills a professionalism objective as it distances the practice from its roots in publicity and persuasion and avoids negative criticism such as manipulation and propaganda.  However within this paradigm the actual relationship between the organization and its public should be the focus, which requires shifting the organization from the central focus. Moving the practice away from its persuasive communication focus was also considered important by Kruckeberg and Starck (1988, p.xi) who suggested the public relations practice should be the "active attempt to restore and maintain a sense of community." Within these parameters, public relations practitioners are then involved in building relationships between the organizations they work for and the communities they operate in, essentially integrating the organization into the community and operating as part of the community, instead of being on the periphery. By being part of the community

organizations have responsibilities beyond the transactional and exchange relationships that previously sufficed.

Heath (2001) suggests that academics' interests ought to lie in the conflict reduction paradigm, which fits well with the relational perspective. By reducing conflict with publics, practitioners move towards a "revenue generation paradigm" (p. 2) as costly crises are averted. To do this requires investing in building and maintaining positive relationships with key publics. This logically leads to the need for an appropriate methodology for measuring and evaluating the organization-public relationship.

Huang (2001a) found that the effect of public relations on conflict resolution was mediated by the organization-public relationship. Not only does public relations increase the organizational effectiveness by building and maintaining positive relationships between the organization and its strategic publics (Grunig, Grunig, & Ehling, 1992), it also can be used to reduce the organization's costs due to issues management and crisis aversion (Grunig, Grunig, & Verçic, 1998; Heath, 2001). Using the relational and cost reduction paradigms of public relations it can be proposed that public relations is responsible for building and maintaining positive relationships between organizations and publics and thereby manage and reduce conflict. Positive relationships are those that benefit the organization and do not hinder its objectives. Whilst there may be times when there is disagreement regarding these objectives and consequences or implications that may result from them, members are able to work through them in a constructive manner that strengthens the offering, producing the ultimate 'win-win' situation. It would then seem logical that a negative organization-public relationship could be described as having a high degree of conflict in it or alternatively that a positive relationship would possess a minimal amount of conflict.

Whilst Ferguson (1984) first introduced the concept that public relations should focus on relationships and indeed adopt the relationship as the unit of study, Grunig and Hunt (1984) defined public relations as the "management of communication between organization and its publics" (p.6), which only implicitly refers to organization-public relationships. Interest in the relational paradigm diminished until the late 1990s as Grunig and Hunt's focus on the management of communication became the dominant

perspective that forged ahead whilst Ferguson's became less influential. Positioning public relations as a strategic communication management function catered to the occupation's desire to be taken seriously by senior managers and be recognized as part of the management team as opposed to skilled technicians. Hutton (1999, p. 212) blames Grunig and Hunt's four models of public relations for strangling theoretical developments, particularly those in the relational perspective, by proclaiming communication as being the core of public relations. Instead communication should be viewed as a necessary tool for developing and maintaining organization-public relationships and to promote mutual understanding. The continued focus on communication overshadowed Ferguson's correct conclusion that the organization-public relationship was core to the public relations function. By the late 1990s the relational paradigm was resurrected by Hon and Grunig (1999) and Bruning and Ledingham (1999) as interest in evaluating organization-public relationships increased after Grunig and Hunt's (1984) four models were found to be unsatisfactory and limiting.

**Key relational definitions**

Before examining key relational elements and possible evaluation and measurement techniques it is important to explore what key terms such as 'organization', 'publics', 'relationship', and 'organization-public relationship' are understood to mean within the public relations context. Relational characteristics are discussed in literature covered from related disciplines such as relationship marketing, organizational theory, conflict resolution, and interpersonal communication. Much of the work done in these related disciplines is relevant for public relations and furthers the understanding of relational characteristics as well as building and maintaining 'positive' relationships.

*Organizations*

Organizations can be defined as being "goal-directed, boundary-maintaining, and socially constructed systems of human activity" (Aldrich, 1979, cited in Aldrich, 1999, p.2). By 'goal-directed' behaviours Aldrich is creating a distinction between other social collectivities such as family groupings. Individuals who are members of a particular organization behave in ways that lead to fulfillment of the organization's goals, even if on a personal level they may not fully agree with them. Recognizing

and maintaining the boundaries of an organization is important as it separates out and makes the distinction between members and non-members. This separation helps to identify the boundaries of the organization within its environment. Aldrich's definition is simple and given the criteria Grunig and Hunt (1984) provide for identifying active publics it could be argued that active publics are in fact organizations.

*Publics*

The concept of 'publics' was first introduced by sociologists at the beginning of the 20th century. At this point the term 'public' was used to describe a group of people that came together because of an issue that affected them, however today the term implies further categorization as employees or customers are considered publics (L'Etang, 2007). Whilst Grunig's theory for identifying publics may be useful for the developing theories of public relationships it is at times problematic in that it is crisis-focused, and that active publics are purely reactive. Grunig and Hunt's (1984, p 144) definition of the term publics is preoccupied with 'active publics' who are directly interested in the organization's activities.

> Publics consist of individuals who detect the same problems and plan similar behaviours to deal with those problems…Thus, we can define a public as a loosely structured system whose members detect the same problem or issue, interact either face to face or through mediated channels, or behave as though they were one body. (Grunig & Hunt, 1984, p 144)

Vasquez (1993) reinforces the idea that publics exist only if there is a problem and defined a public as being made up of "individuals that develop a group consciousness around a problematic situation and act to solve the problematic situation" (p. 209). Grunig and Hunt's (1984) situational theory of publics explains how and when publics form in relation to an issue and is based on  Dewey and  Blumer's definition of publics (Hallahan, 2000, p.499). Situation theory relies on three concepts which help identify whether a public is 'active', 'latent', or somewhere in between, depending upon the level of problem recognition, involvement, and constraint recognition.

Hallahan (2000, p 499) noted that this focus on active publics was troublesome in that it did not acknowledge or even consider the importance of inactive publics in

influencing the organization's decision-making process. The preoccupation with active publics is understandable when the public relations function is purely reactive in nature and is responding to crises but with the desire to move in a more strategic and proactive direction it becomes crucial to evaluate relationships with non-active publics as well. Grunig and Hunt's definition builds on US historical definitions (Dewey, 1927; Blumer, 1966) that connect the term 'public' with 'issue'. The actual term public has more recently become blurred and is interchangeably used with the term 'audience'. Public relations practitioners also use demographics such as age, gender, education level, and socio-economic status in order to identify recipients of a message in much the same way marketing tries to segment the population. Hallahan (2000), Vasquez and Taylor (2001) all argue that as the term 'public' is used so liberally and has been expanded to cover such concepts as audience, market segment, community, constituents, and stakeholders that the accuracy of meaning is lost in the ambiguity of it all.

Hallahan argues there are limitations with Grunig and Hunt's (1984) symmetrical model of public relations and situational theory as it assumes that publics are actively engaged and are motivated to participate in some way and that prediction is only possible for identifying when a public might shift from an inactive to active state and interact with the organization. Hallahan's assumptions differ in that he proposes that not all public relations activities are directly connected to issues or crises and that some activities exist purely to build positive relationships where the organizational interests are best served by meeting the public's needs. This perspective is similar to the view held by Kruckeberg and Starck (1988) who argued that public relations practitioners should be engaged in activities that negotiate the organization's license to operate and participate within the community where it is geographically located. The focus is on building relationships with the local community and identifying what the organization's social responsibilities are and ensuring they are carried out. This shift in approach theoretically should reduce the level of conflict as most issues and crises are linked to the organization's behaviour.

Hallahan acknowledged that many organizational relationships exist at a low level with publics that do not require extensive knowledge of the organization and in these circumstances information is then offered on a 'need-to-know' basis. Any further

attention might be unwelcome or ignored. Hallahan differentiated between publics by the activity-passivity levels and provided an up dated definition of the term 'public' to reflect this: "a group of people who relate to an organization, who demonstrate varying degrees of activity-passivity, and who might (or might not) interact with others concerning their relationship with the organization" (2000, p 502). Hallahan ties his definition and understanding of how publics behave with the Elaboration Likelihood Model (ELM) developed by social psychologists Petty and Cacioppo (1986, cited in O'Keefe, 2002, pp137-161) which explains how the level of personal involvement is linked directly to the way people process information and with attitude and behaviour change. Individuals with high levels of involvement with the particular issue will process the message / information via the central route which entails engaging with the argument at a cognitive level. In order to target these individuals the persuasive message needs to be directly relevant and also contain a two-sided argument. Individuals with low levels of involvement will process the message / information by the peripheral route which makes use of cognitive shortcuts and stereotypes which are used to filter the message. Changes in attitude and behaviour using the central route tend to be more effective in the long term. The ELM works on an individual level to reinforce or change behaviour and in the public relations context, the central route is used mostly as it cognitively engages people who have a high level of involvement and who are considered to be 'active' publics. The peripheral route is often used by advertisers as it works to familiarize a particular message with an audience that is characterized by having 'low involvement'. Celebrity endorsement is a tactic which uses the peripheral route as it makes use of cognitive shortcuts and stereotyping as assumptions are made with no supporting evidence in tow.

Within the relational paradigm 'community' is an important concept that has been ignored or subsumed into the term 'public', while in reality the community encompasses many different publics. Kruckeberg and Starck's (1988) work on revitalizing community as a critical concern for public relations practice has relevance for the relational approach as they argue that community relations is the most important area of public relations practice. An organization will not survive without the support of the community in which it operates regardless of whether it is meeting its regulatory requirements.  Kruckeberg and Starck define community within the

public relations context as being "the city or area where the organization is physically located" (1988, p.23). However, with the development of the internet the physical location becomes less meaningful for defining the term 'community' as communities do not have to be physically isolated and indeed many communities exist in cyberspace. Within the community numerous publics can be identified such as employees, neighbours, customers, shareholders, and local government. In this context an organization's community relations work is "planned, active, and continuing participation with and within a community to maintain and enhance its environment to the benefit of both institution and the community" (Kruckeberg & Starck, 1988, p. 24) and strongly resonates with the relational perspective.

Kruckeberg and Starck (1988) criticized the public relations practice for its superficial approach to gaining 'mutually beneficial' outcomes for organizations and their publics. Their critique centred mostly on the lack of two-way symmetrical communication as most communication efforts were asymmetrical and were used to create more sophisticated and persuasive communication campaigns instead of orientating the organization to the needs of its community. Kruckeberg and Starck perceived that practitioners were not resolving the fundamental problem with organization-public relationships, which they identified as the loss of community (1988, p.27).

The underpinning theoretical assumptions of Kruckeberg and Starck's work on community relations were drawn from the Chicago School of Social Thought during the period from 1892 until 1939. The Chicago School comprised sociologists Dewy, Mead, Thomas, Park, Veblen, Watson, Bergess, and Wirth, who reflected on the loss of community which they perceived was a result of industrialization and urbanization (Kruckeberg & Starck, 1988). Today globalization has also added to the sense of community loss, which is according to Kruckeberg and Starck, what public relations should be addressing. From within this perspective public relations practitioners should be engaged in building relationships between organizations they work for and the communities they operate within which mirrors the relational perspective. The community perspective places organizations within the community and views them as part of the community which entails responsibilities beyond the traditional transactional and exchange relationships that previously were tolerated.  Instead

practitioners need to negotiate the organization's social license to operate and its acceptable participation within the community, which refocuses the interest on to the actual relationship between the organization and the community / communities it operates within.

*Organization-public relationships*

Like most concepts in public relations there is no single definition for relationship that is unilaterally accepted. Within social psychology a relationship is defined as being "comprised of a series of related interactions, each affected by past episodes, and in turn affecting future interactions" (Hinde, 1979, 1981, cited in Blumstein & Kollock, 1988, p.468). The participants within the relationship are interdependent as their behaviour affects each other. The concept that relationships develop over time is also found within interpersonal communication literature, which describes that relationships exist between two or more people when there is a link between them that mutually serves a purpose over a period of time (Coombs, 2001). For a relationship to exist both parties need to be aware of each other and also aware of their interaction and understand it as a two-way process. One-way relationships exist in that they tend to occur when one party identifies that it would like to have a relationship with another party and therefore engages in relationship 'grooming' strategies to 'woo' the other party and gain their interest and attention in order to start building a relationship. Ledingham and Bruning (1999) defined relationship with regard to public relations as being the "state which exists between an organization and its key publics in which the actions of either entity impact the economic, social, political, and/or cultural well-being of the other entity" (p. 160). Broom et al., went further and proposed a definition of the specific organization-public relationship as:

> "Organization-public relationships are represented by the patterns of interaction, transaction, exchange, and linkage between an organization and its publics. These relationships have properties that are distinct from the identities, attributes, and perceptions of the individuals and social collectivities in the relationships. Though dynamic in nature, organization-public relationships can be described at a single point in time and tracked over time." (2000, p.18)

Hung's (2006, pp.444-445) definition of OPRs adds the relational concept of interdependence found within social psychology: "OPRs arise when organizations and their strategic publics are interdependent". The interdependence aspect is important as it shifts the focus from the organization to the actual relationship.

In 2003 Ledingham proposed the following theory of relationship management as the general theory for public relations which suggests that collaboration is necessary:

> "Effectively managing organizational-public relationships around common interests and shared goals, over time, results in mutual understanding and benefit for interacting  organizations and publics." (p.190)

Academic interest in OPRs has mirrored the need in practice for organizations to understand, listen, and develop a dialogue with their important publics so that crises originating from organizational activities were reduced.  This 'cost reduction' perspective can be linked with the ideas of sociologist Ulrich Beck (1992, cited in L'Etang, 2007, pp.79-82; Demetrious, 2006, pp. 96-98) who proposed that alongside the benefits of industrialisation and globalisation there were also risks created by organizational activity. Whilst organizations reap benefits from their activities there are also negative as well as positive consequences which may impact their publics and in turn could have implications for the organizations' social license to operate. Within the relationship management perspective the negative consequences of an organization's activity causes tension in the OPR that needs to be addressed in order for the relationship to continue.

Much of the literature and research on OPRs is from the perspective of the organization and has a corporate bias. In this perspective publics that are not supportive of the organization's goals are viewed negatively and the organization is required to 'win them over' or placate them. However, if the OPR is viewed as a collaborative relationship where the parties involved participate in the decision making processes the public involved is no longer viewed as being problematic but rather as a partner. The relational paradigm provides an opportunity to shift the perspective away from the organization being viewed as the central point in a stakeholder map and instead focus on relationships which are considered important for maintaining the organization's social license to operate and provide organizational legitimacy.

Organization-public relationships have been categorized into different relationship types such as exchange and communal (Clark & Mills, 1993), as well as covenantal, exploitative, and contractual (Hung, 2005). Exchange relationships rely on the relational parties to exchange benefits with each other whereas in communal relationships the relational parties have no expectation of an exchange of benefits but merely provide benefits in an altruistic fashion. An exchange relationship often breaks down because it has degraded into an exploitative relationship where one party takes advantage of the other without the reciprocal exchange of benefits. Whilst communal relationships are an ideal state their existence is doubtful. Contractual relationships are similar to legal agreements in that both parties agree on their roles and responsibilities whereas covenantal relationships are based upon collaboration and cooperation for the common good, with the 'win-win' outcome in mind.

In order to describe the organization-public relationship the relational elements or characteristics deemed essential for a relationship to exist need to be considered. Relational characteristics are discussed in literature from 'neighbouring' disciplines such as marketing, organizational theory, conflict resolution and management, interpersonal communication as well as more recently within public relations. Key relational characteristics are identified as being common within the interdisciplinary literature, with some having more of an emphasis than others. The relational characteristics are those elements that are crucial for a 'positive' relationship to exist and flourish. Without the presence of the relational characteristics the relationship will falter and if not attended to will ultimately dissolve.

**Marketing literature**

Marketing literature and scholarship is moving aggressively into what has traditionally been viewed as public relations territory and in doing so is methodically reinventing itself as public relations according to Hutton (2001, p. 205). Public relations academics have failed to collaborate with related disciplines, such as marketing, which has led to public relations being blinkered and isolated from parallel developments in neighbouring disciplines (Heath, 2001, p.184) and has laid the way open for marketing to expand its borders and include public relations academia and practice within its intellectual domain. This gradual hostile 'take-over' was initiated

by the advertising industry in the1980s and 1990s as conglomerates decided to include public relations within their extensive offerings and the term 'integrated marketing communications' (IMC) was born (Duncan, Caywood, & Newsom, 1993; Lauzen, 1991; Rose & Miller, 1994; cited in Hutton, 2001, p.205). IMC changed the relationship between public relations and marketing from that of being rivals jockeying for organizational recognition and budget towards marketing recreating itself as public relations.

While Ferguson in 1984 championed the relational perspective for public relations as an area of research that could be owned by the discipline, Berry, a marketing academic in 1983 (cited in Buttle, 1996, p. vii), had already coined the phrase 'relationship marketing'. As public relations evolves into the relationship management and organization positioning strategic functions (Cropp & Pincus, 2001, p. 198), marketing is also steering a parallel course and could be accused of hijacking public relations' territory (Hutton, 2001, p.205). As marketing reinvents itself and updates its definitions it has been argued that the field has recognized the value of public relations and is attempting to own it and re-brand it leading to some debate regarding jurisdiction. This jurisdiction battle is more serious than the weight it receives within public relations as it has implications for the future of the discipline and practice. The abduction of public relations by marketing is occurring at both the tactical and strategic levels. Marketers who only understand public relations to mean media relations and publicity have already incorporated it into the 'marketing mix' by adding it as the fifth 'p' to the product, placement, packaging and price mantra, and have reduced the public relations function to being purely technical. If public relations is unable to identify and claim its territory and place as a management function then the evolution of the discipline will regress and public relations will end up being subsumed into marketing communications.

However, the other perspective is that marketers cannot be 'taking over' public relations as they are unaware of what public relations fundamentally is about and do not bother to use public relations academic sources to understand the discipline properly. Marketing's lack of acknowledgement that it is shifting into public relations territory therefore is mainly a consequence of public relations' failure to educate marketing and other business disciplines as to what public relations is and does.

Public relations is equated with publicity and is then only used to boost a marketing campaign by securing 'free advertising' in the editorial pages. Marketing, like public relations, is simply operating in a rather blinkered way and is unable to step outside of its own paradigms. Academic disciplines need to break through the 'fire walls' and subject politics and become more interdisciplinary and collaborate where there are common or parallel paths.

Like public relations, marketing is a relatively new distinct discipline and was established in the 20th century. Whereas public relations is considered to have its academic roots in psychology, sociology and communication science, marketing grew out of selling and advertising and to gain credibility as a business discipline established a connection with economics by focusing on market behaviour (Sheth & Parvatiyar, 2000, p.119). Perhaps this partially explains why marketing's position as a management function is secure while public relations battles to prove its value to management. Relationship marketing is viewed as a paradigm shift from transactional marketing with a new focus on developing and maintaining mutually beneficial relationships (Grönroos, 1994). This move from on-off transactions to developing relationships is very similar to the shift to the relational paradigm in public relations. For marketing though this shift mirrors the previous practice of direct marketing which allows the formation of relationships that go beyond isolated transactions.

Historically the transactive paradigm came into being as a result of mass production, wholesaling and the utilization of middlemen who were removed from the organization (Sheth & Parvatiyar, 2000, p.124). The drive towards developing relationship marketing has been largely fuelled by the proliferation of high quality competing products and services that are available to customers. Building relationships with customers provides a competitive edge, as long-term relationships with customers are hard to crack or steal. Relationship marketing is touted as the future of marketing and the focus upon relationship building is not only a differentiator between competitors but it is also an attempt to increase customer retention. Value is increasingly found in having relationships as it is believed to increase brand loyalty and it is much more cost effective for organizations to retain customers than recruit new ones. The nature of marketing has changed as it has gone from 'mass marketing' to highly targeted and personalized marketing. Information

about individual customers is used to tailor both marketing strategies and the direct tactics employed. The relational perspective in marketing shifts the entire focus from customer acquisition to customer retention. Sales representatives become customer relationship managers as retention becomes the main concern (Buttle, 1996, pp1-13). The use of computers and customer relationship management (CRM) software has made it much easier to track and segment customers in order to increase sales opportunities over the customer's lifetime.

As the relational perspective increases in popularity, more marketing theorists (such as Cannon & Sheth, 1994; Christopher, Payne & Ballantyne, 1991; Grönroos, 1994; O'Neal, 1989; cited in Sheth & Parvatiyar, 2000, p.138; as well as Berry, 1983; Jackson, 1985; Morgan & Hunt, 1994; Håkansson, 1982; cited in Buttle, 1996) are exploring relationships and key relational elements such as trust, customer satisfaction and the impact upon retention and profitability. Duncan (1993) defines Integrated Marketing Communications as "the process of strategically developing and controlling or influencing all messages used to build and nourish relationships with customers and other stakeholders" (cited in Hutton, 2001, p. 211). As marketing shifts toward the relational perspective, Buttle (1996, p.vii) defines relationship marketing (RM) as "the development of mutually beneficial long-term relationships between suppliers and customers". The evolution of marketing from a transaction-orientation model towards a relational paradigm that revolves around the building and maintenance of mutually beneficial relationships is currently embedding itself into the newly revised definition of marketing. Morgan and Hunt (1994, p.22, cited in Buttle, 1996, p.3) removed the focus on suppliers and customers from the definition and redefined it as "all marketing activities directed toward establishing, developing and maintaining successful relational exchanges".

However, marketing is not moving away from its customer-centric orientation, even if it appears to be given Morgan and Hunt's (1994, p. 22, cited in Buttle, 1996, p.3) identification of ten publics for RM to focus on that includes suppliers, competitors, non-profit organizations, government, employees, and customers. Morgan and Hunt are simply expanding the role of marketing and suggest that in order to improve customer relationships other organizational relationships need attention as well as these relationships and cannot be viewed in isolation. RM focuses on three main

relationships: company / intermediary relationship, the company / consumer relationship and the company / employee relationship (Buttle, 1996). A definite change from the previous transaction-orientation model, which is supported by Naudé and Holland (1996) who highlight the impact of technological advances on marketing and explain the shift to the new relational paradigm. Relationships in the business-to-business (B2B) arena are now based on information exchange as opposed to human interaction purely between buyers and sellers. Marketing managers are now expected to set up social, organizational and IT networks as well as develop and maintain these relationships. This 'new' focus is all part of the shift toward the network / relational paradigm (Morgan and Hunt, 1994) which emphasizes the importance of relational elements such as trust, commitment and satisfaction.

In the marketing relational paradigm, organizations are required to become trusted collaborators in order to be effective in the global competitive environment. Morgan and Hunt (1994) theorize that commitment and trust are necessary in order to have a successful relationship where collaboration can occur. Commitment and trust are key elements for any relationship as they are needed for maintenance of the relationship, encouraging a long-term view as opposed to a short-term one, and also allow for certain risks to be taken because of the belief that other parties in the relationship will not take advantage of the situation. Having a long-term view and nurturing the relationship by providing and showing commitment allows for the development of deeper levels of relationships. Commitment is defined as "an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely" (Morgan & Hunt, 1994, p. 23). However this definition of commitment does raise questions relating to power as how can big organizations and for example, individual consumers be 'exchange partners' as this implies balance, equality and reciprocity. The trust element is conceptualized as existing when there is reliability, confidence and integrity. Morgan and Hunt conducted a preliminary investigation using in-depth interviews which informed the quantitative questionnaire used to test whether trust and commitment were simply two independent variables or whether they were central for having a positive relationship. Trust was found to have a stronger effect on

achieving collaboration and cooperation compared with commitment (Morgan & Hunt, 1994). Both trust and commitment were found to be mediating variables.

Trust is considered to influence commitment (Achrol, 1991; Morgan & Hunt, 1994). In relationships where there is a high degree of trust present, parties are more likely to make a firm commitment to the relationship and invest appropriate resources to maintaining and developing it further. This is reflected in the notion of reciprocity found in social exchange theory, where people agree or negotiate upon the boundaries, rules and regulations for each individual relationship. Parties in the relationship must exchange resources within an agreed or appropriate amount of time that is either equivalent or equal in value to balance the exchange. A clear link must be made between the resources exchanged; otherwise one party may be unaware that an exchange has taken place and therefore not reciprocate (Heath & Bryant, 1992).

Atuahene-Gima and Li (2002) question the evidence for the strong normative bias that exists in relationship marketing literature toward the importance of trust in relationships and propose that very little empirical evidence exists to support the high value placed on it. This position draws on Dirk's (1999, cited in Atuahene-Gima & Li, 2002) review of management literature, which finds little evidence of a direct, positive relationship between trust and performance. But is performance the same as outcome? A task might be performed perfectly and yet the desired outcome might not be achieved. Quality control ensures that the process is performed to the highest possible standard. Whilst trust increases collaboration and commitment leading to improved performance, coercion also may increase performance, so it is important to identify what variable is actually at work. Atuahene-Gima and Li (2002) cite the research of Dalstrom and Nygaard (1995) as providing a differing view on the trust-performance relationship in that the cultural context becomes critical. The notion of abusing trust is touched upon by Noteboom (1996, cited in Atuahene-Gima, 2002). Trust is only likely to be abused when there is little chance of detection, and therefore transparency may solve this issue (Jahansoozi, 2002).

The Darwinian perspective of marketing emphasizes the survival of the fittest and supports exchange relationships that provide a direct benefit for the organization. Any relational strategies such as cooperation and collaboration that strengthen an

organization's position and help it survive in a highly competitive market environment are utilized. Darwin considered this perspective for the survival of species in his seminal work *The origin of species*, originally published in 1859 (Burrows (editor) 1982). Darwin's survival perspective is built upon by Dawkins with his 'selfish gene' argument. It is the inherent selfishness that evaluates what gain lies in any exchange, including cooperation and collaboration that encourages and ultimately leads to relationship formation (Dawkins, 1989). In short-term relationships there is no trust as the parties involved consider the transaction to be a 'one off' and therefore selfish interests are met first and foremost. Here cooperation and collaboration are not linked to altruism as the relationship is over as soon as it is no longer cost effective. The role of altruism is limited in this perspective as it revolves around self-interest or at the very least mutual gain. The selfish gene argument posits that relationships exist solely to further one's aim and as soon as the benefit from the relationship declines the relationship is dissolved. So cooperation and collaboration only exist whist the benefit to do so is clearly demonstrated. In this perspective, corporate social responsibility only occurs in order to 'sweeten' local communities and allow corporate interests to go unhindered. As soon as more profit can be made elsewhere corporate interests disengage from the communities they both supported and were supported by. A recent example is with the shift of utility and banking call/contact centres from the UK to India, despite record profits. Other companies such as Shell are attempting to foster sustainable development projects in the communities they operate in (or impact) so that the projects are able to continue to exist long after the oil giant has left the area. Again, this is not entirely altruistic. Shell needs local cooperation in order to keep production costs to a minimum but has discovered that philanthropy is short-term and when in the future money goes to another worthy project bad feeling results from the previous receivers, as expectations were created.

This survival model based on the selfish gene argument has a winner and a loser, there is however a 'win-win' model which links this line of thought with literature on negotiation and conflict resolution (Fischer & Ury, 1991) and economic theories which predict and analyze strategic behaviour such as game theory (von Neumann, 1937, cited in Parkin & King, 1995, p. 351). Economists have studied the competitive behaviour of organizations operating within the same market since the 1830s (Parkin

& King, 1995, p. 348) and developed models that were based upon the beliefs regarding the expected behaviour of the other parties involved. Complexity theory is described by Murphy (2000) as having insights for public relations relating to interactions between publics within a social system whilst game theory provides a method for analyzing strategic behaviour and includes the prisoners' dilemma game and Nash equilibrium. These models consider 'strategic behaviour' which is behaving in a way that acknowledges the anticipated behaviour of others and the interdependence of the actors involved. Nash equilibrium posits that by employing a strategy that is the best solution to the strategies adopted by the other parties in the relationship ultimately results in no party going after what could be considered to be their selfish interests. In other words both parties recognize that they will not be able to get everything they want so instead they compromise in order to get the best possible outcome. Nash equilibrium occurs when the organization takes the best possible action given the action of the public, and the public takes the best possible action given the action of the organization, and therefore both parties end up with a satisfactory outcome (Parkin & King, 1995, p 353). For the relationship to survive both parties must not pursue their 'selfish interests' but instead they must compromise so that they both can achieve satisfactory outcomes. Cooperation exists in long-term relationships where trust is experienced and parties in the relationship know what to expect from each other. For relationship marketing to be successful the chosen strategy must overcome the inherent selfishness and drive to exploit opportunities and short-term profits, and instead compromise and cooperate, thereby building long-term relationships instead.

Central to marketing theory is the concept of 'mutual satisfaction', which differs from the concept of 'mutual understanding' found in public relations. Mutual satisfaction occurs when both parties in the transaction believe they have received fair treatment. It can be questioned whether the satisfactions are really mutual or equal as is implied as they are not the necessarily the same. One set of satisfaction falls to individuals such as customers and the other set belongs to the corporate organization. Both will have different needs that require satisfying which does not mean they are mutual or equal in weighting. Mutual understanding does not imply that both parties have satisfaction, but that they understand each other's position regarding the particular situation or issue. In order for mutual satisfaction to occur there needs to be an

understanding of the other party's desires and aims in order to reach a position where satisfaction occurs. Buttle (1996) proposes that relationship management is more about concern, trust, commitment and satisfaction than straightforward transactive interactions. Murphy (1996) also includes mutual trust and loyalty, interaction and dialogue, commitment and satisfaction with the other parties in the relationship, as elements of a relationship. The concept of mutual understanding is not found in relationship marketing but is central to many definitions of public relations as it is concerned with understanding the organization's publics, their view points and concerns, and also facilitating the publics' understanding of the organization.

Grönroos (2000) discusses the nature of the dialogue process of 'relationship marketing'. Starting from the obvious which contends that all forms of contact with an organization include a communicative element, Grönroos takes this point further to emphasize the dialogue process being one that creates two-way, or even multi-way communication processes. Whilst not all communication activities between an organization and its publics are two-way, investment and effort should be made in creating opportunities for dialogue and thereby strengthening the organization-public relationship. Surprisingly, marketing literature seems to be overlooked by most public relations scholars, and yet with the focus on relationship management it is developing a parallel course. Many of the relational elements identified as being critical for relationship marketing are equally important for organization-public relationships, which supports the premise that literature on relationships can be transferred across domains as long as there is sensitivity regarding the context and intent behind building and maintaining the relationship. Public relations academics and practitioners have perhaps ignored recent developments in marketing and are guilty of reducing it to the transactive paradigm much the same way marketing reduces public relations to media relations and publicity.

**Organizational literature**

Literature on organizational theory that has had the biggest impact upon public relations theory is largely connected to systems theory. Systems theory had its origins in biology and is based in part upon the idea that organizations can be compared with organisms as they are both self-contained entities that strive for equilibrium with their environment.  Initially it was assumed that organizations operated as 'closed systems'

able to control the environment they functioned in, and were therefore able to meet their organizational goals and missions without input from the external environment (Grunig, Grunig & Ehling, 1992, pp. 71-74). Katz and Kahn (1978) moved to the 'open system' perspective, which acknowledged that organizations interacted with an external environment containing other organizations and publics. The 'open system' perspective understands that the external operating environment exerts a level of influence and control over the organization's goal-meeting activities.

The concept of 'system' has a history stretching back over three hundred years. It was translated into the domain of organizational theory in the 1950s and emerged as general systems theory. Pieczka's (1996) analysis of the historical origins of the systems approach distilled the literature and the various models into three categories: equilibrium, homeostatic, and the process or adaptive system (Buckley, 1967, cited in Pieczka, 1996, p. 126). Pieczka found that these models corresponded directly with Gharajedaghi and Ackoff's (1994, cited in Pieczka, 1996, p.126) models called: mechanistic, organismic and 'social system' models. The equilibrium or mechanistic model has its roots in mechanical physics and uses the laws of motion (Kepler and Newton) to explain social interactions and is interested in the efficiency of the system. The homeostatic or organismic model grew out of the age-old comparison of society to a living organism. Society, like any organism, is interested in growth and survival. The process or adaptive system model views society as a system of interdependent and cooperating parts and social networks and is interested in development.

Much of public relations literature discusses the systems theory approach for looking at the organization and the publics within its environment (Pieczka, 1996, p.144). Public relations practitioners enter the picture in the 'boundary-spanning' role (Grunig, Grunig & Ehling, 1992) as they help and enable the organization "to manage its relationships with groups in the environment" (p.67). The role for public relations practitioners is effectively to limit this external influence and control that the environment is able to exert and place the various relationships into a state of harmony, which allows the organization to pursue its goals with the minimum interference or obstruction. This harmonious state also saves the organization in question money in the long term, as it reduces the amount of litigation, law suits, and changes to operating procedures both locally and globally (Heath, 2001). Once in this

state of harmony, the organization is able to pursue its goals effectively and maintain its license to operate. However maintaining the harmonious state requires on-going relationship management in order for small adjustments to be made proactively when issues are first picked up on the radar instead of adopting a defensive tactical position as the result of a crisis or imbalance in the organization-public relationship.

Whilst it is obvious that most organizations would prefer to be completely autonomous to get on with the primary organizational goals and to fulfill the mission statement (Mintzburg, 1983), the reality of the situation insists that organizations are interdependent upon other organizations and groups operating in the external environment. It is these relationships with other organizations and groups operating in the external environment that must be effectively managed to create harmony and balance.

> "Building relationships – managing interdependence – is the substance
> of public relations. Good relationships, in turn, make organizations
> more effective because they allow organizations more freedom – more
> autonomy – to achieve their missions than they would with bad
> relationships. By giving up autonomy by building relationships,
> ironically, organizations maximize that autonomy." (Grunig, Grunig
> and Ehling, 1992, p.69)

Here Grunig, Grunig, and Ehling (1992) are proposing that the underlying motivation for building relationships is for the organization to retain its autonomy. The real motivation is therefore power. There is an understanding that in order to have power over how the organization operates the organization must foster positive relationships in order to build trust and allow for operational autonomy. This idea promotes 'exchange' relationships that provide benefits to the organization and links back to the selfish gene argument and marketing's survival paradigm, which does not tolerate altruism as an explanation for organizations building mutually beneficial relationships.

Theories of organization relationships drawn from organization theory validate the notion that there is a distinct link between strong and positive relationships (those relationships that aid organization goals and which are perceived to be working well) between an organization and its publics and the ability of the organization in question

to be effective (Grunig, Grunig and Ehling, 1992). Organizational theory has developed a body of knowledge on organizational relationships. Aldrich (1975, 1979, cited in Grunig, Grunig and Ehling, 1992, p.83) identified four relational dimensions: formalization of the relationship, intensity of the relationship, level of reciprocity, and standardization of the relationship. Aldrich's relational dimensions have similarities to Ferguson's (1984) relationship attributes which could be used to evaluate a relationship: the dynamic / static nature, open / closed, satisfaction, power ratio, and understanding, agreement and consensus. Grunig, Grunig and Ehling (1992) added trust and reciprocity to the list, while Pfeiffer (1978), Oliver (1990) Grunig, Grunig and Ehling (1992) and Jensen (1996) added legitimacy. Jensen proposed that organizational legitimacy was strongly linked to the organization's strategic concept regarding what it is and that it is not the same concept as legal legitimacy. If the organization's publics accept its strategic concept within the specific parameters of its operations then the organization has legitimacy within the public sphere.

Organizational literature, especially the systems theory approach provides a view for looking at the organization and the publics within its environment and provides an easy way for practitioners to survey and conduct environmental scanning and boundary spanning activities. When issues are identified before they develop into full-blown crises there is an opportunity for the organization to resolve the potential crisis using conflict resolution strategies and techniques, which are very similar to those advocated in relationship management. Many of the relational elements discussed in organizational theory resonate with the relational perspective in public relations. The systems perspective allows for the identification of key publics in the organization's environment. Once these key publics are identified relational grooming activities can occur leading to the development of strategic relationships.

**Conflict resolution and management literature**
Conflict resolution literature is useful for public relations in that it provides insight into managing levels of conflict within relationships. In order for organizations to be successful in their local and global markets they must concentrate on developing and maintaining relationships with key publics both at home and abroad. Any conflicts among or between publics and the organization need to be resolved quickly (Plowman, Briggs & Huang, 2001). Understanding how conflict resolution and

negotiation strategies are employed has become of greater importance for public relations scholars and practitioners, especially with regard to the relational perspective. Stroh (1999, cited in Grunig, L.A., 2000, p. 77) proposed that changes occurring in an organization's environment were the main catalyst or instigator of conflict in the organization-public relationship if left unmanaged. In order to be proactive and counteract change, public relations practitioners need to be able to effectively evaluate their organization-public relationships and move towards scenario planning (Stroh, 1999, cited in Grunig, L.A., 2000, p. 77; White, 2001). Issues / crises usually occur after management has made a decision and not considered the impact upon affected publics. When change in the environment surrounding the organization-public relationship occurs a level of conflict resolution needs to be engaged.

One of the most influential management thinkers for public relations theory and practice was Mary Parker Follett (1868-1933), who until fairly recently was largely forgotten (Parker, 1984; L'Etang, 2007). Follett's contribution to management literature was ahead of her time as it focused on community development, conflict resolution, and decision-making. Within the public relations discipline L'Etang (2007, pp. 168-171) is so far the only academic to recognize the usefulness of Follett's ideas on open communication, collaborative approaches to problem and conflict resolution, and power sharing for building and maintaining OPRs.

Follett's work in the 1920s on conflict resolution was pioneering. She was one of the first management thinkers to distinguish between focusing on the stated demands and solving the problem. Issues were resolved when the needs of the parties involved were understood so that a mutually satisfactory solution could be achieved. Follett's called her approach the "integration of the needs of the bargainers" (Fogg, 1985, p.332) and was later termed "integrative bargaining" by Walter and McKersie (1965, cited in Fogg, 1985, p.332). Follett realized that the historical context of a relationship was important for its development and the way dialogue between the relational parties was cultivated. She recognized that dialogue was a process of related communication interactions in which each communication interaction affected the development of the relationship (L'Etang, 2007, p.169) which was consonant with Hinde's (1979; 1981) definition of a relationship as being "…comprised of a series of related interactions,

each affected by past episodes, and in turn affecting future interactions" (cited in Blumstein & Kollock, 1988, p. 468).

Literature on conflict resolution and negotiation also highlights key relational elements such as openness, trust and mutual understanding as being essential for a good working relationship (Fisher & Brown, 1988). Both parties involved in the relationship must be open to listening to each other. The concept of trust in conflict resolution is connected with risk assessment and accountability and not with issues of morality. For example, the organizations involved can be trusted to carry out what has been mutually agreed upon and that there is little chance of a 'nasty' surprise or the playing field suddenly changing. Fisher and Brown (1988) emphasized that mutual understanding was crucial for the working relationship to prosper and that there was a direct link between mutual understanding and a healthy and productive relationship. Newcomb (1953, cited in van Ruler, 1997, p.254) coined the idea of co-orientation as a communication model in which symmetrical communication was critical for developing understanding between parties (Piezcka, 1996, p.151). Understanding the thinking and reasoning of the other party in the relationship will decrease the chance that a crisis will occur due to a simple misunderstanding and lack of empathy. Public relations practitioners need to be able to understand where their organization's publics are coming from in order to develop and maintain mutually beneficial relationships. If one party of the relationship feels that the other is uninterested and unwilling to invest time and effort into understanding the issue or concern then it is likely that the relationship will not be positive or long lasting (Fisher & Ury, 1991).

Another important relational element identified in conflict resolution literature was communication. When relationships collapse or are dissolved the cause is often attributed to either a lack of communication or a complete break down of communication, suggesting that without communication there is no relationship. Fisher and Ury (1991) describe negotiation as a "process of communicating back and forth for the purpose of reaching a joint decision" (p.33) which can be seen to be very similar to Grunig and Hunt's (1984) two-way symmetrical model which "is based on research and that uses communication to manage conflict and improve understanding with strategic publics" (Grunig, 1992, p.18). Fisher and Ury (1991) suggest that there are three main problems with communication that lead to a breakdown of the process:

firstly, the parties involved may not be communicating with each other as each side has mentally written off the other party and is purely going through the motions of communicating in order to maintain the facade; secondly, both parties may not be actually hearing what is being said; and thirdly, misunderstanding and misinterpreting what is being communicated. This third point is particularly apt for cross-cultural communication, and supports Huang's (2001) efforts to include a relationship dimension reflecting the oriental culture. Numerous examples exist in the area of international relations and diplomacy where relationships were destroyed by ignorance surrounding the connotations and / or meanings of certain words and gestures in different cultures.

Psychologists and therapists have a clear understanding of another aspect of communication, listening. Active listening skills, popular in the area of crisis counseling, aid in the understanding and perception of the other party's concerns and position. By repeating back what is being said the other party is reassured that you are listening and have heard them and it also increases their level of satisfaction with the communication process (Fisher & Ury, 1991; VWSAC, 1994). Many misunderstandings occur simply because the act of listening did not happen. Face-to-face communication is still the best form of communication, especially when in a conflict situation as non-verbal communication cues can be assessed and can make a significant difference to the meaning. Mutual understanding is important for a relationship to continue to exist. If one party feels that the other fails to understand their position the relationship is in jeopardy. Both parties must endeavor to understand each other's position and active listening techniques provide an easy way to establish clearly that concerns have been heard and understood the other party's perspective.

Power dynamics between relational parties also has implications for the relationship. More often than not, power is unbalanced within the relationship, which can lead to a breakdown. For example, the organization may have far more in the way of resources compared with the particular strategic public. While no relationship will succeed if all the power is on one side, parties in the relationship need to achieve agreement without feeling coerced into it. Whilst both parties in the relationship are aware of the power ratio, there needs to be agreement on the power balance within the relationship (Canary & Stafford, 1992). If it is perceived that the power is located on one side of

the relationship compliance may take place as the other party may feel coerced or bullied into agreement. Coercion and bullying are both remarkably effective in organizations for gaining compliance, particularly in terms of work output however as soon as the threat is removed the compliance ends making it an effective tactic in the short term only and forfeits any hope of future collaboration.

Conrad (1985, cited in Grunig, 1992, p. 315) described the concept of collaboration as a strategy employed in conflict resolution. Collaboration was defined as: "All parties believing that they should actively and assertively seek a mutually acceptable solution and be willing to spend large amounts of time and energy to reach such an outcome" (Conrad, 1985, p. 243, cited in Grunig, 1992, p. 315). Collaboration can only occur in a climate of trust. The parties involved need to be able to trust each other enough to work together towards mutual objectives. In an organization-public relationship, both sides must understand that for a positive outcome they will need to collaborate on some level. Obviously the level of collaboration will affect the outcome as well as the relationship itself. Mutual understanding helps to identify the level of collaboration possible between the parties. In conflict resolution literature the key relational elements of trust, openness, communication, mutual understanding, power and collaboration have all been identified as having an important bearing upon relationships between people. Many of these concepts translate directly into public relations as it must be remembered that organization-public relationships are essentially relationships between people who simply represent other entities.

The conflict resolution literature is linked with change management work espoused by a number of 'management gurus' such as Tom Peters, Anthony Robbins, Peter Senge, Stephen Covey, and James Champy. As most conflict within an organization or its organization-public relationship arises due to organizational restructuring or behaviour the focus on corporate culture change offered by management gurus offers managers tools to reduce conflict. The conflict resolution concepts are applied to scenarios that have accessible and familiar themes which enable a relatively quick consumption of the particular approach on offer, for example the work of Peter Senge and Stephen Covey is extensively used and referred to within Shell's management structure, and is recommended reading for Shell's managers. Shell's Leadership Framework attempts to build "shared vision" and draws heavily on the work of

Stephen Covey's (1989; 2004) *The 7 Habits of Highly Effective People*. Covey has been described as "North America's pre-eminent management guru who has been instrumental in forging a management fashion which focuses on personal rather than organizational responsibility, accountability and effectiveness" (Jackson, 2001, p.94). Like other management gurus Covey's training programmes, books, and audio-books make the participants emotionally feel good and motivated to change how they are interacting with others (Jackson, 2001, p.1). Covey integrated concepts from conflict resolution and management authors specifically focusing on developing trust and dialogue for resolving issues and popularized them by applying the concepts to everyday familiar scenarios.

Covey's leadership and change management books became popular during the early 1990s with his bestseller *The 7 Habits of Highly Effective People*. The book was based on what Covey (1989; 2004, p18) referred to as the "character ethic" which is what he describes as the principles of effective living, in effect 'natural laws'. Covey analyzed the body of theoretical knowledge relating to success literature and pulled together unsourced ideas from management theorists and repackaged them and made a lot of money out of exploiting other's ideas. From the literature he identified characteristics such as "integrity, humility, fidelity, temperance, courage, justice, patience, industry, simplicity, modesty and The Golden Rule" (p.18) and combined them with terminology and examples that veered towards the religious and moral. Covey believes that these characteristics or principles are crucial for "enduring happiness" and his books advocate a 'return' to the 'character ethic' and an end to the 'quick fix' cycle that many managers and employees find themselves in. Covey posits that by integrating his seven habits which are based upon the 'character ethic' people will be able to be effective in their lives, whether within their personal relationships or professional ones.

Covey's (1999; 2004) book *The 7 Habits of Highly Effective People* explores the habits in three sections: private victory, public victory, and renewal. In the 'private victory' section the first three habits which relate to personal attributes and values are taught. In the 'public victory' section habits 4, 5, and 6 are explored which pertain to collaboration and 'win-win' approaches, interpersonal relationships, relationship building, and collaborative conflict resolution. The final section, 'renewal', is linked

to the seventh habit called "sharpen the saw" (Covey, 2004, pp.285-307). This habit comprises four dimensions: physical, spiritual, mental, and social/emotional. Covey assures that by following and internalizing these 'lessons' individuals will have positive win-win relationships.

Jackson (2001) describes the development of academic interest in the area of management gurus in the late 1980s from being indifferent to hostile, but not being serious (Burrell, 1989; Hitt and Ireland, 1987; Thomas, 1989; all cited in Jackson, 2001, p.3). The guru phenomenon was not deemed worthy of academic research unless the focus was on discrediting the gurus and their models (Hitt and Ireland, 1987).The shift in the 'seriousness' of the academic interest is a more recent phenomenon which Jackson (2001) attributes to three key reasons. The first reason is the impact that the adoption of management fashions and management gurus has on employees, especially regarding the way employees interact and relate with each other (Jackson, 2001; Clark & Salaman, 1996; Huczynski, 1993b; Watson, 1994). The second reason is that whilst the management consulting industry which utilises management gurus is growing it remains under-explored compared to other areas of management. And the third reason put forward by Jackson is that some management academics have begun to realise that the assumption that new management knowledge was created in academia and disseminated out to the management community, which was true pre-1980s, may be flawed after that owing to the rise of 'guru theory' which reverses the direction as popular management ideas are developed in the practice and then drive the academic agenda (Aldag, 1997; Barley et al., 1988; Clark and Salaman, 1996; all cited in Jackson, 2001, p.4). Guru theory emphasises the importance of persuasive communication relating source characteristics such as credibility, trustworthiness, likeability, attractiveness, as well as presentation style.

Whilst much of the popular guru-type management culture change books are dismissed by academics as lacking rigour and empirical data, there is also the acknowledgement that they can work as catalysts for change as they energise and motivate the readers into reviewing current organizational practice and making changes. Newstrom and Pierce suggest that popular management guru books should be read alongside academic management literature (1989, cited in Jackson, 2001, p. 20).

The link with organization-public relationship building pertains to Jackson's (2001) explanation that academic interest in management fashions and management gurus has risen out of examining the impact the adoption of these management approaches has on an organization's employees. However, it is not just the organization's employees that are affected as the adoption of management guru approaches also has an outward ripple effect as organizational boundaries are blurred and employee interaction is not only confined to an organization's internal system as employees interact with external stakeholders and publics. Simply put, if an organization has adopted a management guru approach internally this will also have an impact on its external relationships.

Jackson (2001, p.9) describes the historical development of management gurus, starting with the definition and root of the work 'guru', which originated as a Sanskrit word meaning "weighty, grave, dignified" (Oxford English Dictionary, 1989, p.964, cited in Jackson, 2001, p.9). The word was used with the meaning of 'teacher' in the Hundu Upanishads and was linked with the meaning of spiritual guide in other Indian religious philosophy. As the word 'guru' became used in English it gained status with the meaning of "influential teacher", "mentor" and "pundit" (Oxford English Dictionary, 1989, p.964, cited in Jackson, 2001, p.9). From the 1980s 'guru' has come to be defined as "anyone who is recognized as having developed a distinctive level of expertise in one of a number of ever-expanding spheres of human endeavour" (Jackson, 2001, p.9). Jackson points out that because journalists find the term 'guru' appealing it is used rather indiscriminately and could be used to describe experts in any area for example dietary gurus, fitness gurus, and fashion gurus which are frequently mentioned in the media. Depending upon the country guru status can be positive or negative as Huczynski (1993a, cited in Jackson, 2001, p.10) found that in the US there were positive connotations whilst in the UK it has negative associations. Huczynski's research was the first to explore the management guru phenomenon and developed 'guru theory' as a description for this category of management ideas which rely upon the gurus to both develop and promote them and also for the 'followers' to implement the ideas without questioning the validity. Gurus tend to be adept at reducing relatively complicated management theories or concepts to a simple form that can be easily linked to everyday events and examples in order to illustrate in

concrete terms the variables or processes involved. The over simplification of management concepts is critiqued by academics such as Zilbergeld (1984, p.6, cited in Jackson, 2001, p.16) and Pascale (1990, pp.19-20, cited in Jackson, 2001, p.16) for providing single solutions to what are complex issues resulting in a superficial understanding of the situation. Other academics (Pierce & Newstrom, 1990, p.6; Neal & Groat, 1984, p. 121; cited in Jackson, 2001, p.16) are critical of the lack of rigorous research as gurus tend to rely upon personal anecdotes and pass them off as the foundation for 'best practice'.

According to Jackson (2001, p.13) in his review of the management guru literature there is little agreement as to what the defining characteristics are and concludes that "guru status is social creation" and is provided partly by the levels of media attention, popularity and influence can expire when these levels decline.

A negative aspect of the guru-led corporate culture change movement is that when it is adopted by an organisation there is a coercive element to it that stops any dissenting voices (L'Etang, 2007, p.184). Ray (1986, cited in Jackson, 2001, p.17) and Wilmott (1993, cited in Jackson, 2001, p.17) found that "by appealing to the sentiments and emotions of their employees executives have been able to exert a more subtle and potentially more debilitating form of control by ensnaring their employees in a hegemonic system which espouses autonomy or empowerment but discourages multiple values and active dissent" (Jackson, 2001, p.17).

The implications for organization-public relationships influenced by management gurus are that they could be externally perceived as being a 'closed club' which requires acceptance of the management guru creed. Some benefits are that both relational parties share common values and approaches to resolving conflict.

**Interpersonal communication literature**

Historically, public relations depended heavily upon mass communication for its theories, which is understandable as the majority of public relations practitioners initially came from a journalism background. As the relational perspective became more influential, public relations academics turned to interpersonal communication theory, which investigates different factors that are involved in improving relationships (Grunig, 1990; Heath & Bryant, 1992). L.A.Grunig (2000) and Huang

(2001) suggested that the resurgence of interest in the public relations relational perspective in recent years was built upon the foundations of interpersonal communication and the work of Stafford and Canary (1991) who directly influenced Huang's research on the key relational elements of trust, control mutuality, commitment and satisfaction. Whilst the relational elements of trust, control mutuality, commitment and satisfaction are discussed in marketing, organizational theory and conflict resolution literature, the concept of mutual influence is not. Mutual influence is the cornerstone of interpersonal communication, which entails that the parties involved in communicating have the ability to influence each other's attitudes and behavior (Coombs, 2001). Both parties need to have the ability to influence each other, if not the relationship becomes unbalanced and can lead to breakdown as coercion results when only one party has the ability to influence the other.

Initially in the field of interpersonal communication, work on relationships was dominated by social psychologists as opposed to communication scientists (Duck, 1984). Duck proposed that one of the main problems with research in the area of social and personal relationships was the fact that the concepts of relationship were very diverse and that social psychologists and communications scientists mostly viewed relationships as being in a static state with "automatic" consequences resulting from the qualities of the parties involved in the particular relationship. Duck pointed out that the important influence of 'time' was neglected in research conducted up until the mid-1970s. Duck viewed relationships as processes and that they possessed certain qualities or elements. Dance (1967, cited in McQuail & Windahl, 1981, p.16) suggested that communication episodes were the result of the past interactions, creating a spiral of communication. This is why when exploring OPRs it is critical to understand the background of the relationship and previous communication exchanges in order to understand the influence on its current context.

Ledingham (2000) utilizes an interpersonal relationship model by adapting it to the organization-public relationship and outlined the 10 phases relationships pass through in an unmanaged lifecycle – in the "coming together" and "coming apart" process. At its peak, the organization-public relationship basks in the 'Fidelity Phase', where the public is loyal to the organization and the organization in return is committed to the

publics' interests, the elements of "mutual trust, openness and commitment are perceived as operating"(Ledingham, 2000, p.45). Reaching and sustaining the 'Fidelity Phase' with organization-public relationships is the ultimate goal for public relations practitioners operating within the relational perspective.

Interpersonal communication literature emphasizes particular relational elements. The relational element of trust was deemed critical if the environment contained risk and there was the possibility that self-interest could direct the relational goals and ultimately lead to mistrust by the other partner and a breakdown in the relationship (Miller & Rogers, 1976,1987, cited in Heath & Bryant, 1992, p. 176; Canary & Cupach, 1988). Trust is built up or 'banked' over a period of time, which is linked with credibility and is necessary for resolving conflicts or communication problems (Plowman, Briggs & Huang, 2001). The 'banking trust' concept was adopted by Covey (1989; 2004) and referred to as being important for the emotional bank account.

Stafford and Canary (1991) defined the interpersonal relationship element of control mutuality as: "the degree to which partners agree about which of them should decide relational goals and behavioral routines" (p. 224). Control mutuality includes the notion of power as each party in the relationship agree and understand that one has the rightful ability to influence the other or agree upon the power balance (Morton, Alexander & Altman, 1976, cited in Heath & Bryant, 1992, p. 163; Plowman, Briggs & Huang, 2001). Domineering behavior and coercive tactics are often used in relationships where control mutuality is lacking. Habermas's theory of communicative action recognizes that relationships require symmetrical communication (dialogue) to take place as it encourages the parties involved to develop a deeper understanding of the 'others' position, leading to increased empathy. The concept of control mutuality is linked with Habermas's theory as relational parties are seldom equal and one party will almost certainly have access to greater resources and power. When the relationship is unbalanced as a result of access to resources and power communication becomes asymmetrical and irrational it leads to the relationship breaking down. By openly recognizing where the power lies in the relationship it facilitates achieving the desired relational outcome (L'Etang, 1996, p. 121).

Foucault's work on discourse, power/knowledge and subjectivity is also applicable for OPRs. Foucault viewed power/knowledge as being inseparable as he thought that both contributed to the creation of the other. Motion and Leitch (2007) discuss that in Foucauldian terms public relations practitoners engaging with the relational perspective would focus on the construction of power between the relational parties in the organization-public relationship. Foucault's interpretation of power within relationships was both as a constraint and as an enabler for positive change. Individuals with power had specialist knowledge which could be used strategically to benefit the relational parties and also society. Within the organization-public relationship power/knowledge circulates and is used by the organization to develop discourse strategies that enable the continued functioning of the organization. A crisis in the relationship can occur when the organization's power/knowledge discourse is contested by the creation of an alternative discourse (Motion & Leitch, 2007).

Along with control mutuality, commitment, liking and relational satisfaction are other elements identified (Stafford & Canary, 1991). Most of the research on commitment is based on the social exchange theory and is found to be positively associated with satisfaction and long-term investment in the relationship (Rusbult, 1983, cited in Stafford & Canary, 1991, p. 224). The perceived level of commitment was found to be directly related to the strength and stability of the relationship by Lund (1985). The degree of liking is dependent upon the perception of the efforts that one party has undergone to maintain the relationship by the other involved party. Relational satisfaction deals with the rewards or benefits for remaining in the relationship outweighing the costs. As long as relational satisfaction is maintained it is likely that the relationship will continue to exist (Stafford & Canary, 1991).

Morton, Alexander, and Altman (1976, cited in Heath & Bryant 1992, p. 163) also included communication as a defining element of relationships, specifically the type of communication that occurs. Taylor and Altman (1987, cited in Heath & Bryant, 1992, p. 167) provided a simple formula: "Relationship outcomes = rewards – costs" (Heath & Bryant, 1992, p. 167). The reward / cost ratio could be used to measure each specific relationship to gauge whether it is a positive or negative relationship. It is

only when the rewards are more than the costs involved in sustaining the relationship, that the relationship could be said to be satisfying.

Research into relational communication and relationship management has identified similarities with research on identity and impression management where nonverbal cues are used for evaluating the interaction. Relational communication differs from other types of communication as it embedded in a participant perspective. Altman and Taylor's (1973, cited in Burgoon & Hoobler, 2002, p. 269) and Knapp's (1984, cited in Burgoon & Hoobler, 2002, p.269) research found that nonverbal behaviours indicated the condition of the relationship and could either promote the relationship or hinder its development. Developmental theories such as Berger's (1979, cited in Burgoon & Hoobler, 2002) uncertainty reduction theory explain that people utilize communication strategies, including nonverbal communication behaviours, to reduce uncertainty as uncertainty damaged relationships. Sunnafrank's (1986, cited in Burgoon & Hoobler, 2002) predicted outcome value theory builds on Berger's theory by suggesting that relationships will either develop more fully or be terminated depending upon the whether the uncertainty is reduced and if the parties involved felt that future interactions would be beneficial. Other research has explored the link between nonverbal behaviour and measurable relational elements such as commitment and satisfaction (Burgoon & Hoobler, 2002).

**Public relations literature**
Public relations literature on the relational perspective has drawn from interpersonal communication, organizational theory, marketing and conflict resolution literature. The organizational perspective has been the main focus in much of the literature in the public relations body of knowledge and is based on the work of Grunig and Hunt (1984). Using systems theory as the foundation Grunig and Hunt (1984) developed four models of public relations, which simultaneously described the evolutionary process of the occupation in the US. Grunig and Hunt (1984) proposed that the two-way symmetrical model was best practice for public relations, being the most ethical and effective of all the four models. Leitch and Neilson's (2001, pp 127-138) critique of the two-way symmetrical model is derived from the understanding that within the systems framework publics only exist when the organization has identified them. Viewing publics from the organization's position is problematic as they are then

considered to be equal participants in the dialogue or relationship. When power is omitted from the relationship it is then possible to assume that an organization and its publics are able to meet on equal footing and are able to develop mutually beneficial outcomes for recognized problems. However in reality this is not the case as usually the organization has access to far greater resources. The concept of power is ignored in the organizational perspective as the organization tends to deal with publics in much the same way it would deal with other organizations, which is why there is confusion with defining publics without there being an issue, linking back to Hallahan's (2000) work on identifying inactive publics. As the relational perspective has become more popular, publics are finally being viewed from a different standpoint, that of the publics themselves (Leitch & Neilson, 2001). This in part is due to globalization and communication technology, which have allowed global movements to operate at the local, national, and international level, promoting collaboration between publics. This has caused a shift in power relations between the organization and its publics as publics have increased access to resources and information, and are in a much better position to form coalitions with other publics that share a similar world-view.

The organizational perspective only acknowledges the publics once they've been identified as such. While different types of publics such as latent and active are strategically identified they are treated as if they are on an equal footing with the organization. This perspective does not consider the balance of power between the organization and its publics, or between publics (Leitch & Neilson, 2001). Leitch and Neilson (2001) explain that this is the key reason why evidence to support the two-way symmetrical model was, and remains to be, scarce in practice. While the communication process between an organization and its publics may very well be symmetrical the relationship between them will not be.

"Organization-public relations refers to relations between organizations and publics that are defined as internal to neither the organization nor other system organizations" (Leitch & Neilson, 2001, p.131).  By using the relationship management perspective and looking at the relationship as the unit of analysis there is the potential to identify an appropriate framework or methodology to effectively evaluate the relationship between an organization and its publics. Since Ferguson in 1984 proposed that public

relations should shift its focus to the organization-public relationship other public relations scholars have taken up the banner and have started to examine relationship antecedents, concepts and consequences in more depth using quantitative methodologies (Hon & Grunig, 1999; Grunig & Huang, 2000; Ledingham & Bruning, 2000; Broom, Casey & Ritchey, 2000; Huang, 2001). One of the reasons that scholars have been enthusiastic to adopt the relational perspective is that it provides public relations practitioners with the ability to "utilize quantitative evaluation methods to track relationship changes over time" (Bruning & Ledingham, 1999, p. 158). This is somewhat of a welcome departure from previous quantitative evaluation methods such as counting press clippings which has long been discredited mainly because while you are able to determine the amount of editorial space or column inches devoted to an organization's key message there is no link with determining whether attitudes and related behaviours have changed as a result or even if awareness of the issue has increased. However, as the methods employed are still quantitative they do not provide a rich description or understanding of the organization-public relationship, as would be the case if qualitative methods were used instead. The relational perspective with its quest to understand and describe organization-public relationships implies the need for qualitative methodologies.

The relational perspective has the potential to shift public relations practitioners away from using persuasive communication as a tool to manipulate public opinion toward building and maintaining mutually beneficial organization-public relationships. By effectively managing relationships with strategic publics, public relations practitioners are able to influence positively their attitudes and behaviors in the long-term. It is the public relations practitioner's role to identify strategic publics and manage the organization's relationships with them in order to ideally achieve a stable equilibrium within the system or operating environment. To do this effectively each relationship must be viewed separately, and the elements of the relationship need to be evaluated in order to have an understanding of the present state of the relationship.

By effectively managing the organization-public relationship the attitudes and behavior of members of strategic publics can be influenced. Findings from Ledingham's (2001) study of government-community relationships reinforce the thought that relationship management and the relational paradigm offers a useful way

to understand, explain, and seek to influence the behavior of a strategic public. Social exchange theory was shown to be particularly useful in explaining the behavior of the strategic public within the context of the relationship. Kovacs (2001) examined the strategies and impact of six activist groups on the British broadcasting policies and programming and found that their success over time was attributed to relationship building. Kovacs (2001) suggested that good relationship building and maintenance induced collaboration, producing a 'win-win' situation for resolving conflict, which in the long-term was more effective in producing behavioral change than confrontational approaches often used by environmental activist groups. Bruning's (2002) investigation into the relationship – attitudes – behavioral outcome link examined the student- university relationship attitudes affect on retention rates. Bruning (2002) suggested that relationship attitudes are directly linked with behavioral outcomes and can be quantitatively measured.

Drawing from the literature reviewed from the disciplines of marketing, organizational theory, conflict resolution, and interpersonal communication, public relations scholars interested in the relational perspective have started to identify the antecedents, characteristics, or elements, that when present together produce the constituents of a positive relationship. Grunig, Grunig and Ehling (1992) identified reciprocity, trust, credibility, mutual legitimacy, openness, mutual satisfaction, and mutual understanding as being the most important. Hon and Grunig (1999) go further to identify a total of six attributes: control mutuality, trust, satisfaction, commitment, exchange relationship, and communal relationship. Huang (2001) used trust, control mutuality, commitment and satisfaction as key relational features derived from Western literature and in dealing with cross-cultural relationships added the 'face and favor' attribute as the fifth dimension, which reflected Chinese social psychology. Huang's (2001) 'face and favor' relationship dimension was based upon Hwang's (1987, cited in Huang, 2001, p. 68) social psychology model of 'face and favor' in the Chinese society. This model explained the use of personal social connections and networks in locating resources or obtaining favours from others in positions of authority or power (Huang, 2001). Huang's addition of a cross-cultural attribute is important as it highlights the necessity for considering cross-cultural attributes when identifying the elements of the relationship to be evaluated, as many relational elements such as transparency are culturally specific.

Broom, Casey and Ritchey (2000) suggested that relationships are both formed and maintained by an on-going process based upon mutual adaptation and contingent responses, which enable the relationship to reach homeostasis. It was also proposed that the relationships between an organization and key publics could be studied as distinct and separate from the perceptions of the state of the relationship held by the parties involved.

*Dialogue and transparency as relational characteristics*
Whilst many relationship characteristics have been identified in the public relations literature, there appear to be some gaps in the lists of relationship characteristics, namely dialogue and transparency. Communication is touched upon in some of the literature surveyed on conflict resolution and interpersonal communication, but it is barely touched upon as a relationship characteristic with regard to public relations, yet surely for a relationship to exist, there must be a level of communication occurring. Dialogue is a form of communication most applicable to building and maintaining relationships (Kent & Taylor, 2002) and without it there is little chance of the relationship surviving, much like a relationship without trust. Kent and Taylor (2002) clarify the concept of dialogue in public relations and describe it as "one of the most ethical forms of communication and as one of the central means of separating truth from falsehood" (p.22). The shift in public relations toward a relational perspective emphasizes the use of communication as a tool for resolving conflicts and building and maintaining relationships with strategic publics. Kent and Taylor (2002) found that whilst dialogue is mentioned as a concept in public relations literature, what is actually meant by it remains unclear.

The study of dialogue, like public relations, traces back to philosophy, rhetoric, and psychology (Kent & Taylor, 2002). Dialogue is considered to be the most ethical form of communication in that the 'truth' of an issue has an opportunity to be heard. Kent and Taylor (2002) suggested that today our concept of dialogue is based heavily on the work of the theologian, Martin Buber. Buber viewed dialogue as being essential for a relationship to exist and that it required both openness and respect. Buber believed that dialogue required elements that have also been identified as relational characteristics: reciprocity, mutuality, commitment and openness. Dialogue is not the

means to an end but rather it is the end goal itself with the relationship facilitating the process (Buber, 1982, cited in Kent & Taylor, 2002, p324). Dialogic communication requires the parties involved to be willing to negotiate in order to reach a position that is mutually acceptable. By communicating back and forth in a symmetrical manner both parties are able to construct a deeper understanding of the other's position and discover 'common ground' by not immediately rejecting the other's position and increasing empathy for each other. In order to have a dialogue the relational parties need to have mutual trust in the communication process which entails that the communication is intelligible, true, trustworthy, and legitimate (Burkart, 2007). Dialogue breaks down when a relational party has doubts regarding the communication process, which leads to a lack of mutual understanding.

Burkart's (2007) 'Consensus-Oriented Public Relations' (COPR) applied Habermas's principles to conflict situations within an organization-public relationship. Public relations practitioners could reduce the conflict public by presenting strong arguments which explained the organization's actions so that the public was able to understand them. Burkart explains that mutual understanding is not an end in itself but rather it provides the means for collaboration.

One of the consequences of a lack of dialogue within an OPR is that it provides the opportunity for rumours to become more prevalent and to damage the relationship. Rumours are defined as "an unverified proposition for belief that bears topical relevance for persons actively involved in its dissemination" (Rosnow & Kimmel, 2000, p. 122, cited in Bordia & DiFonzo, 2004, p.33). Rumours differ from both gossip and news as gossip is concerned with issues of limited importance compared with rumours, and unlike news rumours are unsubstantiated. It is because rumours feed inter-group conflict and injure the reputations of individuals and companies that they should be taken seriously by public relations practitioners and the circumstances which lead to their creation are avoided. Whilst Bordia and DiFonzo (2004, p.33) recognized the importance of rumour activity for public relations practitioners they remarked on the absence of attention that rumours received by social scientists. DiFonzo and Bordia (2002) findings have particular salience for public relations practitioners engaged with developing and maintaining OPRs as they explain that the

more anxious a group was then the more a rumour would be consistent with the group biases. Within the context of an OPR if there was a low level of trust and limited dialogue pertaining to an issue that had upset an organization's public, the public's biases toward the organization would work to reinforce rumors and perpetuate negative stereotypes. DiFonzo and Bordia (2002) also found that only rumours that caused anxiety were communicated energetically, and that uncertainty led to anxiety because of the diminished sense of control people felt they had regarding the issue. According to DiFonzo and Bordia (2002) public relations practitioners could reduce the prevalence of rumours by reducing the level of uncertainty, anxiety and belief in the rumour. By having an open dialogue the level of uncertainty is reduced and the sense of control is improved as the public receives the information it needs and is able to participate in the dialogue. Increasing levels of trust within the OPR will decrease the belief in rumours as the rumours are thought to be implausible.

Whilst dialogue can change the type of organization-public relationship by shifting the focus onto the relationship and developing mutual understanding, it is unable to make the organization behave ethically towards its public or react to an issue (Kent & Taylor, 2002). Transparency is required for the realization of this outcome as it exposes organizational behaviour and encourages ethical decision-making as it is more likely to occur in organizations that operate in a transparent environment. It is because of the many benefits transparency brings to organization-public relationships that it has resulted in being hailed as the saviour against all corporate and government evils as its power lies in it being perceived as "an antidote to mismanagement and corruption" (von Furstenberg, 2001, p.106). Governments, corporate conglomerates, NGOs have all called for greater transparency in the operational side of things and reinforced the view that it is considered to be the universal cure for unethical practice and the only way to restore a damaged reputation.

When an organization-public relationship is damaged by the organization's behaviour the levels of trust diminish. Rebuilding trust requires transparency as publics need 'evidence' that the organization is doing what it claims to be. Figure 4 illustrates that as trust decreases the need for transparency increases along with its publics' demand

for engagement.
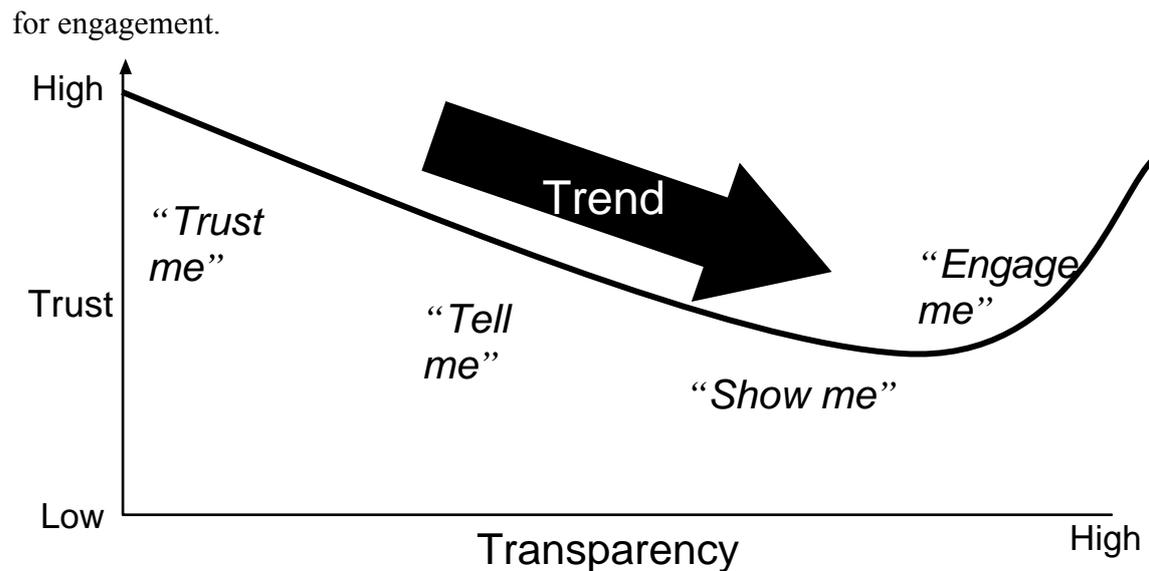


Figure 4 (Adapted from Shell, 2001)

*Transparency related outcomes*

Transparency is very important for organization-public relationships and can be viewed as a relational condition or variable that is a prerequisite for other relational elements such as trust and commitment (Christensen, 2002). It also can be argued that transparency provides the atmospheric conditions that allow trust, accountability, cooperation, collaboration and commitment to flourish.

Trust, accountability, cooperation, collaboration and commitment are all components of 'positive' organization-public relationships. Transparency instils a level of trust that is crucial, especially for organizations that have experienced crises and need to rebuild their reputations. Transparency is necessary in order for publics to trust that ethical communication and decision-making is taking place within the organization. As Grunig (cited in Center & Jackson, 2003, p.14) proposed, decisions or policies often create problems and active publics, which lead to the emergence of issues and without action, can turn into full-blown crises. However, if the organization-public relationship is 'positive' there will be transparency, communication, trust, cooperation, satisfaction, commitment as well as other relational characteristics present. Increased dialogue with active publics feeds into the organization's decision-making process, enabling it to deliver in what many cases is considered to be the 'least - worst' possible option. Survival will often depend upon the organization's

ability to predict the consequences of such decisions or policies amongst its key publics.

Transparency is considered a necessity for public relations practitioners interested in opening up the decision-making process and ensuring accountability and in pre-empting issues and averting expensive crises. Decision-making requires communication, information and knowledge, which provide more choices. If the process is transparent then publics are able to view the interaction and internal behaviour and can decide whether the organization actually does what it claims to be doing. This process feeds into corporate social responsibility (CSR), as transparency forces the organisation to consider ethics and values in relation to its own operations as well within its entire supply chain.

Transparency can be defined as a relational characteristic as well as with regard to environmental conditions and organisational processes. Florini (1998, p.50) defines transparency as being the opposite of secrecy in that the internal processes are purposefully exposed to the external world. As public relations practitioners collaborate and facilitate work in teams internal transparency increases.

A more in depth definition is provided in the IMF Code (1999, pp. 1-2, cited in von Furstenberg, 2001, p. 112) that defines transparency as being far more than simply releasing information into the public domain. It is also described as being an environmental condition that exists and within which the organization operates. Thus transparency has an impact on both the internal and external processes:

> "an environment in which the objective of policy, its legal, institutional, and economic framework, policy decisions and their rationale, data (related to the proper exercise of agencies' functions), and the terms of agencies' accountability, are provided to the public on an understandable, accessible and timely basis."

von Furstenberg (2001, pp. 107- 8) traces the origins of the concept of transparency to positivist philosophy and classical liberalism as a rationalist promise to limit and reduce abuses of power. In this capacity, transparency acts to reveal abuses of power

and show accountability. Transparency provides the economic and civil benefits resulting from predictability, trust and credibility. These benefits raise transparency onto a moral and ethical platform, which is why from the western perspective it should be applied internationally and across the board, with little regard to its incompatibility with other cultures.

Transparency contributes to the organization's reputation management as there are numerous benefits or transparency related outcomes that are enjoyed by transparent organizations: increased trust, credibility, cooperation with key publics, reduced information and transaction costs, and lowered risk premiums are some of the identifiable rewards. von Furstenberg (2001, p.108) acknowledges the good that transparency instills and credits it with reducing the levels of corruption and bad practice that flourish in opacity. When one organization commits to having a transparent approach often its competitors will feel coerced into complying or else risk being perceived as 'hiding something'. Technological advancements have been crucial for this transparency 'knock-on' effect as interested publics can quickly and easily compare competitors. The internet was partially responsible for the drive toward transparency in organizational behaviour. Information accessibility has forced organizations to rethink the potential outcomes of decisions and choices.

Transparency is a choice, encouraged by changing attitudes about what constitutes appropriate behaviour. Transparency and opacity are not either/or conditions; instead they represent the two opposite ends of a continuum (Florini, 1998, p.50) with perhaps a translucent category at the mid-point. Here the transparent organization is defined as one where both the internal and external processes are transparent. The translucent organization is one where either the internal or external processes are transparent, but not both, and the opaque organization is where both the internal and external processes are hidden or secret. It is likely that most organizations would be considered to be translucent given the above criteria.

Christensen (2002) analyses the notion of transparency as both an organizational condition as well as a business strategy and questions whether transparency is a condition or adoptable strategy. He proposes that corporate communication is a result of transparency as a condition and that "contemporary organizations not only describe

their communication environment in terms of transparency but also prescribe transparency in communications as the proper managerial response" (p.2). This idea links back and connects with Grunig's (2001) symmetrical and ethical communication model by using transparency as an environmental condition in order to promote ethical decision-making as the correct managerial response.

Christensen is critical of van Riel's (2000, p.158, cited in Christensen, 2002, p. 163) assumption that transparency is a 'basic requirement' for organizations operating today and questions where this condition for operation originates and whether it is a pre-existing condition or simply a survival strategy adopted during a crisis of trust. Christensen (2002, p.163) argues that whilst transparency is often presented or introduced as an environmental condition that shapes an organization's communications it is at the same time an "assumption necessary for organizations to pursue and justify their corporate ambitions." As a condition that shapes organizational behaviour transparency can be viewed as part of a persuasive response-shaping process, which is most effective when situations are radically new or when there is a new development within the organization's environment, which agrees with it being utilized as a survival strategy (Miller, 2002, p.7). The organization is 'socialized' to be transparent otherwise the consequences are negative, relationships with key publics are destroyed and its license to operate is withdrawn.

Christiansen (2002) differentiates between internal and external transparency. He argues that whilst the condition of transparency does not equate with self-transparency, where organizations are internally transparent, corporate communications with its overall ambition of coordinating and managing all organizational communication under one corporate identity has the underlying presupposition that the organization is self-transparent, which is seldom the reality (p.166). With multiple realities the idea of one single perspective is impractical and unsustainable. Christiansen argues that ambiguity can be far more productive as it allows the coexistence of multiple perspectives within an organizational entity. The more defined the identity becomes the more difficult it is to manage. Also, as transparency increases there is also more exposure to pluralism and multiple voices as opposed to the corporate communications ambition of 'one voice'.

Organizational transparency is based upon the assumption that external publics have access to the information and are also capable of processing it. It also assumes that access to more information allows publics to develop a more sophisticated understanding of the organization and the complex issues it faces. Frombrun and Rindova (2000, cited in Christensen, 2002, p.265) proposed that as information availability increased there was also an increase in trust and credibility and a decrease in the alienation of strategic publics, however too much information is overwhelming. Also, there is the incorrect assumption that communication equals information.

Reducing communication to purely information is problematic. Some organizations and more importantly individuals and / or groups only understand communication with stakeholders as the way to send information, adopting a conduit metaphor where messages are merely transferred from the sender to the receiver based upon the Shannon - Weaver model of communication (Fawkes, 2001, p. 13). However, Christensen (2002, p.165) suggests that reception theory is more relevant as it highlights the important point that receivers interpret messages in a creative and self-referential manner and are able to construct meaning that cannot be controlled or even completely determined by the sender. It is the publics' ability to process information and construct the resulting meaning (Iser, 1974, cited in Christensen, 2002, p.165).

Literature on transparency tends to deal with economic concerns such as the necessity of financial transparency or with corporate social responsibility initiatives because of the cost-reduction paradigm as crises are expensive to weather and expose the organization to unnecessary risk. Because of the link between transparency, trust and accountability there is naturally a strong interest in it as a solution for instantly restoring confidence to the organisation-public relationship. In cases where natural disasters have caused a crisis if the organization is responsive and transparent about its actions they are usually supported and embraced by the community. Transparency enables organizations that have been faced with a 'man made' crisis to have the world witness that they are making up for their sins and are setting 'right' what was perceived to be 'wrong'. It is required for repairing damaged reputations where trust is minimal or even completely lost. This restorative power or quality that transparency has permits organizations to rebuild trust by exposing accountability. Whether it is increased confidence in the organization's environmental and labour policies /

practice or increased investor confidence, transparency builds trust. Organizations are pressured into becoming more open by revealing the internal decision-making processes and operations to interested publics such as activist groups and nongovernmental organizations (Florini, 1998, p.50). The recent lack of investor confidence attributed to the exposure of illegal accounting practices, for example at Enron, has led investors to "put their money where transparency allows some predictability about the likelihood of returns. Thanks to globalization, they have a lot of options, creating a powerful economic incentive for ever higher degrees of disclosure" (Florini, 1998, p. 56). Organizations can no longer afford to be opaque, as transparency has related outcomes that claim to provide more benefit than cost.

Transparency increases the level of trust in an organization. As publics are demanding ethical behaviour from organizations, transparency becomes a necessity in order for the organization to gain the trust that it is doing what society expects of it. Trust is built when publics are able to discern that what the organization says is actually true. For many organizations, transparency translates into open accounting practices and CSR. Corporations such as Enron and WorldCom provide recent examples of organizations that effectively lost their license to operate mainly due to the lack of transparency involved in their accounting practices and triggered the demand for transparent operations globally. Transparency has become critical for trust to be maintained in relationships between publics and corporations. Revelations regarding Enron, whilst shocking were also portrayed as a 'one off'. However, with Xerox, WorldCom, and more recently Shell, the threat is very real and is not just confined to one particular area. Trust in the corporate world is decreasing and cynicism is increasing. Without transparency there is little trust, which is important for both cooperation and collaboration to occur. Trust is also the foundation of a positive relationship.

Along with increasing trust, transparency also increases the level of accountability in an organization. Many different publics have a vested interest in encouraging organizations to embrace transparency. Financial investors both demand transparency from publicly listed companies and are required to be transparent themselves after recent allegations and court cases regarding conflict of interest as financial analysts promoted IPOs (initial public offerings) whilst their colleagues at the same financial

institutions were responsible for those floatations. Coombes and Watson (2001) found in a McKinsey survey on corporate reform in the developing world that greater transparency or disclosure ranked as being most important amongst reforms within a company's control. As the recognition of the importance of transparency increases there are obvious implications for public relations practitioners working in the area of investor relations or financial public relations, where publics are already demanding transparency. Pressure from financial analysts and shareholders for increased financial reporting regulations indicates that there is a strong suspicion that appropriate information is not being disclosed (Ho & Wong, 2001). Global business and investors require the uninterrupted free flow of information, making transparency a necessity. Ethical funds continue to gain interest with fund managers and investors, as shareholders are more informed and concerned about corporate social responsibility issues along the entire supply chain.

As transparency increases the level of trust this in turn has an effect on the level of collaboration and cooperation in organizations (Parks & Hilbert, 1995, cited in deCremeer & Dewitte, 2002). Transparency is very important for collaborative work, which requires the involved parties to trust that what is being done is being done to the agreed standard. Because transparency makes it clear where accountability lies people are more inclined to do a good job. If individuals and organizations are required to be accountable for their decisions and actions, then it is likely that they will conform and cooperate if cooperation is perceived to be positive. Once it is clear where accountability lies, cooperation is more likely to occur, as a level of trust exists. Because transparency increases trust, it is key for determining levels of cooperation. Organizations and publics regularly are required to co-operate in mixed-motive situations. De Cremer and Dewitte (2002, p.542) state that expectations concerning reciprocity may ultimately influence the level of cooperation. A high level of transparency and trust should lead to a high level of cooperation. Opaque organizations do not promote high levels of trust, in fact the reverse tends to be the result which may lead to a negative downward spiral of low trust leading to low levels of cooperation just when it is crucial for the organization to survive a crisis situation. Without trust collaboration is minimal, as people do not want to work with untrustworthy colleagues or institutions. Transparency rebuilds trust where it is

lacking and provides an environment where collaboration can exist as it exposes what is going on, and therefore increases the level of trust.

*The dark side of transparency*

Transparency is often viewed as a 'quick fix' solution that makes accountability abundantly clear by providing a scapegoat and thus exonerating an organization from its crimes or misdeeds. The drive for corporate and organizational transparency has been fuelled, and largely made possible, by the advances in communication technology and specifically the internet (Florini, 1998, p.52). Transparency enforces the maintenance of standards via the underlying coercive threat of exposing bad practice: regulation by revelation. In this way it is similar to 'self-censorship' where individuals and organizations censor themselves ensuring that society or the government does not do the censoring for them. However this only works when there is enough interest in what is revealed to spark or 'kick-start' a reaction of some sort, for example boycotts or a drop in share value, and it only focuses on the observable behaviour and not the actual intent that lies behind it.

In addition to not being transparent at the source there are other negative consequences regarding transparency. Whilst the IMF promotes transparency it also acknowledges that there is a cost in that it can lower the decision-making quality: "[T]he rationale for limiting some types of disclosure arises because it could adversely affect the decision-making process and the effectiveness of policies..." (IMF, 1999, pp.1-2). Unsavory or difficult decisions may be put off or not even made for fear of the media and the ensuing public outcry when in reality those decisions might be better for the survival of the organization in the long-term.

Transparency becomes easier to establish if it is done in a climate of reciprocity, otherwise organizations may feel vulnerable regarding competitors (von Furstenberg, 2001, p. 113). Individuals are also likely to censor what they say or may perceive what others say in a negative light by adding value judgments contributing to possible organizational depression, which affects individual and group performance. Political correctness could negatively influence transparent behaviour and lead to the inhibition of creative and innovative outcomes, or worse to social conformity. Therefore transparency operating in a climate of political correctness could be highly oppressive

and possibly lead to, or result from, behaviourist approaches to leadership rather than constructivist ones.

Florini (1998, p.60) emphasized that transparency only exposes behaviour and does not shed light upon the actual intent behind the behaviour, therefore hidden agendas remain undisclosed. This relates to criticisms regarding sender-receiver models where the connotative meaning of the message is undisclosed and therefore inhibits appropriate interpretation and the construction of meaning.

von Furstenberg (2001, p. 107) argues that transparency is a relational variable that is culture bound and is derived from three hundred years of European and American social philosophy and is therefore not applicable as a universal relational condition given the impact of globalization on organizations. An organization may be transparent in one country but be unable to be transparent in another where the concept of transparency goes against the cultural norms. Like Florini (1998), von Furstenberg (2001) is concerned that transparency only reveals the behaviour and not the intent behind it. Organizations such as the EU, IMF, and donor countries can impose transparency upon 'weaker' or more vulnerable cultures as a form of 'cultural imperialism' by pretending it is for their own good, where as in reality there is another opaque vested interest at work. Organizations are forced into transparency except perhaps for NGOs and organizations with good reputations as it is assumed they are ethical and that they are doing good work. von Furstenberg's main argument against the popular uptake of transparency is that the actual term 'transparency' has been over used and as a result has become watered down and meaningless.

von Furstenberg warns that transparency comes at the cost of privacy and control (2001, p. 108) and that it is important to keep in mind the vested interests behind it. Because of the inherent dangers involved it is crucial to determine who gives transparency, who benefits from it, "and up to what point the benefits to one side exceed the costs to the other" (2001, p. 108). There may also be a point where too much transparency as mentioned earlier actually hinders the purpose by watering down the decision-making quality. This may be heavily influenced by developments and access to technology where information overload, without the possibility of discriminating between what is relevant and what is noise confuses and hinders the

construction of meaning or even worse prevents it, resulting in social apathy. A possible role for public relations practitioners could be to help filter information, which enables others to construct meaning, energizing the social engagement.

**Stakeholder fatigue syndrome**

As practitioners become more interested in managing the organization's relationships with its publics and invest resources into engagement activities there is also the risk of over engagement. Initially the targeted public may be flattered and intrigued by the attention, however when they start to feel inundated with communication and relationship building activities 'stakeholder fatigue' may set in. Stakeholder fatigue occurs when organizations solicit too much contact with key publics. The organization's keenness to build and maintain 'positive' relationships with these key publics results in the actual mismanagement of the relationship. The magnitude of communication activities becomes overwhelming and leads to disengagement. Many publics are interested only in specific areas of the organization's operation and prefer to obtain information on a 'need-to-know' basis. Communication that deals with peripheral operations is most unwelcome and leads to relationship fatigue.

Christensen (2002, p.165) argues that there is an implicit assumption in the literature that external publics both want and demand organizational transparency, which is established via communication. Communication is readily equated with information, thus the reasoning that external publics want more information. However, there is a backlash occurring as publics are overwhelmed by the amount of communication and information sent their way (i.e. Shell's Athabasca Oil Sands Project – 'stakeholder fatigue syndrome' was a result of strategic publics being overwhelmed by the organization's well-meaning attention).

Some of the assumptions that lead and shape organizational strategies for coping with transparency as an environmental condition are linked with society's expectations regarding democracy and a free marketplace. But do publics really want unrestricted communication? There is no empirical evidence for this assumption and terms such as 'stakeholder fatigue' indicate the mismanagement of organization-public relationships where publics have been overwhelmed by the amount of communication and attention they have received. Christensen proposes that the cultural dimension of uncertainty

avoidance (Hofstede, 2001, pp 145-199) should not be mistaken for interest in organizations by external publics, and that except for a select few special interest groups who construct their own meaning, most external publics simply want assurances that the organizations they interact with are behaving in a socially acceptable and responsible manner.

**Recent public relations research on evaluating relationships**

Since 1999 interest in evaluating the organization-public relationship has increased. A number of quantitative studies have been conducted that use various scales that measure many of the relational elements or characteristics previously outlined. However the vast majority of the studies reviewed evaluated the organization-public relationship solely from the perspective of the particular public involved with the exception of Ni's (2007) research into employee-organization relationships (EOR) which used a qualitative methodology and included interviews with both employees and managers. However the rest of the studies so far have not included both the organization's perspective as well as the public's perspective and with the exception of Ni's study very little qualitative research on the organization-public relationship has been conducted, resulting in a major gap in this area. As public relations falls within the domain of social research particular research questions require specific approaches. Quantitative methods are singularly useful for identifying factors or variables that may influence an outcome or in enabling a level of prediction (Creswell, 2003, pp 21-22). However qualitative methods are best for understanding a new concept or phenomenon, such as the actual organization-public relationship as this research approach is exploratory in nature and seeks to understand and describe the actual relationship. If interest is in the quality of the OPR then a deeper understanding could only be achieved via qualitative research where the relationship is the phenomenon that is explored from both the perspective of the organization and the particular public. Qualitative research is also more suitable for understanding the background context of the relationship as this will influence both the organization and its public's perceptions of the relationship.

Research conducted by Ledingham, Bruning and Wilson (1999) found that the longer the organization-public relationship existed the more expectations the public had regarding the organization and its responsibilities, which is congruent with

interpersonal relationships and intuitively is what one would expect. Bruning and Ledingham (1999) developed an organization-public relationship scale and used it to determine the status of a relationship. The relational elements of trust, openness, involvement, investment, commitment, reciprocity, mutual legitimacy and mutual understanding were included as part of the survey instrument, which they found could measure the influence that perceptions of the organization-public relationship had on consumer attitudes. The results supported the idea that organization-public relationships were multidimensional in that there were professional, personal, and community relationship dimensions. Each dimension had different expectations from the public, which translated into different strategies that could be employed by the organization to maintain or improve the relationship. For example, the professional relationship required the organization to invest financially in the relationship, personal relationships required trust between the organization and the public and that the organization was willing to invest time and be emotionally engaged with the public, while the community relationship needed the organization to be open with the community, invest in CSR programmes, sponsor events and in general engage with the community and its development.

Further quantitative research conducted by Bruning and Ledingham (2000) using the same scale and data set examined the ways in which relationship attitudes affected satisfaction evaluations. The research indicated that satisfaction with the organization was influenced by the key public members' perceptions of the relationship, which would be expected, as satisfaction is a relational element and if the relationship was perceived to be unsatisfactory then it would be rather odd if the public was still satisfied with the organization. However as the research was meant to explore the attitude towards the relationship in order to assess whether it affected satisfaction levels a qualitative approach would have yielded a more in-depth view, and if there were areas in which levels of satisfaction towards the organization were low the reasons why this was the case could be explored, described and understood.

Again using the Bruning – Ledingham Relationship Scale, Ledingham (2001) carried out a further study, which looked at the perceptions of public members. Despite a low response rate (17%) for making generalizations, Ledingham concluded that the scale was an effective tool for assessing relationship quality and predicting the behaviour of

a strategic public. Bruning (2002) provided additional evidence that a positive organization-public relationship influences the public's behaviour, which provides further support for the utilization of the relational perspective by practitioners interested in changing or reinforcing behaviour. Bruning, Langenhop and Green (2004) again found that the public's perception of the organization-public relationship influenced their behaviour towards the organization.

Other researchers such as Huang (2001) developed a cross-cultural multiple item scale, Organization-Public Relationship Assessment (OPRA), similar to the Bruning-Ledingham Relationship Scale for measuring the organization-public relationship but which included a Chinese cultural variable. Whilst Huang's study employed a qualitative method the research design was primarily quantitative in its approach.

The key weaknesses in the quantitative research conducted so far is the fact that it is still very much a one-sided analysis using predetermined instruments that provide statistical data. This type of data does not provide a description of what the relationship is like and what it means for those involved in it. For a comprehensive relationship analysis a qualitative co-orientational approach that assesses all the actors in the relationship and their perceptions of it would provide a more holistic view (Broom & Dozier, 1990).

*Analysing the organization-public relationship*

Broom and Dozier (1990) were amongst the first in public relations academia to discuss ways in which it is possible to analyze the relationship between a particular public and an organization and built upon and promoted McLeod and Chaffee's (1973) co-orientational model. As a starting point it becomes necessary to first know what it is that the public knows about the organization, as well as what the organization knows about the public – and in particular about the issue that may have created the public, for example an environmental issue. This feeds into audits that research the position of the organization and its public. Individual members of the public are surveyed to find out their position, and the distance between the organization and the public's position can then be calculated. This type of audit is referred to as a 'gap analysis'. Broom and Dozier (1990) criticise this approach, as it is only useful if the public relations objective is that of changing the public's position.

It finds out how far removed the public's views are on an issue from those held by the organization, in order to close the 'gap', usually by changing the views of the public. The co-orientational approach however, provides a more holistic view as it measures both parties' perceptions of the relationship.

Once the perceptions of the organization and the particular public are analysed it is possible to calculate the co-orientational variables, which McLeod and Chaffee (1973, pp. 483-88, cited in Broom & Dozier, 1990, p.37) refer to as: agreement, accuracy, and perceived agreement. Agreement is understood to refer to the degree that the organization and public agree or at least have similar views regarding the particular issue. Accuracy is understood to refer to the degree that one side is able to correctly estimate the views of the 'opposing' side. Finally, perceived agreement refers to the degree that one side's views match what they perceive to be the other side's views. These three variables also provide room to consider inaccurate perceptions, true consensus, dissensus, false consensus (when an organization 'pretends' to hold the same views as the public and even provides evidence in the form of actions and policies when in reality this is just done to 'fool' the public), and false conflict (when both sides agree but one side inaccurately perceives the other side's views as being different).

Until Verčič and Tkalac's (2004) research on the communication behaviour between the Slovenian and Croatian 'general' publics very few studies employed the co-orientation approach, which is surprising as it exposes the different perceptions of the co-orientational indicators (as defined by McLeod & Chaffee, 1973, cited in Broom & Dozier, 1990, pp.82-83). This again highlights the fact that although public relations is positioned as being interdisciplinary, models such as the coorientation model which hail from the interpersonal communication domain have largely been ignored.

In analyzing the organization-public relationship it is also important to remember that the organization's environment contains multiple publics. As Springston and Keyton (2001) point out, most public relations models focus on one-way and two-way communication scenarios. However, these models are inadequate to explore the complexities found in relationships with the organization and conflicting publics. The organization's relationship with one public will have implications for its relationship with other publics, and depending upon the relationship between the publics related to

the organization, managing these relationships in harmony (or a state of equilibrium) might not be possible. It also needs to be recognized that many publics have relationships with each other that may be completely independent of the particular organization. Also it is possible that an organization's relationship with another organization could create conflict and hostilities from a public that previously it had no relationship with. For example, the Royal Bank of Scotland was targeted by animal rights groups because of its relationship with Huntingdon Life Sciences, an organization that used animal testing practices. Just as organizations do not operate in isolation neither do publics and stakeholders. The implications are that stakeholder groups and publics are connected whether or not they realise it. The organization's relationship with one stakeholder will have an affect on another and the same goes for identifiable publics. Relationships do not occur in isolation or sterile bubbles.

Springston and Keyton's (2001) public relations field dynamics (PRFD) provides another method for understanding the complexities of the multi-public environment. Based on group dynamics theory, PRFD measures the organization and its publics at a particular point in time, or across the entire development of an issue. PRFD is able to assess types of coorientation as it describes the publics' perceptions of the current situation, the best possible scenario, and the worst-case scenario, which makes it valuable for scenario planning exercises. PRFD provides another useful instrument for assessing the perceptions of multiple publics towards each other as well as toward the organization.

Research using the co-orientational approach has analyzed the relationship between the organization and public whilst referring to a particular issue. Minimal research has been done using the co-orientational approach to assess the actual quality of the relationship, focusing on the relational elements of trust, satisfaction commitment, control mutuality, dialogue and transparency. Using PRFD it is possible to triangulate the co-orientational approach by assessing the relationships between the publics as well as the organization to see if it agrees with the assessment of the organization-public relationship.

**Implications for public relations**

Public relations has struggled with an identity crisis and has failed to adopt an accepted definition of what it is nor agreed to what it does. While public relations is interdisciplinary it remains blinkered to developments in related fields and neighbouring disciplines such as marketing with its emerging relationship marketing paradigm. Ferguson's (1984) challenge to academics and practitioners to take a fresh approach to public relations and focus on the organization's relationships with its publics instigated interest in identifying relational elements and quantitative instruments to measure them. If public relations practitioners want to gain recognition from senior management they will have to prove they can offer strategic advice relating to the continued survival of the organization.  Instead of being used as a promotional aid for marketing, public relations should be responsible for identifying key publics and stakeholders and managing relationships with them in order to reduce conflict situations. By doing this practitioners will move towards a 'revenue generation' model by increasing goodwill and understanding between the organization and the publics who grant its license to operate whilst enabling the organization to achieve sustained performance, competitive advantage, effectiveness, and deliver value.

Whilst relational elements such as trust, commitment, mutual satisfaction and control mutuality have been identified (Hon & Grunig, 1999) relational elements such as dialogue and transparency have been neglected in recent research on organization-public relationships and yet both are central for the grooming, developing, and maintenance of important relationships. The shift in public relations toward a relational perspective emphasizes the need to use dialogue to resolve conflicts whilst building and maintaining relationships with strategic publics. Transparency provides conditions that allow trust, accountability, cooperation, collaboration and commitment to grow but can also act as a coercive force. Publics and stakeholders are demanding transparency as a result of bad corporate practices that have had an impact on the social and economic environment. Transparency verifies that an organization is behaving ethically both locally and internationally and actually doing what it says it is doing. Social and environmental change has forced organizations to re-evaluate their business practices as various crises have led to a lack of trust in organizations and

increased cynicism regarding organizational behaviour. Organization-public relationships are now considered to be very important for the organization's ability to successfully meet it mission objectives and they are ignored at the organization's peril.

Evaluating the organization-public relationship has recently been the focus for a number of studies. Quantitative methodologies have almost solely been utilized for examining and exploring organization-public relationships and yet the relational perspective implies a need for qualitative work. Academics and practitioners should want to understand how organizations and strategic publics perceive the relationship they have with each other in order to be able to diagnose the health and survival of the relationship. It is important to understand what the relationship actually means, how it is perceived and how meaning is constructed and what that meaning is for those involved. It is all very good to be able to quantitatively measure a relational element such as trust and assign it a number on a scale but what does this really mean, why is this the situation, what was the reason for this to happen, etcetera. As such a detailed view and understanding of the relationship is required the relational perspective is predisposed towards qualitative research. By utilizing a co-orientational approach differences in agreement, accuracy, and the perceived agreement of the other relational party exposes inaccurate perception's each side has of the other side's views. This analysis allows practitioners to zone in on where perceptual differences exist and are therefore in a position to resolve issues by addressing the cause before it develops into a crisis.

The relational perspective of public relations is key for future theoretical advancements and also for defining the field and setting up its jurisdictional boundaries. If public relations continues to fragment and divide into specialist areas such as public affairs, corporate social responsibility, investor relations, etcetera, then it is likely that it will not survive as a distinct discipline. The relational perspective fundamentally unites the specialist areas together as regardless of the area of practice or context the focus remains on the organization-public relationship.

The relational perspective allows public relations to draw upon other disciplines that also interested in the dynamics of interpersonal relationships, such as marketing and

interpersonal communication without being subsumed by them because of the unique organization-public relationship focus that only public relations offers. Practitioners need to be aware of developments in neighbouring fields and also to recognize and adopt skills that are of great benefit for developing and maintaining relationships such as negotiation, conflict resolution and counselling skills. The relational perspective allows academics and practitioners the room to explore the organization, its publics and the relationships they all have and share with each other in order to gain a holistic view and understanding of the actual environment the organization operates in. This overall view enables practitioners to understand the relationships between different groups and the organization and to prioritise them according to the level of importance and impact upon the environment. It also allows for the development of proactive strategies for grooming, developing and maintaining organization-public relationships, which are critical for the organization's survival.

The relational perspective increases organizational effectiveness by building and maintaining critical relationships with the organization's strategic publics. By facilitating and maintaining 'positive' relationships with key publics, public relations practitioners are able to proactively position the organization, reduce the risk of conflict and avert costly crises. The relational perspective also contributes directly toward reputation management. By managing the organization's relationships with important groups there is less likelihood that a 'man-made' crisis will develop and harm the organization's reputation. Current research has ignored qualitative approaches creating a major gap and therefore future research should initially focus on qualitative approaches before further replication of the multiple dimension organization-public relationship scales is done in other sectors and cultural contexts. As public relations continues to evolve there is an understanding that there is far more to it than simply managing the communication between an organization and its publics and that the relational perspective is really the only way forward for the discipline.

## Chapter 3  Researching organization-community relations in the oil industry

*"People who write about methodology often forget that it is a matter of strategy, not of morals"* (Itomans, G.C., 1949, p.330)


This chapter discusses the research approach and methods adopted in this investigation of an organization-public relationship within the context of the SPOG industry-community relationship in Sundre, Alberta, Canada. It starts with a brief discussion relating to the researcher's position and personal bias before moving on to an introduction of the two main research paradigms before focusing on the phenomenological approach and specific interviewing methods used, and finally some personal reflections upon the research process. A minor part of this study included participant observation and also gathering co-orientational data via structured questionnaires.

My affiliation and familiarity with the petroleum industry before this research was conducted was mostly indirect and 'second hand' via my father who worked for petroleum companies as an exploration geologist and geophysicist.  I grew up with the petroleum jargon and the organizational environment was familiar as the politics and internal company issues were often discussed at the family dinner table. Political interests pertaining to oil resources, current events, and various conspiracy theories were discussed, argued, and regularly analyzed[11].

---

[11] My perceptions of the petroleum industry have been coloured by my father's experiences and anecdotes. He had mixed experiences working within the oil industry. As an Iranian working in Iran for foreign oil companies during the 60s to mid-70s he experienced the brunt of expatriate behaviour towards national (indigenous) employees, and the double standards in treatment towards national employees compared with expatriate employees, and also saw how these oil companies treated the local communities. There was social segregation as Iranians were not permitted to enter expatriate accommodation areas, go to the golf club, and even a national food, rice, was considered 'dirty'. My mother also experienced being treated badly but in her case it was because she had married an Iranian as she is English and the expatriate British community rejected her because of this. At the same time my father enjoyed his work and met people who were supportive and tried to change attitudes and conditions for the national employees and local citizens.  My father also worked and lived in the UK before being transferred to Calgary in 1980 and these later experiences were very different as there was not the same expatriate culture and the oil companies had quite a different relationship with the British and Canadian governments compared with Iran.

Whilst I picked up on aspects of the organizational culture found in oil companies from my father I also witnessed the negative impact of the petroleum industry on communities. For example Calgary went through a 'boom and bust' cycle in the 80s and there was a big increase in the cost of living for the local residents, especially the increase in the cost of housing and later there was the subsequent drop in house prices when the oil industry downsized which meant that many people lost their homes as well as their jobs. My personal bias and tension is that whilst I do recognize the need for petroleum products in today's society and my own dependence upon them I also feel that this industry has not adequately respected the communities it has used – both in countries where regulation and governmental institutions are weak as well as in countries like Canada where citizens are protected and are aware of their rights.

I discussed some of this research with my father as at times I needed clarification relating to particular terminology and also to relay some of the stories I heard in Sundre which I thought he would find interesting. My father retired from the oil industry in 1984 and whilst some things he thought seemed all too familiar other things such as community engagement within the Canadian context had improved. I come from a family that is paradoxically both cynical and idealistic. When it comes to oil interests whilst I think I am not as suspicious as my father I was conscious that I needed to be aware of my personal feelings and suspicions and try not to have them colour the data or the analysis. At the same time I have an idealist streak and as I had heard that the industry-community relationship in Sundre was working relatively well I was curious as to see if this was indeed the situation and if so why the relationship was this way, and could other industry-community relationships benefit.

**Research orientation and paradigm position**

The relational paradigm within public relations is of academic interest because it is an area that is central to public relations practice; developing and maintaining relationships between an organization and its publics with the general motive being that the organization is granted its social license to operate. The relational paradigm is of critical importance for conflict resolution and corporate social responsibility approaches and activities. Organizations are more aware that they depend upon having good relationships with key publics if they are to continue operating without the heavy chains of regulation. Organizations that ignore their key publics often

experience expensive crises which impact profitability, share price and reputation, but also risk instigating governmental interference in the form of regulatory adjustments.

As mentioned in Chapter 2, the majority of research conducted within the public relations relational paradigm has been quantitative in nature (Bruning & Ledingham, 1999; Ledingham & Bruning, 2000; Huang, 2001; Ledingham, 2001; Bruning, 2002), with the exception of Ni's (2007) qualitative study. Most of the quantitative studies focused on identifying particular relational characteristics and indicators through factor analysis and assessing the organization-public relationship by surveying the target public's opinion. Ni's (2007) research was a refreshing change as she used qualitative in-depth interviews with both managers and employees in order to develop an understanding of the employee-organization relationship (EOR).

There is a noticeable lack of qualitative research exploring organization-public relationships despite Grunig's (2002) call for qualitative studies. The paucity of qualitative research in this area is surprising as qualitative approaches are more suited to evaluating how relationships are perceived and experienced as they provide a rich description and holistic view of the relationship, which may be more useful for understanding the state of the relationship compared with what a quantitative approach would reveal. For example quantitative approaches have only been able to identify if a sample of a particular public indicates they are satisfied with the organization-public relationship, but there is no understanding of why they are satisfied. This investigation into the SPOG industry-community relationship primarily adopted a qualitative approach for the reasons outlined above.

A minor part of this research was based within the quantitative paradigm. The rationale for including this aspect was mostly for triangulation purposes and also to attempt gaining a quantitative co-orientational snapshot of the SPOG industry-community relationship. Although highly weighted toward the qualitative perspective, the mixed-method approach was considered useful for cross referencing the sentiments expressed via the main qualitative perspective. All research approaches and methods have limitations and biases and it was thought that by utilizing a quantitative method as a small element of the research some of the biases would be reduced, and ideally by triangulating different data sources, qualitative and

quantitative, convergence could be achieved (Creswell, 2003, p.15). It must be emphasized that the driving paradigm is qualitative and that the quantitative element was only used as a 'double checking' devise.

Quantitative and qualitative research paradigms provide different views of the world owing to the differing epistemological assumptions, and whilst there has been much debate regarding which approach is best, both research paradigms are based upon rich traditions of inquiry. Quantitative research is based upon positivist/postpositivist assumptions, which essentially are based upon a deterministic outlook. Within in the positivist/postpositivist perspective interest is on cause and effect and the objective measurement and classification of observable behaviour. The scientific method is followed which entails starting with a theory/hypothesis and collecting data that either supports or negates it, therefore using a deductive process. By adhering to the scientific method researchers are able to identify and develop true statements that describe the cause and effect relationship (Creswell, 2003). Quantitative research relies on "extensive observation" which Broom and Dozier (1990, p.144) describe as meaning the limited observation of a large sample. In contrast, qualitative research is described as "intensive observation" (1990, p.143) as there is in-depth observation of a small sample. Quantitative research approaches are dominant outside of the social sciences as its features, such as objectivity, value-free, reliability, controlled, hypothesis-testing, and generalization are highly prized (Silverman, 2000, p.2).

Qualitative research is based upon the premise that individuals search for an understanding of the world in which they participate and therefore researchers operating within this paradigm see the importance that context has for studying the phenomenon. The interpretations and meanings relating to their experiences are varied and complex and result in rich detailed descriptions of the phenomena researched (Creswell, 1998, p.17).

According to Denzin and Lincoln during the past 30 years a qualitative methodological revolution has occurred. Disciplinary boundaries have become blurred, particularly in areas that have interdisciplinary roots, such as public relations (2003, p.vii). Denzin and Lincoln noticed that the social sciences and humanities

have both focused more on qualitative approaches to theory building and research, thus improving its status and acceptance as a valid research approach.

Qualitative research has a distinguished but also troubled history. It gained recognition via the work of the Chicago School sociologists in the 1920s-1930s, and also from the pioneering work of anthropologists (Denzin & Lincoln, 2003). Schwandt (2003, p.293) explained the academic and professional politics that exist within the qualitative approach owing to the intellectual developments that spanned feminism and postmodernism, as well as inter-university departmental squabbling over perceived research hierarchies and agendas, specifically relating to the value of qualitative research. There is the perception that quantitative research receives far more external funding and many academic journals are perceived to be biased towards publishing quantitative research.

As qualitative approaches became more popular they were gradually adopted in other disciplines such as education, psychology, as well as other sociological-based disciplines such as public relations, media studies, communication studies, and even business and management studies. Whilst qualitative methods were initially used in order to understand the exotic 'other', they now were used in order to understand social phenomena. In light of the fact that qualitative research has come to mean different things as it has evolved since the 1920s, Denzin and Lincoln developed a general definition of qualitative research as being:

> "…*a situated activity that locates the observer in the world. It consists of a set of interpretive, material practices that make the world visible. These practices transform the world, They turn the world into a series of representations, including field notes, interviews, conversations, photographs, recordings, and memos to the self. At this level, qualitative research involves an interpretive, naturalistic approach to the world. This means that qualitative researchers study things in their natural settings, attempting to make sense out of, or to interpret, phenomena in terms of the meanings people bring to them.*" (2003, p. 4)

Denzin and Lincoln's (2003) definition emphasizes the critical differences between qualitative and quantitative research paradigms. The context, or natural setting, is of great importance for qualitative researchers as it shapes the phenomena in it. Qualitative research is also interpretive, often inductive, and focuses on making sense of phenomena by examining representations of the world. Part of the difficulty in

defining qualitative research is that it does not subscribe to one theory or single paradigm. Instead it draws upon numerous methods and approaches which lead to different representations or facets of the phenomena. Amongst the numerous approaches ethnomethodology, ethnography, phenomenology, feminism, biography, participant observation, and psychoanalysis are a few of the more common ones (Denzin & Lincoln, 2003, p.10).

A qualitative paradigm was chosen as the main inquiry process for understanding the OPR, (in this case, the relationship between SPOG industry and community members) based upon constructing a complex, holistic picture of the phenomenon. The qualitative methodology utilizes an inductive logic, whereby categories emerge from informants as opposed to being identified *a priori* by the researcher. This provides rich 'context-bound' information leading to patterns or theories that help produce a picture that describes the phenomenon clearly. A phenomenological approach was decided upon for this descriptive study as the central interest was in developing a picture from the actual experiences of those involved in the industry-community relationship in order to gain an understanding of the phenomenon as a whole, rather than studying the cause-effect relationships for the organization-public relationship.

**The phenomenological orientation**

Phenomenology is defined as "the study of human experience and of the way things present themselves to us in and through such experience" (Soklolwski, 2000, p. 2). Phenomenology is described as being a movement that epitomized the European philosophical outlook in the twentieth century led by Edmund Husserl (1859-1938), the 'father' of phenomenology (Cohen, Manion & Morrison, 2000, p. 24), who wanted to shift the focus of philosophy from its "abstract metaphysical speculation" to the concrete lived experience (Moran, 2000, p.xiii). Phenomenology became popular in France and was taken up by Levinas, Sartre, Merleau-Ponty, and Ricoeur. It was also of significance in other parts of Europe as well as the United States and influenced other traditions such as hermeneutics and deconstruction (Soklowski, 2000). Although Husserl is recognized for developing 'modern' phenomenology its roots can be traced back to Kant, and Hegel (Moran, 2000; Groenewald, 2004).

Husserl viewed phenomenology as a radically new discipline that required a shift in perspective and was interested in looking beyond the details of everyday life and uncovering the underlying essences or experiences relating to the phenomenon, the science of pure phenomena (Eagleton, 1983, p.55). Husserl disagreed that objects, or phenomena, in the external world existed independently and instead argued that people could only understand how objects were perceived within their own consciousness. This understanding was achieved by examining personal experience, which reduced the 'external world' to the conscious experience. Therefore reality is based on how external phenomena are perceived (Groenewald, 2004). The phenomenological perspective views every experience we have as an experience relating to an object, (Soklowski, 2000), therefore consciousness exists because we are conscious of something. This perspective is a shift from the Cartesian, Hobbesian, and Lockean philosophical understanding of consciousness which was connected to an awareness of ourselves, which was separated from the 'outside world' (Sokolowski, 2000) and was a return to the appreciation of concrete experience as apposed to the abstract (Moustakas, 1994).

Husserl's ideas were influenced by Bentano (1838-1917) who thought that consciousness had intentionality as people were *conscious of* something (Holloway, 1997,p.117, cited in Groenewald, 2004). Heidegger (1889-1976), Husserl's student and later rival, introduced the concept of 'being there', the relationship between a person and the world they directly experience (Groenewald, 2004, p.4) and developed existential phenomenology which was adopted and further developed by Sartre and Merleau-Ponty.

As a research approach phenomenology is concerned with describing the lived experience of the phenomenon under examination (Kvale, 1996, cited in Groenewald, 2004), and the method used is the in-depth qualitative interview. The phenomenological interview approach was based upon the ideas of Edmund Husserl and Alfred Schutz, and its use was first attributed to Cicourel's (1944, citied in Fontana, 2002, p 165) research work. According to Cicourel, the interview relies on 'commonsense' thinking. Without the 'commonsense' thinking and the ability of the interviewer and interviewees to share a similar understanding or 'commonsense' the interview would fail. The meaning of both questions and answers must be commonly understood and shared by all participants taking part in the interview. Members of a

society, community, or public share what Schutz called a "common stock of knowledge that allows them to understand and reciprocate actions" (1962, 1964, 1966 cited in Fontana, 2002, p.165).

It was not until the 1960s and 1970s that phenomenology as a research approach became more popular (Fontana, 2002, p 165; Stone, 1988, cited in Groenewald, 2004) as the approach became understood as describing phenomena from the perspectives of those involved. Researchers adopting the phenomenological orientation were concerned with describing the 'lived experiences' of people involved with the object being researched (Kvale, 1996; Groenewald, 2004). However, possibly one of the reasons why very little phenomenological oriented research has been done within the field of public relations is that there are no prescribed techniques (Holloway 1997, cited in Groenewald, 2004) which leads to a sense of insecurity for the researcher compared with other qualitative research traditions such as the case study approach or quantitative approaches which are highly structured. However, it could also be that as public relations as an academic and research area matures more varied methodological approaches will be adopted. Whilst there is plenty of literature available on phenomenology, especially relating to its philosophical roots, there is limited literature that provides guidelines on actually conducting phenomenological research. The exception to this limitation includes Morriessette (1999) and Groenewald's (2004) guidelines for analyzing data via the phenomenological lens which were useful for developing an analysis framework and these have been applied to the research design of this thesis.

*Qualitative Interviewing*

The in-depth qualitative research interview method was the main method chosen for this study and is considered to be one of the most popular methods used in the social sciences but according to Fontana (2002) it remains one of the least analyzed and a scientific theory regarding it does not yet exist. Fontana (2002, p. 161) posits that postmodern trends in interviewing are distinctly different from modernism. Instead of focusing on grand metatheories, fragments or slices of society are studied. Postmodern research has provided more questions than answers and has impacted our understanding of the nature of experience. It has changed the nature of interviewing as members of society have become extremely familiar with being interviewed or even

asking questions themselves. Broadcast media devote a large amount of news and current affairs programming to focusing on interviews, which has made society very familiar with the interviewing process. So much so that people have internalized knowledge regarding the routine rules of interviewing and therefore no longer required detailed instructions from the interviewer, but simply an agreement to be interviewed (Fontana, 2002, p 161).

There are a number of different approaches that researches can adopt when using the interview method. Interviews can be formal and semi-structured, and informal, open, ethnographic, and conversational. Each approach has its merits and drawbacks. Survey interviewing is a standardized approach to interviewing as each participant is given the same questions in the same order so that the difference in responses may be attributed to the differences between the participants instead of the interview process. Questions are usually closed-ended and do not allow for much elaboration if any as the interviews are highly prescribed. The survey interview approach strives to remove interviewer error from the process by ensuring the participants are exposed to the same procedure (Singleton & Straits, pp 69-70). In contrast qualitative interviewing is described as being based in conversation (Kvale, 1996, cited in Warren, 2002, p.83) and the process is more constructivist rather than the positivist approach found in survey interviewing. The qualitative interviewing approach is discussed in more depth on page 90.

A postmodern perspective allows for multiple 'truths' to exist as it permits multiple meanings and contexts to co-exist regarding a specific phenomenon. There is an increased sensitivity and interest regarding problems that had previously been 'glossed over'. For example, Ledingham (2003, p 190) has provided the following general theory for OPRs: "*Effectively managing organizational-public relationships around common interests and shared goals, over time, results in mutual understanding and benefit for interacting organizations and publics.*"

There are a number of assumptions in Ledingham's OPR theory that are assumed to be true. For example, that it is possible to "manage" an OPR, and that relationships are "long-term" and that it results in gaining mutual understanding and benefits the interacting parties. It could be questioned whether relationships can be managed or

controlled and argued that indeed they can only be influenced by OPR activities as OPRs exist in continuous flux and not in a controlled and closed environment. Also most of the previous research into OPRs has been from the organization's perspective in order to ascertain what its key publics think of it so it can improve on its financial performance based on its service offering. However, the weakness with this research was that it could only identify if the particular public were satisfied or not, or if they trusted the organization or not, depending upon the relational elements surveyed. There was no understanding of why the public was satisfied or trusting and without the context of the relationship very little meaning could be derived.

Postmodernism has impacted interviewing in a number of ways (Ellis & Berger, 2002, pp.851-853). The boundaries between the roles of the interviewer and interviewee have become blurred as they collaborate to co-construct a coherent narrative which shares a 'common' understanding of the phenomenon being researched. The framing of the interview has become more important as the role and interpretation of the phenomenon by the interviewee hinges on the interviewer's understanding of it (Briggs, 2002, pp.911-912). The phenomenological approach sees research participants or interviewees as co-researchers, which is an indication of the blurring of the boundaries and roles.

Interviewing as a research method has been equated with a face-to-face "conversation with a purpose" (Gubrium and Holstein, 2002, p 57) between the interviewer and the interviewee. Traditionally the role of the interviewer was seen as being separate from the role of the interviewee as the former asks the questions and the latter supposedly answers them, however with the more conversational approach the power-distance is reduced in order to make the interviewees feel more comfortable and relaxed with the process. According to Gubrium and Holstein (2002, p 57) conventional wisdom pertaining to interviewing methodology is based on the role of the interviewer. This is a critical role and if handled correctly then it is assumed that the interviewee's work falls neatly into place. The interviewer produces (or is provided) a set of questions to ask the interviewee. The interviewer enjoys some leeway regarding probing the interviewees answers or 'drilling down' to attain more depth to them. The interviewer's role is to facilitate the interview and encourage the interviewee to focus on the interview and provide 'open' and 'honest' responses to the questions posed.

The interviewer is supposed to gain a rapport with the interviewee whilst remaining neutral and not shape or influence the responses, which can be particularly challenging as non-verbal communication can easily act as an influence on the interviewee as well as on the interviewer as interpersonal communication is very important in this setting. The interviewee could also interpret signs of encouragement from the interviewer as support for what they are saying instead of it merely being support for them to continue with their description. However, within the phenomenological approach whilst the interviewer leads in asking the questions, the process involved is more like a conversation as both the interviewer and interviewee co-create meaning. The interviewer asks questions regarding the phenomenon of interest and the interviewee describes the phenomenon from their personal experience and perspective, explaining it and providing anecdotes in order for the interviewer to fully understand the meaning they are trying to communicate. The interviewer needs to be able to reflect back to the interviewee what they were saying to ensure they have correctly understood the expressed sentiments. By ensuring there is understanding the interviewer attempts to ensure there is transparency with the data collection, so that there are no misinterpretations, or at least this threat is kept to a minimum.

The strict rules regarding the behaviour of the interviewer and interviewee are relaxed for qualitative in-depth interviewing (Gubrium and Holstein, 2002, p 57). In-depth interviewing is far more exploratory in its purpose and is more of a collaborative interaction between the parties involved. The interviewer has far more freedom and latitude to explore areas of interest that might have been anticipated and to raise new topics as they are deemed relevant and appropriate. In this case it is perhaps better if the interviewer is the same person as the researcher so there is a higher degree of consistency.

Qualitative in-depth interviewing differs from the more rigid survey interviewing method as it sets out not to solely collect the 'facts' but rather to gather information that explains the interviewees' experience relating to the phenomenon of interest. From this perspective the interview results in a construction of the interviewees understanding and experience pertaining to the phenomenon being researched (Gubrium and Holstein, 2002, p 57). The emphasis on qualitative in-depth interviewing rests upon understanding the interviewees' experiences. The interview

setting must allow the interviewee to feel relaxed and able to focus, so distractions must be reduced as much as possible. Time is also needed for both parties in the interview to feel comfortable with each other and become acquainted. This acquaintance-ship can be developed in the initial stage of the interview which has been identified as the rapport-building session before the actual interview starts (Gubrium and Holstein, 2002, p 57). Rapport-building is essential as it requires a level of familiarity and intimacy that enables the interviewees to relax and feel comfortable enough to be able to answer questions fully and openly. It maybe necessary for a level of mutual disclosure to take place as reciprocity is important (social exchange theory) in developing relationships. Without some mutual disclosure occurring, the interviewees may not feel comfortable in divulging information. This can be easily remedied by the interviewer explaining about his or her perspective, experiences and beliefs (Gubrium and Holstein, 2002, p 58).

Qualitative interviewing is a constructive approach as opposed to a positivist one. Interviewees provide meaning beyond the 'facts' and support the main purpose of the qualitative interview which is to understand the meaning, interpretation and perception of the phenomenon from the perspective of the interviewee (Warren, 2002, p 83). Luff (1999, p 701, cited in Warren, 2002, p 84) refers to the differing perspectives of the interviewer and interviewee as "fractured subjectivities." The interviewer and interviewee interact and communicate from varied perspectives (Warren, 2002, p84). Warren states these perspectives include social roles and hierarchies, especially those of gender, race and class (Campbell, 1988, cited in Warren, 2002, p 84). Interviewees may switch perspectives within the interview, for example from that of an employee to a member of the local community. These situational perspectives shape the interview and need to be considered by the interviewer when meaning is constructed, It is also important to note that the interviewer's academic discipline will shape the interviewer's perspective and will have significance as the construction of meaning is critical in the interview process.

Kvale (1996, cited in Warren, 2002, p 85) describes qualitative interviewing as a 'guided conversation'. The interviewer's role is to understand and make sense of meaning from what the interviewee says. Most discussions regarding the interview method focus upon technique issues. Qualitative interviewing is classified as an

interpretive method and as such it is linked to ethnography, phenomenology, fieldwork, and document analysis. The ethnographic phenomenological lens focuses on the interviewees' perception and understanding of the phenomenon being researched. Compared with the theoretical discussions found within the positivist tradition there are relatively fewer discussions in the constructionist tradition. Kvale (1983, p. 172-173) provides seven possible reasons explaining why the interview method has been neglected compared with theoretical discussions found in within the positivist tradition:

- Complexity – the interview is considered complex and varied so it is not possible to produce a general theory for the interview.

- Art form – the interview is considered to be more of an 'art' than a 'science'.

- Common sense conception – the interview is close to everyday discourse.

- Unscientific – the interview appears to be unscientific from a positivist perspective.

- Phenomenological and hermeneutical – the interview-method is implicitly a phenomenological and hermeneutical mode of understanding.

- Ordinary people – descriptions are provided by 'ordinary people' as opposed to experts providing the questions and formulating the answers in a questionnaire.

- Beneath the surface – interviews may go beyond the surface understanding of the world of the interviewees to explore deeper than common sense.

(Kvale, 1983, pp172-173)

Rubin and Rubin (1995, pp 145-146, cited in Warren, 2002, p 86) state that there are three types of qualitative interview questions which are: the main questions that typically guide the conversation; probing questions which attempt to clarify responses or extract examples; and follow-up questions that drill deeper in order to uncover the implications and hidden assumptions in the answers provided to the main questions. The interviewer needs to be flexible in qualitative interviewing and has to be consciously aware of the meanings that come out during the actual interview as they may lead to 'new' questions or render others inappropriate or redundant. From the

participants' perspective the interview allows them to describe their own perceptions of their particular world view in their own words whereas other methods such as questionnaires do not provide room for discussion or permit participants to construct their own descriptions and emphasize  what they consider to be important.

**Phenomenological research process**

The epistemological position adopted for this research was two-fold: a) data were contained within the perspectives of the individuals involved with the SPOG industry-community relationship and b) as a result of this the researcher engaged with the participants in gathering this data. By examining the participants' personal experience from the perspective of their own consciousness it was hoped that the researcher would understand their realities and concrete experience related to the SPOG industry-community relationship.

A phenomenological methodology was identified as being particularly useful for this study because the researcher's interest was in describing the actual experiences participants had of the industry-community relationship, the process of relationship building and perceptions relating to relational characteristics important for building and maintaining the relationship. The purpose of this research was to collect data on the participants' perspectives regarding the phenomenon of the SPOG industry-community relationship.

The SPOG industry-community relationship was identified for exploration by the researcher's contacts at Shell International and Shell Canada. The researcher was particularly interested in exploring organization-public relationships within the petroleum industry as there are significant issues present pertaining to community relations, government relations, environmental and corporate responsibilities. After submitting proposal outlines and discussing the research purpose the researcher was put in touch with a Shell Canada community affairs employee based in Caroline, Alberta. A research proposal synopsis was submitted to the SPOG Community Affairs Committee and was approved in autumn 2004.  Fieldwork was conducted in May and June 2005 in the Sundre, Alberta, region, with some additional data collection conducted in August 2006 and January 2007 due to availability issues.

**Sampling frame**

Purposive sampling was chosen to identify research participants. The SPOG website provided details of industry members and community representatives. Interviews were arranged with industry and community members. Additionally, the snowballing technique was used as participants provided the names of other industry and community members who were involved and experienced with the SPOG industry-community relationship.

The purpose of the research was explained to all the participants. Permission to record the interviews was granted verbally and participants were aware that they could end the interview at any point in time. There was no pre-set definitive number of in-depth interviews required. Johnson (2002, p 113) states that enough interviews have been conducted when the interviewer feels they have learned all there is to know about the phenomenon from the interviewees and that 'nothing new' is being exposed. Johnson calls this the point of "theoretical saturation" (p 113). A total of 18 in-depth interviews were conducted lasting between 45 minutes to 3 hours in duration. Data collection interviews continued until there were no new perspectives on the topic and it was evident that the topic had been exhausted as the saturation point was reached. In addition, 25 co-orientational structured questionnaires were completed by SPOG industry and community members. Again, participants were informed regarding the nature of this research and they were also aware they could withdraw from participating in the questionnaire survey at any point.

The phenomenon researched was the SPOG industry-community relationship and the central research questions were:

RQ1: How do the participants in the Organization-Public Relationship describe their personal experience of this phenomenon?

- How is the OPR described and measured by the actors involved?
- What are the perceived reasons for the existence of the relationship (why does the relationship exist? Exchange? Communal?)
- What incidents connected to SPOG stand out?

RQ2: How do the participants describe the relational elements and relate them to their experience of the OPR?

- How are the relational elements perceived within the OPR? Are some more fundamental than others?

**Primary research method**

*In-depth interviews*

The interviewees were asked questions relating to their personal experiences, feelings and thoughts regarding the SPOG industry-community relationship, relational characteristics, and the relational background context. The questions are appended in Appendix 4. The concept of *epoche* (the bracketing of the researcher's personal experiences) is central for the phenomenological approach. The researcher attempted to set aside prejudgments, suppositions, biases and preconceived ideas regarding the phenomenon. Moustakas (1994, p 87) explains that in the *epoche* the researcher does not take a position and instead views all positions as being of equal value. Looking at the world with 'fresh' eyes and without reflecting on what is previously known allows the researcher to explore the phenomenon truly from a position of a new beginning. A second form of bracketing required that the participants were asked to reflect on the quality of the SPOG industry-community relationship (Kvale, 1996; Groenewald, 2004).

The researcher was conscious that she already had assumptions regarding OPRs based upon academic literature but the SPOG industry-community relationship and its internal and external dynamics were new for her. In order to ensure that the participants gave their perspectives the first question asked was regarding their involvement with SPOG and its background. The researcher was previously trained in counseling skills which enabled her to actively listen to the participants and at times reflect back what they had said to gain further insight and clarification and also added to the conversational tone of the interviews. The researcher got to know the participants as she came into contact with them outside of the interview situation at the local coffee shop, at lunch and dinners, and at SPOG meetings and events in the Sundre area. The researcher had previously never been to Sundre before and stood out as the town was very small and the community and industry were close knit. Therefore when the researcher arrived in the area she had not been privy to the

relationships between the community and industry members and within these groups she approached them with 'fresh eyes'.

Phenomenological reduction according to Moustakas (1994, p 90) is the process of the researcher only describing what is actually seen as well as the experience. The focus is on the qualities of the experience, which are examined and described over and over again from different angles of perception. "The process involves a prereflective description of things just as they appear and a reduction to what is horizontal and thematic" (p 91). The researcher initially attributes equal value to all statements, thus 'horizonalizing', and then eliminates statements that are irrelevant or redundant. The remaining statements, the 'horizons', can be then clustered into themes, verticalizing them, which finally lead to the description of the phenomenon (Moustakas, 1994, p.97).

In-depth interviewing requires establishing a level of intimacy between the parties engaged in the interview. Researchers tend to opt for in-depth interviews in order to uncover a deeper level of information which cannot be accessed via survey interviews. In-depth interviewing usually concerns information that is personal in nature, for example an individual's perception and understanding of a phenomenon they are familiar with or have experienced (Johnson, 2002, p 104). In-depth interviews are often used alongside other data collection methods such as observation and document analysis.

Whilst survey interviewing uses representative samples drawn systematically from the total population, qualitative interviewing allows for respondents to be chosen based on a priori research design, theoretical sampling, 'snowballing' or convenience sample, or particular respondents that have been identified as key informants (Holstein and Gubrium, 1995 cited in Warren, 2002, p 87). This research uses participants that the researcher identified as being key informants and also uses the 'snowballing' technique in that key SPOG members helped identify other participants that were useful for this research.

In-depth interviewing strives to obtain a deeper level of understanding regarding the interviewee's perception of the phenomenon. The interviewer attempted to gain a

more complete understanding from the experiences and perceptions provided by the interviewee. This method of interviewing allowed the researcher to access what are often complicated perspectives on the actual OPR in the context of this research.

In the early stages of interviewing the interviewer may not have had a lot of knowledge regarding the phenomenon examined. However, after a number of in-depth interviews the interviewer gained a much deeper level of knowledge and will tend to incorporate it into the types of questions asked. The interviewer fed the knowledge to interviewees in following interviews creating an information exchange and reciprocity which aided intimacy development. The later interviews tended to be more focused and verified what others had previously stated (Johnson, 2002, p 112).

Interviewees were asked questions pertaining to the relational elements of trust, transparency, commitment, satisfaction, control mutuality, and dialogue as well as questions regarding how they view the relationship, how they defined the relational elements, and from their perspective what the most important relational elements were and why. Appendix 3 contains an outline of the general interview questions used whilst Appendix 4 lists the interviewees' details.

**Secondary methods**

*Critical discourse analysis*

According to van Dijk (1997,p.1) discourse analysis "focuses on the properties of what people say or write in order to accomplish social, political or cultural acts in various local contexts as well as within the broader frameworks of societal structure and culture". Critical discourse analysis is a differentiated area within discourse analysis as it specifically focuses on exploring power and inequality and examines competing interests, such as the interests of the petroleum operators and those of the community members (Mumby & Clair, 1997, p.183).  By adopting a critical perspective for analyzing interview extracts the relationship between discourse and power was explored.

Mumby and Claire (1997) discussed the connection between discourse and power/inequality and explained that the relationship between them was often opaque. Ideology is expressed through discourse and is represented in the way interviewees

explained their perspectives and experiences of the industry-community relationship. Ideology is used as a mechanism for preserving dominant interests (Giddens 1979, cited in Mumby & Claire, 1997, p.184).

Discourse may be analyzed by examining the different levels of structure in a text such as rhetoric, semantics and storytelling, all of which have been explored in public relations research. Discourse may also be analyzed in terms of action as it also serves a function of social interaction especially through conversation and dialogue (van Dijk, 1997, p.2). It is this action aspect of discourse which was particularly useful for analyzing OPRs in particular with reference to issues pertaining to social power as well as language context. Critical discourse analysts perceive power as a key concept that invades text and conversation which makes it critical for analyzing (van Dijk, 1997, p.7). Social power is defined as the control one group has over another group, and in this context is usually not coercive but mental (van Dijk, 1997, p.17). Discourse analysis as a secondary method was useful for exploring how the SPOG industry-community members negotiated power and the ability to influence each other within their relationship.

*Participant observation*
Atkinson and Coffey (2002) trace the relationship between participant observation and interviewing back to a group of researchers dubbed the "second Chicago school" by Fine (1995 cited in Atkinson and Coffey, 2002, p 802). These researchers promoted going out and conducting fieldwork in institutional settings, a type of practical empirical research.  The combination of participant observation and interviewing has become more popular because of the methodological importance given to the triangulation of data collection methods (Atkinson and Coffey, 2002, p 803). Researchers are able to combine the two methods in order to maximize on the strengths each method brings. The ideal is to integrate the methods and view each method's findings as adding value to the holistic understanding of the phenomenon. Owing to the nature of the participant observation method the researcher has to use their own judgment regarding the data collection instead of having the data selected by the participants which makes authenticity transparent (Adler & Adler, cited in Angrosino & Mays de Perez, 2000, p.676). By using participant observation as a

secondary method the research felt it contributed to the understanding of SPOG industry-community relationship as aspects of the interaction were witnessed.

A semi-structured approach to participant observation using Patton's (2002) adapted process was used. During the observational process the researcher was guided by "sensitive concepts" which had been identified within the literature review as well as during the interviews that had been completed by the time the observable events took place. The researcher had the opportunity to observe SPOG community affairs activities, including board meetings, as well as SPOG members' interaction with community representatives. This was invaluable as it provided additional insight into the relationship between SPOG industry-community members. Observations were recorded and formatted into a table for each event.

*Co-orientational approach and structured questionnaire*

Relational interactions may be studied as communicative acts as communication between people often serves the function of orientating the relational parties toward each other and toward the objects of their communication (Newcomb, 1953, p.393). Newcomb (1953) defined 'orientation' as being equivalent to 'attitude' and used co-orientation to describe 'simultaneous orientation'. The underlying assumption being that the orientation between the two relational parties and their individual orientations toward the object were independent. The applicability of Newcomb's co-orientational approach was then explored within the field of mass communication in relation to public opinion (Chaffee & McLeod, 1966, cited in Atkin, 1972, p. 190). McLeod and Chaffee's (1973) co-orientational model developed Newcomb's ideas and was promoted within public relations academic research by Broom and Dozier (1990). The co-orientational variables, which McLeod and Chaffee (1973, pp. 483-88, cited in Broom & Dozier, 1990, p.37) refer to as agreement, accuracy, and perceived agreement, were explored through the use of a structured questionnaire. The same 18 interview participants as well as an additional seven more industry and community members completed a co-orientational structured questionnaire which focused on their perceptions of the SPOG industry-community relationship. The 18 participants completed the questionnaire after the in-depth interview was completed. The timing was beneficial in that the participants had spent some time already reflecting on the SPOG industry-community relationship and also pragmatically it was convenient for

the participants to complete the questionnaire there and then as opposed to a later date. The participants were generous in giving up significant amounts of time from their work environment (either corporate or farming) and the researcher did not want to trespass on their goodwill. The additional seven participants completed the questionnaires after attending SPOG Community Affairs sponsored vehicle emissions testing event which took place in the IGA grocery store parking lot in Sundre.

**Data-storage methods**

The interviews were audio recorded and the tapes labeled appropriately to indicate the interviewee and tape number as the interviews were long and often required more than one tape. The interview recordings were all transcribed between December 2005 and January 2007, with the majority being transcribed by August 2006.

Field notes were made of an observational nature and were used as an aid for making sense of the transcriptions and the environmental setting in which the interviews took place as well as for background information. Observational notes were also made relating to the participant observation of two SPOG Community Affairs Committee meetings as well as participant observation of the SPOG sponsored Environment Canada Emissions Testing day event. The completed co-orientational structured questionnaires were kept in a special file box.

**Data explicitation vs data analysis**

*In-depth interviews*

The term 'data explicitation' is recommended for use within phenomenological research approaches instead of data analysis as the term analysis is understood to be the breaking down of concepts into their constituent parts whereas explicitation allows for the exploration of a phenomenon's constituents whilst still retaining its holistic context (Hycner, 1999, p. 161, cited in Groenewald, 2004).

The explicitiation process adopted was based upon Morrissette's (1999) interpretation of Colaizzi (1978) and Osborne (1990), as well as Groenewald's (2004) interpretation of Hycner's (1999) explicitation process, which were in fact very similar. The stages of the process were:

1. Interviewing
2. Interview transcription

3. Identifying key statements and themes within the individual interviews
4. Identifying individual thematic clusters
5. Summarizing individual interviews
6. Synthesizing themes into overall common themes and unique themes.
7. Synthesized clustered themes presented in tabular format.

Stage one, interviewing, took place mostly in the Sundre region, Alberta, Canada, in May and June 2005. The researcher interviewed 16 participants during this timeframe and at a variety of locations depending upon the participants' convenience including cafes, offices, restaurants, local high school, and ranches. These interviews were all done face-to-face. Two additional interviews were done via telephone as there was difficulty in arranging schedules to meet face-to-face. The telephone interviews were different from the face-to-face ones as the tempo was quicker with fewer pauses, and because non-verbal cues could not be identified there was the possibility that additional meaning was lost. The telephone interviews also felt more formal for the interviewer compared with the face-to-face interviews, which were more conversational. After the completion of each interview the researcher listened to the recorded version and went over handwritten notes taken during the interview.

Stage two, interview transcription, was done between December 2005 and January 2007. This was a lengthy process as the interviews were long and the researcher had limited time during the academic semesters to complete the transcribing process. The researcher personally transcribed all of the interviews to ensure they were fully immersed in the data as recommended by Morrisette (1999). After transcribing the interviews the researcher read through the transcripts several times was able to identify key terms and words that were considered significant and also core themes.

In stage three of the analysis the researcher focused on identifying significant statements. By reflecting on the participants' experiences the researcher was able to compare differences and similarities across the sample. The researcher used the NVivo 7 (a qualitative research software package) coding tool for highlighting terms and words in each interview transcript that were thought to be significant and attributed them to codes. A strength of using NVivo 7 software was its usefulness as an electronic container for the data however its weakness, or perhaps the researcher's

weakness, was that it was not an analysis tool that aided doing phenomenology but is more suited to grounded theory and ethnographic methodological approaches.

Stage four required the researcher to organize the themes into thematic clusters, which also were described. These clustered themes were then represented in a grid format for ease of access and reference (see Appendix 6). As the individual themes were synthesized into broader thematic clusters the researcher was able to extract a holistic view of these experiences via the inductive process and describe them.

Stage five involved reflecting on the whole of each participant's interview transcript and paraphrasing it in order to provide an overall picture. Morrisette (1999, p.4) refers to this stage as "within person analysis". Again common themes were noted.

In stage six the researcher reflected on the themes that emerged from each of the interview transcripts in order to understand the experiences the participants had individually and shared. All of the interview transcripts were synthesized.

In the final stage the overall clustered themes were drawn and summarized from all of the participants' transcripts (see Appendix 8).

*Critical Discourse analysis*

Extracts from the interview transcripts pertaining to language usage and issues of power, control mutuality, and peer pressure were analyzed in order to distinguish these aspects which the researcher considered opaque (Fairclough, 2003, p.230). CDA does not have a unitary theoretical framework as it is interdisciplinary, however the researcher adopted Huckin's (1997) approach for analyzing extracts from the interviews:

1. Macro-level analysis
    1. Review the text in an uncritical manner.
    2. Revisit the text and place it in its genre.
    3. Consider the use of key words that emphasize certain concepts.
    4. Consider what is left out.
    5. Consider what could have been said that wasn't and why it was not.

2. Micro-level analysis

1. Topicization – what is the sentence about?
2. Agency – who in the sentence is depicted as having power over whom? Who is powerless and passive? Who is exerting power and why?
3. Nominalization – omission of information about the agents of power.
4. Author's presuppositions – what assumptions are taken for granted?
5. Insinuations – is anything being implied in a hidden way or is there a double meaning?
6. Connotations associated with particular words or metaphors?
7. What is the tone of the text? Is it authoritative or is there doubt?
8. Register – do the words used ring true? Do they seem legitimate?

Interview extracts relating to the influence of Stephen Covey's work on the OPR were also analyzed in relation to Ernest Bormann and his colleagues' three 'master discourses': the righteous master discourse; the social master discourse; and the pragmatic master discourse method (Jackson, 2001, p. 49). The righteous master discourse typically was based upon the 'right way to do things' and was concerned right and wrong, moral and immoral. The social master discourse was concerned with relationships and emphasized trust and caring. The pragmatic master discourse was concerned with utility and practicality (Cragan & Shields 1992, p.202, cited in Jackson, 2001, p.49). Bormann and his colleagues' rhetorical visions in general were based upon one of these master discourses.

*Participant observation*

The researcher attended a total of four observational events comprising two SPOG Community Affairs Committee meetings (June 8th, 2005 and June 9th, 2005) and and two Community Affairs activities (June 3rd, 2005 and June 8th, 2005) one as an observer and one as a participant observer which was distinguishable from the other events as the researcher was assigned a particular role.

The participant observation guidelines were adapted from LeCompte and Preissle (cited in Cohen et al., 2000, p.312). Attention was paid to the following four factors:
- The setting

- The actors involved
- The event
- The researcher

The setting for each event was described as were the SPOG industry and community members (the actors) involved, and the actual events. Appendices 9 and 10 contain the participant observation guidelines and observation records.

*Co-orientational structured questionnaires*

The participants were asked a total of eight closed-ended questions which they had to select a response on an adapted nine point Likert Scale. Industry and community members had slightly different versions of the questionnaire as it was concerned with how the industry members perceived the community and vice versa. The questions focused on perceived levels of influence that each group had, how respectful they thought the other was, and the relationship type (exchange vs. communal), and on perceived levels of agreement between the industry and community members. Samples of the industry and community versions of the questionnaires are located in Appendix 11. A total of 25 questionnaires were completed and analyzed. The findings were recorded in a table and used to cross check with the findings from the in-depth interviews and participant observation.

**Validity and the search for truth**

Validity has taken centre-stage in the debate regarding the differences between qualitative and quantitative research paradigms. Lincoln and Guba (2003) explain that validity is different from objectivity and that no one method provides the absolute 'truth', instead the differing methodological approaches and methods provide 'partial truths'. Lincoln and Guber (2003) identify two core arguments that shape how validity is viewed. The first argument is grounded in the positivist outlook as rigour is critical in the application of the chosen research method. The second argument is concerned with community consent and rigour is understood as the researcher providing a solid reasoning regarding their chosen interpretation of the findings. Both of these arguments were addressed in this research. The research methods chosen were carefully applied and followed. Whilst the in-depth interviews were semi-structured and open-ended the line of questioning and overall direction was similar for

all the participants interviewed. The second argument is also applicable for this research as the overarching concern has been whether the interpretation of the findings are able to provide a valued insight regarding the SPOG industry-community relationship.

Creswell (2003) suggested that validity was a strength of qualitative research and was used to ascertain accuracy of the findings from the researcher's perspective. The phenomenological perspective adopted focused on the participant's in-depth personal experience regarding the phenomenon, the SPOG industry-community relationship, and therefore their recorded experiences were accepted as valid because of the in-depth knowledge, familiarity, and direct personal experience with the phenomenon. The participants provided their experiences of the relationship and their versions of the truth.

**Triangulation**

Within this research triangulation occurred by verifying the informants' information as well as by using different sources and techniques. This study used in-depth interviews with SPOG industry and community members as the main data collection method. A secondary method included participant observation, as well as the collection of 25 co-orientational structured questionnaires which were also completed by SPOG industry and community members. The secondary methods were used in order to support the findings from the in-depth interviews and also to flag up discrepancies that required further investigation.

**Ethical issues**

In research methods ethical issues tend to revolve around issues of disclosure such as the researcher being open about the nature of the research and whether or not deception is required, participant confidentiality, and concern for the well-being of the participants and the researcher (Creswell, 2003). The researcher was clear regarding the aim of this research and had submitted the research proposal to a SPOG industry member who presented it to the SPOG Community Affairs meeting. The SPOG industry and community members had the opportunity to learn about the research, its purpose and what it entailed from them as willing participants. There was no attempt to deceive the SPOG industry and community members and it was made clear that

this research was a significant part of a doctoral thesis. The research involved minimal risk as defined by the ESRC Research Ethics Framework and met the requirements outlined in the University of Stirling's *Code of Good Practice in Research* (March, 2002).

Participants were interviewed at locations of their choosing and which posed no risk to either the participants or the researcher. The researcher gained informed consent verbally from the participants as well as consent to record the interviews. Participants were informed they could withdraw at any point and were reminded of this possibility. The nature of the research was fully explained including they types of questions participants would be asked, as well as the researcher's interest and an explanation of why the researcher was focusing on organization-public relationships in particular. The researcher did produce letters outlining the purpose of the research and request for participants' permission; however these letters were not used as the participants mentioned it was too formal and not needed as they had already agreed to my research proposal and granted access.

The researcher in order to maintain a level of reciprocity volunteered some of her time to SPOG community events (moving the SPOG office, helping with the set up of a community meeting, and volunteering for a full day with the SPOG sponsored emissions testing event) which was appreciated by the SPOG industry-community members, and which helped provide informal occasions (i.e. ethnographic interviews) for industry and community members to enquire about the research and in particular the researcher's motivations and interests.

**Limitations**

In this qualitative study, the findings are subjective and open to alternative interpretations, and therefore the study will not be generalizable to other OPRs. However adopting an empirical phenomenological approach results in obtaining comprehensive descriptions concerning the OPR. The research aim of understanding what the OPR means to the actors involved lies at the heart of this investigation. Individual experiences and descriptions are gathered from which general meanings are derived.  This perspective views experience and behaviour as being an inseparable relationship. Understanding experiences enables a deeper understanding of the

external behaviour displayed. It is hoped that the study will be able to describe relationships between SPOG and its local communities in order to understand the different types of relationships an organization may have, producing a rich pattern of communication and understanding of the OPR.

A limitation, or weakness, of the main qualitative research paradigm that is often mentioned is the lack of objectivity in the research findings (Creswell, 2003; Cohen, et al., 2000; Denzin & Lincoln, 2003; Lincoln & Guba, 1985). However, advocates of the qualitative paradigm such as Lincoln and Guba (1985) have suggested that qualitative researchers should not be too concerned with the lack of objectivity, internal or external validity of research findings. Instead qualitative researchers should focus on the credibility, trustworthiness and / or authenticity of the research participants.   Miles and Huberman's (1994) opinion lent more to the middle ground as they suggested that objectivity was indeed worth aiming for, which is what this research attempts to do by having the predominant qualitative perspective as well as the utilization of the minor quantitative method (co-orientational structured questionnaires).  Pragmatic limitations connected to the research methods have also been considered by the researcher and included the time required for interviewing, access to participants, and the financial costs involved such as travel expenses incurred during the fieldwork stage.

**Personal reflections on the research process**

I was granted access to interview oil company personnel and it could be argued that I was given this access because the industry relationship in Sundre was good and relatively 'squeaky clean'. I do think that the industry personnel I interviewed were happy to talk to me and this could well be because they were very proud of how the relationship had improved. I was given in-depth tours[12] lasting 5 hours of the Petro-Canada Bearberry plant so that I could hear the levels of sound pollution at various compressor stations, as well as at the actual plant, and how it operated, the equipment used, and the changes Petro-Canada had done to improve the quality of life for the

---

[12] At that time I didn't fully appreciate the level of access I was given and it was only after I mentioned the tour to a friend of mine who is an environmental specialist and works in Calgary that I understood from him this was very unusual as he explained it would have taken him months to have similar access because of the levels of security clearance required.

local residents. I don't think I would have had a similar welcome or level of access in Venezuela or Nigeria without having 'high level connections' because of the political and social issues as well as the different standards the petroleum companies practice outside of Europe, North America, and Australia.

I was not prepared for the level of emotion expressed by the interviewees. I rather naïvely went to Sundre confident that I would be able to understand the oil industry jargon and technical aspects without considering that the interviewees would be emotional when discussing how they felt about the industry-community relationship. Reflecting on this it is now obvious to me that there naturally would be a lot of emotions that would be uncovered or expressed during the interview sessions as the issues were close to the interviewees' hearts and had caused a lot of pain within the community. At times the interviews felt rather like counseling sessions and that I was validating the personal experiences of the people I interviewed. At first it was a surprise to see senior oil company managers and farmers in tears as they recounted events that had damaged the local community and as well as the joy and personal pride expressed in achieving change and rebuilding the relationship. I have previous counseling training and worked part-time as a crisis counselor for the Victoria Womens' Sexual Assault Centre for 5 years and felt that this training and experience was particularly useful for the phenomenological approach as it is concerned with accessing how people felt and experienced something. I found the interviewing process quite exhausting not only because I had to listen intently to what the interviewees were saying but also because they were in a sense debriefing and unloading how they felt onto me. I felt honoured that people opened up and shared their feelings.

I was also fascinated by the Sundre grapevine and did not anticipate that my stay in Sundre would be as newsworthy as it was and found myself featured in the local newspaper several times. I spent most of the first week in Sundre getting to know the place and met quite a few of the locals. I stayed at a B&B run by an English family who had moved out to Sundre only 2 years earlier and they gave me some of the background on Sundre. I volunteered to help move the SPOG office and helped out at the SPOG sponsored Environment Canada's car emission testing day which allowed me to get to know some of the industry and community members on an informal

basis. It also gave me a chance to interact with the Sundre community and I quickly became privy to the local gossip. I believe the informal roles I had helped the local industry and community members to get to know me and vice versa. I really enjoyed my field work experience and the time I spent in the Sundre area still really stands out for me.

**Chapter 4  The story of a relationship**

This chapter[13] describes the development of the SPOG industry-community relationship from the perspectives of the interviewees. The chapter addresses the first research question as it portrays how the actual participants involved in the organization-public relationship described their personal experience of this phenomenon. The external context or environment that the petroleum companies operated within had changed and they found themselves having to adapt in order to regain the equilibrium of their systems. It was because the companies had not recognized their systems were closed that the crises with the community erupted and instigated the change in approach to community relations. The external environment, in this instance the community, had exerted a level of influence and control over the companies' goal-meeting activities in the Sundre region.

The context for the relationship was critical for its development as it provided the rationale for the investment in the relationship by both industry and community members. The background context of the relationship was used to reinforce why it existed and to also educate industry members who were new to the SPOG region in order to maintain the relationship. Key themes that emerged within the interviews are listed in Appendix 6. These themes were reduced and clustered under thematic headings (Appendix 8) and related to the relational elements of trust, transparency, dialogue, commitment, satisfaction, power, as well as relationship building which included the background history of the OPR. The interviewees described their personal experience of this OPR, the background context, and how the industry-community relationship had evolved.

Industry interviewees described a paradigm shift that saw petroleum operators move from a 'gold rush' mentality where companies exploited the oil and gas resources with little consideration for the environment or community to where they now apparently

---

[13] Part of this chapter has appeared in the following publications:
Jahansoozi, J. (2006). 'Relationships, transparency, and evaluation: The implications for public relations. In L'Etang, J., & Pieczka, M. (Eds). *Public relations: Critical debates and contemporary practice*, pp. 61-91.Mahwah, NJ: Lawrence Erlbaum Associates.
Jahansoozi, J. (2006). 'Organization-stakeholder relationships: Exploring trust and transparency. *Journal of Management Development*, Vol.25, No.10, pp.942-955.
Jahansoozi, J. (2007, NYP). Organization-public relationships: An exploration of the Sundre Petroleum Operators Group. *Public Relations Review*, Vol. 33, No. 4.

endeavored to protect the environment and collaborate with the community. The tension within the petroleum industry lies between the petroleum operators that are focused on their social performance and see this as the only way forward without fighting stakeholders every step of the way versus operators who consider community participation as a drain on profits and a waste of corporate resources and are willing to take their chances. The shift in viewing the community relationship as a financial cost and distraction from the core business of petroleum extraction to it being recognized as the only way to conduct business started to emerge in the 1990s. It was during this time that large petroleum operators such as Shell experienced a number of international crises such as Brent Spar and that made some of oil companies start to recognize that they needed to consider their stakeholders, including the local communities in which they operated (Sharpe, 2002). Society's changing expectations meant there was a demand that the petroleum industry to behave responsibly, especially toward vulnerable groups. Milton Friedman's (1993, p.254, cited in Somerville, 2001, p. 112) stance that "there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits" no longer resonated with society's expectations, unless community engagement was interpreted as a profitable activity. The perceived gap between business and society caused increased dissatisfaction and a crisis for the petroleum operators in the Sundre region.

As mentioned in Chapter 1, the Sundre Petroleum Operators Group (SPOG) was set up in 1992 by a number of oil and gas operators and in late 1997 its membership changed to include community members. Shell Canada was partly responsible for driving the change for the inclusion of community members in SPOG as it had learned about the critical importance of including key publics in the decision-making process from previous crises (Nigeria and Brent Spar in particular) in other parts of the Shell group of companies. This chapter examines the relational paradigm shift within the context of the SPOG industry-community relationship and from the perspectives of the relational parties involved. The chapter is structured with thematic headings which link together aspects of the relationship story which helps to explain how the actual participants involved in this OPR describe their personal experience of this phenomenon.

**The changing landscape**

The background context was important for the development of the SPOG industry-community relationship. Interviewees described that rural Alberta in the 1950s had struggled to survive and at that time had welcomed the oil industry as it 'helped out' by paying for land access to the jack pumps, pipelines, and other production equipment and facilities. The industry was able to take advantage of the 'difficult times' farmers were experiencing and to a certain extent both parties benefited. Farmers needed the extra money just to keep afloat and industry needed access to extract the oil and gas and move it across private land and they also relied upon the petroleum industry for part-time work. It was a typical example of industrialization and globalization interests colliding with the agrarian communities. Goodman and Redclift (1988, p. 788) discussed the rapid changes in farming and its relationship with industry that started in the 1960s and that within North America the capitalization of farming was linked with an increase in farmers working in non-farm roles in order to supplement the farming income to a level that ensured their survival.

The petroleum operators were able to buy off the landowners to get access to the subsurface mineral wealth and the 'gold rush' mentality led to the exploitation of natural resources. The following interview extract implies that farmers were taken advantage of by the petroleum operators who had a more powerful position in the relationship:

> *"Basically when it started years ago there were no regulations, nobody knew what it [sour gas] did, how it affected people or er or anything about it, and it was such fast growing industry and there was so much money involved in it that the people involved in the industry really were there to make money you know, and the farmers then I believe were not educated a lot er and so anyway and so they could be bought off by er you know if they put a well on a property they'd offer them to put in a gate here and build a road there, so they bought them off..."* (Jan Marr, Community Member, June 2005)

Between WWII and the 1970s the relationship between the oil and gas producing companies, the landowners, farmers, and the communities was very simple, although not always straightforward. Land agents negotiated surface rights within the

framework of the Surface Rights Act[14] but there were no effective ways to resolve conflicts such as oil well blow outs or pipeline ruptures. By the late 1960s and early 1970s the level of industry activity was relatively low and was regarded as being as important as agriculture for Alberta's economy. The following quote again refers to the power imbalance between the industry and the community, as people were willing to put up with a lot because of the difficult economic times which the industry used to its advantage:

> *"...farming communities in the small towns were willing to kind of accept less than ideal treatment because there was a lot of cross employment. A lot of farmers and their sons were working in the winters, getting extra income from the industry and in the small towns the er you know, the oil companies or drilling contractors were renting facilities or creating extra income or whatever, so common sense and er being prepared to put up with it because you don't have a choice..."* (Frank Dabbs, Community Facilitator, August, 2006)

As agriculture became more established and property prices in the Sundre[15] area increased dramatically the rural fabric changed. Across Alberta community expectations evolved as well (Sharpe, 2002). Farmers felt that the oil industry was not as helpful or even needed anymore for their economic health and levels of discontent grew. Instead the industry was viewed as being a hindrance as it got in the way of farming activities. The backlog of complaints, frustration and general dissatisfaction with the oil and gas industry activity did not get addressed and created a level of distrust. Reflecting on the literature in Chapter 2 this was a clear example of the industry operating within a 'closed system' (Grunig, Grunig & Ehling, 1992, pp. 71-74) and not responding to the needs of the community and publics.

> *"...We didn't listen very well to rural Alberta. We said 'look, this industry is a big industry, look at the wealth we're spinning off for Alberta'. Everybody should love us, it's all about money. Well, bad assumption."* (Keith Eslinger, Shell Canada, June 2005)

---

[14] The Surface Rights Act guides the Surface Rights Board in how to administer 'right-of-entry' orders and compensations levels. (Griffiths, 2004, p 130)

[15] Sundre is located approximately 130km north west of Calgary, Alberta.

**Resentment grows**

By the late 1980s and early 1990s people started questioning how much help the industry was to them and resentment started growing. The issue was not about the oil and gas industry paying more for land access but that the fabric of rural Alberta had changed. Industry was no longer dealing with landowners who relied on them for additional income, did not know their rights, or who were naïve. The influx of 'people from the city' had a direct consequence; community expectations changed. Industry behavior that was previously tolerated became unacceptable and the power balance within the industry-community relationship needed to be re-negotiated to readdress the community's expectations:

> "...*farming is a tough, tough business, so they do whatever they can just to survive...well when you start subdividing lots and selling to that lawyer in Calgary or that ex-oil person you get a different point of view of rural Alberta and all of a sudden, whoa, your expectations are different...we didn't take care of those expectations as an industry...it was a real hotbed when I came in, sour gas wasn't here, now it's here...industry made a lot of promises and we didn't keep them*" (Keith Eslinger, Shell Canada, June 2005).

Both the SPOG industry and community members mentioned the dramatic change in the rural demographics which occurred over a period of 20 years, which was one of the reasons why the community members became more intolerant of the increased industry activity. The industry had also changed and became more fragmented as small companies were more common:

> "*The rural demographics have changed, in 1975 there were 95% farmers and ranchers, today there's 95% acreages, tremendous change in 20 years. At the same time there were probably only 50 companies operating in Alberta then [and] today there's 1700 companies operating in Alberta. You can see the long accumulated affect and now we've got a real big push from all these companies to make a quick buck as fast as they can. You can imagine the mess that's being left with old oil and gas wells, and facilities...*" (Dave Brown, Community Member, June 2005)

The level of industry activity increased exponentially (Frank Dabbs, Community Facilitator, August 2006) and the petroleum operators seemed not to notice or care

that there was an inverse relationship between activity levels and the level of community satisfaction. This perceived lack of concern might have been to do with the fragmented nature of the industry and that the Canadian Association of Petroleum Operators (CAP), the industry voice, was there to lobby for the industry.

Dave Brown (Community Member, June 2005) mentioned that he had noticed that the petroleum operators in the Sundre region did not collaborate with each other until 1992 which meant that any community relations activity was done on an individual company basis if at all. For the Sundre community the implications were that they became the recipients of uncoordinated community relations tactics. Companies had not been listening nor adapting to the changing expectations and the industry as a whole was caught off guard and did not realize that sentiments had drastically changed. Instead of being viewed as supportive and an economic benefit for the farmers, the oil industry had become a major drawback and inconvenience.  As one oil company representative put it:

> *"...people didn't have a meaningful input into controlling things that happened around them....landowners got a little bit of money for the leases, so that looks like a good thing, but over time the accumulative impact of all of that on everyone was distrust..."*
> (Alice Murray, Shell Canada, May, 2005)

During the 50 years of oil and gas development the local communities had no way of complaining about things that upset them or influencing the activities that were happening on their own land. There was no clear process available for approaching the oil and gas companies which at that point did not have employees who focused on community relations work.  Industry did not use a consultative or participatory approach when dealing with landowners and this led to resentment and hostility. For large complaints the community could approach the EUB, but for smaller irritants such as industry workers leaving gates open or not considering farming activities, such as blocking access on small roads, there was no recourse. The local communities also were not being informed when changes to industry practice were being implemented so they also did not know when for example safety or environmental practice was actually being improved. Over time the accumulative impact of relatively small complaints and frustrations developed into a deep distrust of the industry:

> "*…the trust was really eroded, and then accidents and bad environmental management and standards were a lot different 50 years ago*" (Alice Murray, Shell Canada).

In locations where there was a high level of industry activity there were community concerns relating to health and safety issues. In the Sundre region the community's trust in the oil and gas industry hit a low point in the late 1990s, as the industry in the Sundre region had failed to meet the community's expectations. The community was angry, sabotage incidents were occurring, and an oilman, Patrick Kent, was shot dead. These events were chronicled in the local news media (Mahoney, 1998; Nelson, 1999; Nikiforuk, 1999; Singleton, 1999). An industry member reflected on this build up of discontent:

> "*I think some organizations get so overwhelmed with complaints that they don't necessarily have a way to deal with them, so they just get ignored and those little fires become bigger fires and become huge issues…and you know there's an example, out here we had a farmer kill a president of an oil company just outside the SPOG region…actually it was within it...*" (Diana Gilbert, Shell Canada, May 2005)

The industry interviewees recognized that when the community's level of frustration and concern built up that the 'little fires' start expanding. The petroleum operators in the Sundre area had not considered the needs of their local community and the public relations boundary-spanning role and environmental scanning activities (Grunig, Grunig & Ehling, 1992, p.67) had not been utilized, which would have resolved small issues quite quickly. Many of the smaller issues could easily have been be dealt with by simply providing information regarding the situation. Jennifer Lutz (SPOG Coordinator, June 2005) mentioned that she thought short-term inconveniences such as engineering works were tolerated if the community was given information regarding how long the inconvenience or disruption would last and contact numbers if they needed to reach someone who could provide more detailed information or an up date.

> "*I think frustration and concern really builds, and er I know myself if I see something unpleasant and I don't know about it …I wonder how long they're going to do that for and when you don't know the answers you think about it more, wondering …*" (Jennifer Lutz, SPOG Coordinator, June 2005)

**The cycle of frustration**

By not communicating and developing a positive relationship with the community the industry helped to perpetuate the cycle of frustration which in turn made industry workers less inclined to meet with the angry community. Industry workers became more nervous of the farmers and landowners and as a result avoided engaging with them, which only made matters worse.

> "...*I live about six miles away from that fellow that shot the oil guy and so you know you have a few incidences erm, that's obviously huge, but erm the landowner doesn't have to say too much to have the oil industry shackled up and pretty soon oil and gas [workers] won't go to that farmer's house and the communication stops. You know it could be an innocent comment or you know the farmer could say something they don't really mean...*" (Jennifer Lutz, SPOG Coordinator, June 2005)

The local community was unhappy with the industry's behaviour and its only vehicle for making the industry listen and change how it was operating was via the EUB hearings. As a result there was an increase in the number of EUB hearings where the level of hostility was evident.

> "...*in the 1980s this area was home of the EUB hearings... er where every new development required another face-off between land owners and oil companies, pipeline companies, er there was a lot of mistrust on the part of er local people er of the oil and gas industry and er much of that was sometimes er justified with the oil and gas industry [as it] was in a position where they would often ignore their responsibility, creating problems [and] would deny them, and do what they could do to distance themselves from them.*" (Jim McAllister, Community Member, June 2005)

The only way for the petroleum operators to break this cycle and rebuild the relationship was to have community engagement. This started to happen when Shell became active in the Sundre area in 1986. Shell drilled a sour well and discovered the Caroline Field, the largest natural gas find in Alberta for 20 years (Shell Canada, 2006). After this find Shell engaged with the community as part of the EUB regulatory requirement, discussing how they were going to build the Shell Caroline Complex (a gas processing facility), approach working in the area, manage issues, and

liaise with the community. This was the beginning of the Sundre Petroleum Operators Group (SPOG):

> "…*Somebody from Shell I guess initiated a phone call around all the companies saying 'you know what we should erm chat to each other about these things and see what's going on about our operations and let's think about a whole different mindset as opposed to each company going off and doing their own little individual little piece of work …then six to eight companies started meeting and they realized that yeah they should be doing something…we have these synergies, we have the same problems…*" (Gerry Schalin, Provident Energy Trust, June 2005)

At this point in 1992 SPOG only had industry members who met to discuss matters of internal interest such as warehouse inventory and how they could help one another out by sharing stock instead of all having to warehouse supplies, or discussing mutual aid or environmental issues. The meetings were considered to be a valuable opportunity to discuss issues and how to approach them and in general take advantage of expertise available in other companies (Gerry Schalin, Provident Energy Trust, June 2005; Les Swelin, Pembina Pipeline Corp, June 2005).

Shell kept up its community engagement programme over a period of 4 years while it developed its application for building the Caroline Gas Complex (Alice Murray, Shell Canada, May 2005). Shell's application for building the Caroline Complex went to a large EUB hearing and was approved, partly because of the utilization of the community advisory board and community engagement approach Shell had adopted. The community advisory group included municipal government representatives and community members. Part of the community advisory role was to set up committees pertaining to noise and light pollution. Community member Dave Brown (June 2005) led the noise committee and the Caroline Noise Study:

> "*I insisted that they set up a committee and I took over chairmanship of it and we started the Caroline Noise Study…I insisted that we have an all encompassing noise study and that the oil companies and the EUB, the regulatory body, and every meeting everybody came and we started to learn about each other, and the problems, and the costs because I figure costs are important…*" (Dave Brown, Community Member, June 2005)

This process had worked well for resolving issues but once the application was approved and the plant was built community engagement stopped as Shell perceived there was no need for it any longer. The community had developed a 'taste' for engaging with industry and participating in the decision-making process on issues that affected their lives and afterwards essentially there was no vehicle for ongoing dialogue. Shell had initially engaged with the community and set expectations that this approach would be continued but when the Shell Caroline Complex was built the community engagement process was shut down. By disengaging with the community and disbanding the community advisory board Shell did not meet the expectations it had created and this led to considerable unhappiness in the community as it was interpreted as a lack of commitment.

The Shell Caroline Complex was completed and operational by 1993. As a result of some design flaws there was flaring activity, which was something that Shell had claimed would not happen. Shell also had a very small pipeline leak after the Caroline Complex was operational.

> "*it was a very small pipeline leak, er, but it was still a pipeline leak and it er really upset people…a lot of people who had supported us felt they had lost face in their community by supporting us in the past and they felt that we er had said this wouldn't happen and it had happened, er, they felt unsafe, they were upset.*" (Alice Murray, Shell Canada, May 2005)

The pipeline leak reinforced the community's perception that Shell was not trustworthy as it had not done what it had committed to do during the engagement process. There was also significant noise pollution which Shell had to address:

> "*...I know they [Shell] spent a whole bunch of money there, probably $10 million, on the noise side of it, and it was really, really bad after they commissioned the plant, oh yeah!!!*" (Jim Eckford, Community Member, June 2005)

According to Alice Murray (Shell Canada, May 2005) the community viewed the problems with the Caroline Complex as a major breach of trust because Shell had assured the community these problems would not happen, but as there was no dialogue the decline in trust went unnoticed. After two years of operations Shell made repairs to the plant and fixed the problems that had upset the community. Alice mentioned that most of these problems only came to light once the plant was in

operation but because of the lack of community engagement the community was unaware of the situation and that many of the problems had been dealt with. In 1996 Shell put forward an application to the Alberta Energy and Utilities Board (EUB) to increase the amount of gas it processed at the Caroline Complex. The EUB decided to hold a pre-hearing which provided an opportunity for the community to vocalize their concerns. The community issues that Shell had ignored became a crisis not just for them but also for the other operators in the region.

The damage to the relationship occurred over a period of time and because there was no on-going dialogue with the community, the resentment and distrust accumulated only to erupt at the first major opportunity the community had to say how it felt. The community used the EUB pre-hearing as an opportunity to vent their frustrations and anger regarding the oil and gas industry as well as concerns regarding livestock health (Reg Watson, Community Member, June 2005).

The community spoke strongly against Shell's proposal and expressed deep unhappiness with regard to the general operations of the oil and gas industry:

> *"…these people came forward and there was a whole litany of unhappiness including things that dated back 50 years to all sorts of other companies that had operated in the area, just really a lot of unhappiness"* (Alice Murray, Shell Canada, May 2005).

Community member, Dave Brown (Community Member, June 2005), explained that when farmers got upset that it was not over small things as they are very independent and tried to deal with issues themselves. When the problems made it difficult for farmers to conduct their core business activities, farming, the level of emotional upset was in his view higher than perhaps other groups who might seek support or intervention at an earlier point.

> *"…agricultural people are individuals, that's why they're in business, they're self-sufficient type people and they don't like getting involved not until it becomes an issue and then it becomes a big emotional issue."* (Dave Brown, Community Member, June 2005)

Community members were tired of not having a straightforward process for airing their concerns. Dave Brown (Community Member, June 2005) explained that he and others had become frustrated with the lack of dialogue as there was no forum for the community to meet with a company and the EUB at the same time to discuss issues. Instead 'broken communication' occurred as meetings would be held separately without including all the parties involved.

Dave Brown's description of the communication process at play illustrated that communication was one-way and at best fragmented, with no feedback loop that would have provided an opportunity for the involved parties to resolve the problem. Instead issues that had started out as being relatively small were ignored because there was no process to deal with them. Some community members became so frustrated that their behaviour was viewed as being radical by the industry members:

> "...it's not just big problems, they start small but then they can grow and I think that's what happened and you know the town becomes radical and there are a lot of people that are maybe labeled as fanatics and companies won't talk to [them] anymore...there was a point in that relationship that it didn't have to go that way... people that were labeled fanatics were really just long term frustrated people and that never got dealt with...the situation just escalated with the unknown stuff and they get more angry with the oil companies and the oil companies get more fearful of them and more threatened by them...it's a spiral ..." (Jennifer Lutz, SPOG Coordinator, June 2005)

In the above extract it is clear that industry members exerted their power and marginalized the community members that did not support the power status and hegemony, which made the power imbalance transparent (Fairclough, 1993). Jennifer Lutz alluded to the damage rumours inflicted upon the industry-community relationship as companies would not engage with community members that were labelled as radicals and fanatics, which in turn increased the frustration levels within the community. Trust levels were eroded and the negative stereotypes were reinforced. The rumours were able to take root because the issues at hand were of major significance to those involved and they provided a simple explanation for a situation that was emotionally charged and uncertain. In this situation rumours about community members being radicals and dangerous were formed because the context

had personal relevance, a level of ambiguity existed, and credible information was not forthcoming or available, and there was anxiety regarding the issue (Bordia & DiFonzo, 2004, p.33). The more anxious the industry members were regarding the community the more the rumour was consistent with the industry's biases and community stereotyping. This was also true for community members that were farmers as they were coping with industry activity that affected their livelihood and felt they had little control regarding the impact the activity had on them. Rumours that pertained to property values plummeting and banks not giving mortgages for property that had industry activity on it created more anxiety and anger toward the industry and the negative impact it had upon the community (Dave Brown, Community Member, June 2005; Jennifer Lutz, SPOG Co-ordinator, June 2005).

The EUB recommendation from the pre-hearing was for another hearing regarding the increase in gas throughput at the Shell Caroline Complex and that all the other issues were to be handled through an Interrogatory Process. A communication consultant, George Cuthbert, interviewed the community and produced a report that was a difficult read for the industry who thought they had been communicating effectively with the community. A company representative reflected:

> "*I sat alone in my office dreaming up all sorts of wonderful communication techniques that obviously weren't meeting the need of the community because it was all one way...that report was really tough reading because it said things in there that like you know, Alice Murray does a really bad job...*" (Alice Murray, Shell Canada, May 2005 )

It was the interrogatory process which was the turning point for changing the industry-community relationship. The community members were interviewed and their concerns were compiled into a report for the EUB. Communication between the industry and the community was identified as a problem. The interrogatory process started a dialogue between the community and industry as the EUB mandated that the industry had to respond to the community's concerns which instigated the change in approach toward building the industry-community relationship into a collaborative one (Reg Watson, Community Member, June 2005).

What little communication that previously existed was reactive and one-way, and for the most part was only in response to direct complaints. When the Interrogatory Report was completed the EUB handed it over to the Sundre Petroleum Operators Group (SPOG) to resolve the community issues, which at that time had only industry membership. Each company that had a complaint against it and was individually mentioned in the report had to respond publicly. The overarching theme throughout the report was a distinct lack of communication.

**The development of SPOG**

As previously mentioned in Chapter 1, SPOG was established as an operators-only group in 1992, after the Nova crisis and development of the Shell Caroline gas plant. This was the first time that operating facilities had ever cooperated in this way mostly because of the extremely competitive environment oil and gas companies operate in, especially the exploration activity which can lead to competitive advantage. This highlighted a shift to the 'conflict reduction' paradigm. However, the operations side was able to cooperate as this was not a threat to competitive advantage and actually could improve community relationships. By working together the oil and gas industry realized they could work together collaboratively, especially on issues that were too big for any one company to tackle alone, and on issues that required an integrated approach that served the community's needs. The operators used SPOG as a forum to compare notes and share information that could be relevant to the other members and at this point there was no community involvement in the Community Affairs group (Alice Murray, Shell Canada, May 2005).

However, the industry collaboration amongst SPOG members was not enough as the community was not happy with one-way communication it received from the industry. It wanted to be involved and not just with the really big decisions or proposals but also with the everyday activities that had an impact on their quality of life. A community member explained some of the factors that they perceived triggered the change:

> "*The thing that started it was the EUB, they needed to find the balance between a profitable oil and gas industry and the general public, landowners, environmentalists and that balance is always changing. There was a point when people had a very high tolerance for oil companies. Things like*

*Greenpeace in the 70s really got people thinking. I mean landowners are now stewards of the land so we pay more attention. The little guy vs. big business…so the EUB in trying to find that balance has put more pressure on the oil and gas industry, not enough to ruin them but enough to challenge them."* (Gerald Ingeveld, Community Member, June 2005)

Besides an increase in environmental concerns another indirect reason SPOG was formed was perceived to do with the stripping of middle management from the oil companies in the 80s. As middle management started to disappear, more responsibility was devolved to field workers who actually lived in the operations area and saw themselves as part of the local community.

*"…so when it was time for companies to sit down and revisit the direction, revisit the business plan, the values of the company…what the workers were saying was 'we live in this community, we work here, our children are here, so we are concerned about the environment, we're concerned about doing something valuable for the community, we're concerned about not fighting with our neighbors because I work for the dark side and that sort of thing…"*
(Gerald Ingeveld, Community Member, June 2005)

**External pressures**

Changes in the external environment had an impact on the oil industry. People started talking and networking online and learned about their legal rights and entitlements as well as the industry's responsibilities. As oil companies downsized their middle management the fieldworkers who lived locally had to muddle through the community upsets. The industry fieldworkers became absorbed into the community as the community was a relatively open system and their roles as industry worker and member of the community spanned the boundaries. The stress induced by the conflict with neighbours became the industry's motivation for change. Industry members had tired of the bad feeling and distrust. They lived in the community and had families, friends and neighbours within the community and became exhausted from having to cope with the hostility directed at them because they worked for an oil company. Alice Murray's work at Shell focused on community affairs and engaged in boundary spanning as she was part of the community and knew their concerns intimately. Alice

was a prime example of oil company workers being a part of the local community and having to deal with very difficult issues:

> "…*you'll hear that from people like Alice who was born and raised in*
> *Caroline and now she works for an oil company and it's her against her own*
> *neighbours, so how do you deal with that? How do you deal with that?!"*
> (Gerald Ingeveld, Community Member, June 2005)

Community relationships improved with industry personnel living in the area. Companies that continued to operate and make decisions that impacted on the community from a remote location, such as Calgary, tended to have weaker relationships with the community:

> "…*you know the people we deal with in industry are local, basically field*
> *people, and we don't have trouble with them, the big gap comes when it's the*
> *CEO and they live far away and they're reporting to their*
> *shareholders…there's a huge gap between them and the field operations and*
> *that is a real problem, these people live in a totally different world …"* (Dave
> Brown, Community Member, June 2005)

When Jennifer Lutz took over the role of SPOG coordinator in 2002 she immediately started working on improving the relationship between farmers and industry. Jennifer's farming background gave her an insight into how the industry was perceived from the farmers' perspective and the stereotypes both industry and farmers had of each other, but she did not expect to find that industry people were nervous of landowners:

> "…*I think farmers have a terrible perception of oil and gas and you know they*
> *think it's corporate and large erm probably not always good opinions and*
> *they fear industry. So the first meeting I went to I realized the industry feared*
> *farmers, which I thought was really funny, especially coming from a farmer's*
> *perspective…and I think that er people in industry would rather avoid working*
> *with landowners and public consultation and public meetings are not their*
> *favourite things in the world to do…I think that's the funniest thing, you fear*
> *what you don't know, I think erm oil and gas relationships can be pretty*
> *adversarial, you know it's black or white, and so it's kinda like once when you*
> *get them in the same room you realize they're just people too, and you know*

*there are so many similarities... ”* (Jennifer Lutz, SPOG Coordinator, June 2005)

From Alice Murray's perspective it was the development of trust that has helped reduce the level of fear:

> *"I think trust has supplanted that [fear]...I know all the people I grew up with and my family and all these people that live around here are great people and they are very distrustful and er you know scared of the oil and gas companies whereas the oil and gas people, you know, they have such er you know they have such decent people and they want so much to do the right thing and you know the people I work with in other companies and the people I work with in Shell, they're so scared of the community people, you know if you guys would just talk to each other..."* (Alice Murray, Shell Canada, May 2005)

The industry was nervous of the community and attacks by angry farmers reinforced the hesitancy to engage with them. The following quote illustrates that the industry recognized that the community had a lot of power over how industry operations were conducted, however whether the community realized it had power was another issue.

> *"...people don't like being yelled at and er you know the community sees itself without power but really they actually have a lot of power because er you know they can get hearings and things that we [industry] really don't want to happen you know, so a lot of fear and misunderstanding on both sides and I always see my job as facilitating that conversation and SPOG is just a way that makes that so much easier..."* (Alice Murray, Shell Canada, May 2005)

In developing the relationship it was important for industry and community to breakdown the barriers created by the stereotypes. In an industry that is full of engineers and geologists who focus on project planning and problem solving the *"human element can be a bit unknown...scary"* (Jennifer Lutz, SPOG Coordinator, June 2005). The SPOG industry-community relationship managed to create an environment where industry and community could get to know each other better and recognize that they all shared similar aspirations for their families, the community and the environment. By breaking down the stereotypes and fear and developing trust and respect the SPOG members started to build the relationship.

A demographic change that became apparent was that there started to be a 'cross-over' between farmers and industry workers: "*...being a farmer is not a full-time job for many people and they work at the plants and in the fields...*" (Dan Singleton, journalist and editor of *Sundre Round-Up, June 2005*). This cross-over meant it was not so easy to distinguish between the industry and the community as the separation started to blur. Also, many ex-oil and gas workers had farms in the area and were quite critical of industry practice:

> "*...demographics in the rural area has changed, we've got acreages but some of those guys are ex-oil and gas people that are retired like me. And they say 'you [industry] can do better'. They're engineers and they know! Everybody comes out here to live in a pristine and quiet environment...*" (Dave Brown, Community Member, June 2005)

Many of the people buying property in the Sundre area either were working for the industry or previously worked for it, as it employed a lot of Albertans. Some of these new incomers to the Sundre region also maintained city residences in Calgary as well as their newly acquired acreage and were perceived to have overly idealized visions of life in the countryside. The impact that this change had on the community and industry relationship was that the city-dwellers had a different set of expectations which clashed with the industry:

> "*I think that perhaps when people move out from the city to the country they are unprepared for the level of development in the rural areas, and it's huge, the service disturbance from oil and gas development is huge, and there is really nowhere in the province where you would find land that didn't have some sort of mineral underneath it...*" (Deborah Eastlick, EUB, January 2007)

The amount of oil and gas activity in Alberta is extensive and the result is that no matter where you live, even in a city like Calgary, residents need to be prepared for oil and gas development in their backyard. The reality is that most city dwellers do not realize this and become very upset and angry when they move to the countryside or have country residences. "*...they don't do their homework and then they're aghast at what is out there, and they don't want it there, er, well too bad! So I think that's where most of the conflict comes from, they don't do their homework and they don't try too hard to integrate with the local community either...*" (Deborah Eastlick, EUB, January 2007)

**A new relational perspective**

Once the Interrogatory Process was completed the SPOG Chairman and Shell Foothills Manager, Keith Eslinger, was keen to improve the relationship between industry and the community. Keith had described that in the community's eyes the industry was "*lower than a snake's belly*" (May, 2005). Dave Brown, an active community member, was forming a community issues group and at this point Keith and Dave met to discuss the future relationship and collaboration in resolving conflict. Keith suggested that instead of an issues group forming that the community should instead join SPOG.

> "*…if we form two separate groups we're going to live in the past…so why don't we both go to the EUB, we're prepared to change SPOG from just an industry group to one that brings the community in to help us forge the future…*"(Keith Eslinger, Shell Canada, June 2005)

Dave Brown agreed with Keith's point that if the community had its own separate issues group then the chances of collaboration between industry and community with regards to solving problems were small. The EUB was supportive of this outcome: "*…Frank Mink was the chairman of the EUB board and he just said this would be a blessing in disguise*" (Keith Eslinger, Shell Canada, June 2005).

Keith Eslinger changed the way SPOG operated and set up procedures for various processes such as complaints and new developments:

> "*… when Keith came …he started to push and take charge you know he's got really different ideas, you know how to do business plans and you know project plans, and how to do all that kind of stuff, so he's challenged people and pushed in various directions and it's been good.…*" (Les Swelin, Pembina Pipeline Corp, June 2005)

It was clear in the community's mind that Keith along with Dave Brown and Reg Watson led SPOG into what it is today:

> "*SPOG is er I think Keith's, er Keith's creation. I remember him saying to me once that er when he came up here er and sat across the table in terms of confrontations with someone, with [community] persons who today are very much leaders in SPOG, persons like Reg Watson and Dave Brown, well when*

*they first er were introduced to Keith it was as adversaries rather than as people who could work cooperatively and erm those are two good community people, that have been given some responsibility and given some scope to try to create an environment in which we can all work on that together and er they are very good community people for it and er rather than sit and fight with them they understood er found a way to make er make a better community via using people like this.*" (Jim McAllister, Community Member, June 2005)

"*Dave and Keith were involved with SPOG at the beginning, when it started to bring in the community, when it brought all the stakeholders to the table.*" (Gerald Ingeveld, Community Member, June 2005)

Another community member remembered a conversation with Keith Eslinger regarding his motivation to change how industry interacted with the local community:

"*...he said to me they [Shell] were trying to do something with the plant out here, expand or something, and he went to a meeting and people were yelling and screaming and were all mad and he decided he didn't want to fight this...*" (Jan Marr, Community Member, June 2005)

**Conflicting perceptions**

For some people it was problematic that SPOG didn't change its name to reflect that it was an industry-community group and even today there are those who view it as purely an industry mouthpiece.

"*...the biggest problem is that they continued to call it Sundre Petroleum Operators Group and that really creates a lot of problems. A lot of people [are] still saying it is industry run and er if you heard me at one of the meetings a month or so ago you'd have found out that it isn't, I made damn sure! But we went in and the name remained the same and we continued that way and it probably one of the things that sparks off all the time.*" (Dave Brown, Community Member, June 2005)

The industry members considered changing SPOG's name, but according to Alice Murray (Shell Canada) at that point SPOG had already existed for 5 years and was a '*known quantity with the EUB and industry*', however the lack of acknowledging the community in the name indicated a lack of accommodation and created an external

perception that the community was not integral for the OPRs existence but was only an add-on.

Some of the community members expressed the opinion that people who were unfamiliar with SPOG thought it was industry-driven, and that they explained it was really an industry-community group:

> *"There are people who hate SPOG, 'it's all industry run' – well no it's not! You know, the industry is working with the people, and if you go to a meeting you will see that! Don't spout off if you don't know what you're talking about!..."* (Judy Winters, Community Member, June 2005)

The perception that SPOG was industry-driven was strengthened by the fact that the industry SPOG members funded SPOG's activities and were therefore thought to have more influence regarding the relationship. Deborah Eastlick (EUB, Jan 2007) did not agree that because the industry funded SPOG that it was therefore industry influenced: *"I don't think it's a particularly valid one [issue] but if the community perceives it to be an issue then it is an issue for them..."*

George Ingeveld (Community Member, June 2005) thought there was a stigma attached to SPOG because it was funded by the industry members whereas some other community groups refused to accept any funding from the oil companies because they did not want to seem as though they had been bought. George mentioned that these groups had to focus on fundraising activities instead of resolving issues and that he did not have an issue with the industry funding SPOG since the problems were a result of the industry's activity.

A further distinction between the SPOG membership categories that emphasized a difference was that the community members were officially 'Associate Members' as only the industry members paid membership fees. Dan Singleton, editor of the local newspaper *The Sundre Round-Up*, perceived this to be a key difference that indicated the two types of membership were not equal. However, community members such as Dave Brown (Community Member, June 2005) did not see this as an issue as they were able to participate fully in the decision-making and the only difference was that

industry paid the bills. All of these concerns were linked to issues of power within the relationship which are discussed more fully in Chapter 5.

**Creating a collaborative vision**

The Interrogatory Process had highlighted the lack of communication and that not only did people not know who to complain to but they also were unaware of when things were going well. Communication needed to be improved and so in November 1997 the first communication workshop was held under the auspices of SPOG. Community members and representatives were invited from all the different geographic communities in the SPOG area, which had literally been identified by the overlapping emergency planning zones for the thirty SPOG member companies.

As SPOG now had community members each sub-area within the SPOG region would have community representatives who would sit at the table and lead committees when issues arose. By joining forces there was a commitment from the industry and community to solve differences and most importantly to influence the future relationship.

Communication training sessions and workshops for both industry and community based on the Covey's *7 Habits of Highly Effective People* and *Principle Centered Leadership* were organized and paid for by the industry. There was a specific session when community and industry came together and jointly produced their 'vision of change'. These sessions were deliberately organized by Keith Eslinger (Shell Canada) who at that time was the SPOG Chairman as well as a Shell manager for the area.

> *"…it was a half-day session and it was a miracle, er because what we did there is er we had a facilitator and he took us through the process of creating a vision and talking about all of this stuff that happened over the last 50 years [that] there's not a thing we can do about it but we can sure change how we can move forward, and we know you [the community] don't trust us …and you don't have any reason to trust us but …what can we do next? What would a perfect future look like? How would you like that to be?"* (Alice Murray, Shell Canada, May 2005)

Within that one session they produced the new SPOG vision: "*A long-term relationship, based on mutual trust, honesty, and respect, by way of sharing pertinent information and resolving issues to benefit all stakeholders*" (SPOG, 2006). Whilst developing the 'vision of change' the industry and community members created a shared system of meaning regarding what type of relationship they wanted with each other. Covey terminology and language was incorporated into the SPOG vision and reinforced desirable attitudes (trust, honesty and respect) and translated them into behavior. Chapter 6 explores the influence of Covey on the SPOG industry-community relationship in more detail.

SPOG's vision is highly visible as it appears on most of its publications, website, on its office walls, on name cards for meetings, and is widely known by its members: "*…the vision for SPOG is really central to everything that we do and creating that trust, honesty and respect is like that's paramount, without that we have nothing!*" (Alice Murray, Shell Canada, May 2005). The visibility of the vision is deliberate as it serves to remind members of the SPOG's purpose as well as how industry and community members are to behave towards each other. (See appendix 13 for sample of name cards)

The communication / Covey training was recognized as being very helpful in transforming how the industry and community related toward each other and lay the group for developing a relationship. The training helped provide everyone with the tools to work together, to communicate and have a dialogue, and share common values and therefore bring everyone closer together. Jim McAllister, Community Member, thought that the communication training he received was valuable as it created an environment where people felt comfortable working together so they could resolve issues and develop solutions that everyone could live with without feeling abused.

> "*One thing that SPOG did very early [in its] development is actually find the people, key people in some of the …communication processes, rather than stand around cussing at one another and calling one another names there was a certain respect that was required and a certain trust they tried to develop in terms of er working on the problem jointly rather than my problem is mine and you look after yours. Er the training these people got and the tone that was set*

*at the meetings has really shown me a much better way to develop relationships to communicate...*" (Jim McAllister, Community Member, June 2005)

Another community member, Reg Watson, also reflected on the importance of the communication training for developing the relationship. Reg perceived that the Covey training was valuable for maintaining the relationship over time as new industry members and / or community members moved into the Sundre area and started engaging with SPOG that they needed to have a similar foundation:

"*...Shell er set up four well, four Fridays for the whole day, what's called the er called Steven Covey 7 Habits training and I think that made a big difference in the relationships between the industry and the community. We got to meet each other face to face and that's really er people sitting together. You find out that people in industry are the same as you are, we're all the same...until I got involved with SPOG I thought all industry people were a bunch of bad bastards, but you know wouldn't listen to you, but er once you get the meet them and find out that they're just normal people and sit down and cooperate and work out solutions rather than handle a confrontation.*" (Reg Watson, Community Member, June 2005)

By breaking down the stereotypes the industry and community had of each other they were able to start collaborating and working together regardless of the SPOG membership distinctions. Further workshops were organized to develop the practical next steps which resulted in SPOG's goals. From that point on SPOG was guided by the goals which were collaboratively developed and were concerned with joint-decision making. There was recognition that what happened in the past 50 years could not be changed but the future relationship could be influenced and shaped. An industry member expressed his sentiment and commitment at that time:

"*I could pile a lot of passion into working together on jointly problem solving our differences and influencing the future...I can't change the past...*" (Keith Eslinger, Shell Canada, June 2005)

The level of dissatisfaction with how industry and community related got to the point that people decided there had to be a better way to coexist and 'get on with life' as the level of dissatisfaction outweighed the cost of changing the relationship.

*"…a relationship is about one little change at a time, it's a lot of eyeball to eyeball, not about email. This is about kitchen table conversations, face-to-face, and we get a lot of that and that's how it started and so that's kinda what I call the equation for change."* (Keith Eslinger, Shell Canada, June 2005)

Building the industry-community relationship relied heavily on interpersonal communication and relationships (Sriramesh, cited in Taylor, 2001). Both Jennifer Lutz and Keith Eslinger referred to the importance of '*kitchen table talking*' and '*kitchen table conversations*', implying that the relationship has to be physically close and that '*face-to-face*' or '*eyeball-to-eyeball*' communication was critical. Nonverbal behaviours such as gazing and maintaining eye contact as well as kinesics and proximity can support or hinder the relationship's development. The nonverbal cues that both Jennifer and Keith mentioned reduced uncertainty regarding others which aided the development of the relationship (Burgoon & Hoobler, 2002). By having this closeness it was possible to break down the typical stereotypes and get to know each other at a personal level, instead of at the formal 'role' level.

SPOG continued to provide Covey's 'Seven Habits' workshops and communication training annually so that new community and industry members could develop relationship building skills. New members found this training very useful: "*…when I joined [SPOG] in 1998 then er then I got the 'full meal deal', that's a Canadian expression, means [getting] lots of stuff, but there was er one of the things that was very valuable was the training that came with it, that was one of the first things that SPOG did was training, train the members…*" (Gerald Ingeveld, Community Member, June 2005)

**Rebuilding trust**

In 2000 Jan Marr became aware of SPOG. Jan's previous experiences in Pincher Creek with the petroleum industry had been negative and when she arrived in the Sundre region she thought she would not trust the industry again or would have anything to do with it. After a while Jan came into contact with SPOG and was surprised that the people at the heart of SPOG were not the industry "*monsters that were in Pincher*" and she thought in Sundre the focus was on developing a

relationship between the industry and community and it was driven by people who wanted to make this change:

> "…*people who really had in mind to see a form of responsibility, er a form of reconciliation between industry and community er and the trust and all those things that are in the SPOG er mission statement basically adhered to. I feel it has come a long way…and I believe they have the heart to er make things right in this community.*" (Jan Marr, Community Member, June 2005)

Jan recalls discussing the SPOG approach to building relationships with Keith Eslinger, Shell Manager and then also the SPOG Chairman:

> "…*I er spoke to Keith Eslinger one night and erm I think that we had both come to the same conclusion at some point and that was that fighting didn't get you anywhere and for years we [community]didn't know how to make a difference with the industry and with the government to be heard, and the only thing we knew, you know, was to when they were having a community meeting was to get up er and voice our opinion in a, in a strong way, but that's not useful really, so SPOG and the way it operates I believe it is a tool that communities can use not just for the oil and gas industry but for many different problems, circumstances, things that come up to resolve their issues, you may not get exactly what you want, but you sure get people who listen and who do their best for you…*" (Jan Marr, Community Member, June 2005)

Keith Eslinger remembered the first time he met Jan Marr and realized she was the same person he had heard rumours about when he was based in Pincher Creek as a manager at the Shell Waterton plant in 1990-1995. He had thought nothing more of her until he started working in the Sundre area when he came across her at SPOG's first Neighbour's Day in 1997:

> "…*so I come out to sprinkle the holy water and the EUB and the CBC and all the press are out here eh, and Eve Slavery is talking to this woman, eh, and I'm looking and thinking who the hell is she talking to, I could see her talking to our other Conoco resident that we have out here but why is she talking to that lady? Someone said, 'oh, that's Jan Marr'…Jan Marr?!! There is no god! Eslinger, why didn't you just stay in Waterton for god's sake!*" (Keith Eslinger, Shell Canada, June 2005)

As the SPOG Chairman Keith had expected he would represent the petroleum industry as he was in a position of leadership and authority and give the industry's 'blessing' and welcome the community attendees to the event. Instead Keith was shocked at discovering Jan Marr's presence. Jan Marr was an activist and according to Keith had been labeled a '*looney toon*' by the industry which sought to discredit any threats to its power (van Dijk, 1997; Fairclough, 2003, p.323). It was after meeting Jan and listening to her perspective that Keith changed his opinion of her: "*...here's somebody who accused Shell operators from trying to run her off the road and kill her kids and all this kind of stuff, they obviously had her backed into a corner.*" In 2006 Jan Marr took over the role of SPOG Coordinator.

By March 2003, Shell had evidence that the SPOG industry-community relationship had improved. Shell had what by EUB terms was a 'little' sour gas leak this time on one of the aerial coolers[16] at a compressor station. The sour gas smell covered a distance of approximately 20 miles. A school was put on evacuation alert and Shell Caroline telephoned 800 people three times to inform them of the situation. It took Shell 4 hours to figure out where the leak was coming from because the smell covered a large distance. This sour gas leak resulted in no complaints and no negative media coverage.

> "*I think when Shell knew they had arrived is a couple of years ago they had a release, er a gas release, and all of their emergency processes got put into place and within a very short time everybody who should have been advised was advised, everybody knew what was going on and soon as it was under control er the folks from the plant got back to the community with this is what happened, this is why, this is what we've put into place to ensure it doesn't happen again. Now the community was not happy about the release but because they had build such a great relationship with Shell over all of these years they were prepared to give them a bit of grace and say alright well, we're not happy that there was a release but everything you've had in place worked exactly as it should and we knew all along what was going on and you showed us what you're going to do to ensure it doesn't happen again, so ok.*"
> (Deborah Eastlick, EUB, January 2007)

---

[16] Aerial coolers are similar to big radiators with big fans.

Shell had made 'deposits' over the years into the 'trust bank' by fully participating in the SPOG industry-community relationship and when the crisis occurred it was able to make a 'withdrawal' without losing the community's trust.

Another indication that the industry-community relationship was improving was the attendance at SPOG's annual event 'Neighbour's Day' which started in 1997 and grew in size from rather modest proportions to becoming an event in the local calendar that was not to be missed. Neighbour's Day provided the opportunity for industry to meet with the local community and to see how things are going for those living in the community. Community members could also talk to the industry members and meet senior management in an environment that was familiar. The first Neighbour's Day had approximately 100 -150 people attending it. In 2004 there were over 1500 people, and by 2006 there were 3000 attendees. Keith Eslinger viewed the growing attendance as an indicator of the industry-community relationship's success and a chance to gather feedback from the community on how the industry was performing and meeting its community's expectations.

> "...it's huge growth and I look at pictures of stock market growth or any other growth, guys let's measure that growth and it's really worth it when you get that many people coming out eh, they talk and share and tell us what's hurting them and what's not and what's going well and what's not, so it's very open…and not protective at all, so we've got those indicators." (Keith Eslinger, Shell Canada, June 2005)

**Developing SPOG's processes**

After having the initial communication training and developing the SPOG vision the focus went on to developing the various 'business processes' that would help achieve the SPOG vision. Handling community complaints was considered to be important for reducing levels of frustration and anger, so the 'complaints process' was mapped out ensuring that the accountability relating to a specific complaint would be clear:

> "…when a complaint came in it got logged in and companies would have to speak to those complaints at the community affairs in front of all their peers and the community, ok, and the community developed some performance expectations, and yadda, yadda, yadda eh, and slowly we started to change the behaviours of all the other industry people as well saying you know guys, we

*can't just say well that was a skunk smell or yadda, yadda, yadda, we have got to take this stuff all seriously..."* (Keith Eslinger, Shell Canada, June 2005)

The complaints process was important for rebuilding the industry-community relationship. It provided the community with feedback and also reduced the level of uncertainty as the community members could see that the concerns and issues they brought up were addressed by the industry members and reported back on publicly. The complaints process improved relationship because by reducing uncertainty the psychological discomfort and anxiety was decreased and replaced with a sense of control (DiFonzo & Bordia, 2002, p.4). As a relationship building approach it also improved the community's level of trust in the relationship as it was transparent, information was readily available, and the accountability was clear (Frombrun and Rindova, 2000, cited in Christensen, 2002, p.265).

Another important process that was mapped out was the 'new developments'. The companies would have to put their new development plans on the Community Affairs agenda so they would be presented to the community and other industry at a meeting. For new companies entering into the Sundre region it was an opportunity to introduce themselves and meet community members as well as other industry people. The community members were able to listen to the development proposal and decide whether the company was able to meet their performance expectations. If not, the community would form a subcommittee comprising community members affected by the development and they would consult with the company and get to know them better. This was especially important if the company was a 'new entrant' to the SPOG area. (Keith Eslinger, Shell Canada, June 2005).

The new developments process aided relationship building as it was a participative approach and enabled the community members to have access to information so they could make a decision, develop performance measures relating to the proposed development, and influence how the proposed development would be operationalized. Levels of uncertainty were reduced which was critical as new developments create high levels of anxiety for the community members impacted. The new developments process enabled the community members to set the performance measures which gave them some control over the situation.

The next main process that was viewed as being important was the 'education process'. Both industry and community SPOG members saw it as being essential that the high school students had an understanding of the oil and gas industry activity as many of them would later work for within the petroleum industry or in agriculture. It was in the industry's interest to try to build a relationship with the high school students and to put across its perspective and rationale for the activity it was engaged in as well as explaining the relational approach.

> "...*We had an education process because one of our other values is that we want to get kids early on eh, as we want to influence behaviour... We start making sure that we build our relationship, that understanding that it isn't all 'rah, rah oil industry you make lots of money', it's about we're all part of the community.*" (Keith Eslinger, Shell Canada, June 2005)

Keith Eslinger wanted to expand the SPOG industry-community relationship concept so that there was collaboration between the core industries in Alberta and a participative and inclusive approach toward problem solving and relationship building. He recognized that across these industries they faced similar issues and concerns (such as soil, water, and air quality) and if they could share knowledge and best practice then their OPRs would improve.

Keeping the SPOG processes 'alive' meant having refresher training. Covey workshops were offered on an annual basis so that new community and industry members could attend as well as others interested in 'brushing up' on the Covey approach. Minutes from SPOG Community Affairs meetings indicated that Covey concepts were refreshed as there was time set aside for reflecting Covey's (1998; 2004) seventh habit 'Sharpen the Saw' (see appendix 14 for an example of SPOG's Community Affairs minutes). Covey's concepts link closely with those found in conflict resolution literature such as separating people from the problem and focusing on interests and mutual gains (Fisher & Ury, 1999) and also with OPR literature, especially pertaining to building trust and apologia. The influence of Covey on the SPOG industry-community relationship is discussed in detail in Chapter 6.

Keith Eslinger mentioned that because SPOG has funded a 'world class' $18-million cattle study, the EMA project (Emergency Measures Alberta), and focused on building relationships that SPOG was able to access ministers within the Alberta

Government. Keith explained that SPOG had access to government because of its credibility and blend of grass roots and industry: "*…We can go and get a cabinet meeting with the snap of our fingers…because we've got this relational model that works.*" (Keith Eslinger, Shell Canada, June 2005) Verification of SPOG's access to politicians was not possible but it raised an interesting point in that Keith was of the opinion that SPOG could actively lobby politicians and had access to them. If SPOG was politically influential questions regarding its legitimacy within this context would need to be explored. Visible recognition that SPOG was appreciated by the community and that it had provincial recognition came in 2003 when SPOG was nominated by Jim McAllister (Community Member) for the Sundre Chamber of Commerce for the "Ambassador Award", which was bestowed by the Legislative Assembly of Alberta.

**On-going threats to the relationship**

The rapid pace of development continues in the Sundre region. As more and more oil and gas facilities are placed on the land the pressure on farmers increase as it becomes more difficult to perform farming activities.

> "*…you're going to end up with a well in the middle, a well here, a well there, and then they're only going to want to pay you $500 a year which is no good, so all these things are starting to rise up and creating a real, real change…*"
> (Dave Brown, Community Member, June 2005)

Alberta has approximately 1700 oil and gas companies operating within the province. The majority are small operators and the recent 'boom' has resulted in many that literally have two or three employees. These small operators were not interested in long-term relationships as their business model relied upon them buying a few old oil and gas wells, repairing them and reselling them as quickly as possible.

> "*When SPOG first started it was Shell, Amoco, erm Mobil, er I think Husky, but there were only about five major companies, but now look at it. It's unbelievable, this guy got [access to] some land across from me the other day and he and his friend own Legacy Oil and Gas, and they bought a few little wells here and there, and they fixed them up and they said 'we expect to sell them all'… but they don't know anything about oil and gas, they just hire contractors. So how much do they want to spend on community relations?*"
> (Dave Brown, Community Member, June 2005)

146

The change in industry demographics has created quite a few new issues for SPOG and the industry and community members mentioned that the small new entrants needed to be educated as to how to engage with the community if they wanted to conduct business in the SPOG region. The community and established industry who had invested in SPOG and developed a collaborative approach had little patience for those 'newer' operators that did not 'get it'.

> "*...what's happened up here...is that we've had a massive turn over of er oil assets between companies, er buying and selling of entire fields and er we've got upstart companies, we've got energy trusts, we've got a whole bunch of things that to me are relatively naïve...corporately they've never recognised the fact that community relationships are very, very, very important and I don't think they even look at it from a stand point of it's a costly thing, because it's not...legislatively they don't have to, er good business says they should...there's some operators that don't bother to contact SPOG and they've gotten into some real serious doo-doo here with local communities because we're accustomed to being informed...*" (Jim Eckland, Community Member, June 2005)

The small operators were keeping SPOG busy as the complaints log indicated they were upsetting the community. Part of the problem was the pressure for these small operators that only had two or three employees was to make money quickly which meant they were only interested in short-term gains. Also it was possible that these new industry players did not know or understand what was expected of them regarding community engagement within the SPOG region. Concerns relating to 'new entrants' and the community relationship is discussed in more detail in Chapters 5 and 6.

Another cause of damage to the community relationship that was mentioned by the community was the behaviour of contractors and 'landmen[17]' or 'land agents', who also work on a contractual basis for the industry. Alice Murray (Shell Canada, March

---

[17] Landmen are also referred to interchangeably as land agents. Landmen / land agents are employed or contracted by oil and gas companies to negotiate compensation with landowners and secure land access leases (Griffiths, 2004, p 157).

2007) thought that landmen were not the problem but that the seismic permitters were responsible for the bad reputation with the community:

> "*...a big misconception is that seismic permitters are not landmen, they are usually contract, usually sign as many people as they can, don't always do a great job, but are seen by the community as landmen.*"

Landmen are employed by the industry to get contracts with farmers signed off so they can have access their land. Landmen have a particularly bad reputation in the community as they are perceived to be high priced salesman who use unethical tactics to get farmers to sign off on contracts, instead of being there to negotiate the best deal between the landowner and the company. Many of these landmen are given bonuses for completing agreements within 24 hours, and this has led to distrust and anger within the community:

> "*...they'd [land agents] work for an oil company and they'd send them out to do the acquisition and I think there's a lot of old school er land agents out there still and they do, they rape the landowners and they try to get it [the contract signed] for the least amount of money...*" (Esther Johnson, SPOG worker, June 2005)

Community member Jan Marr echoes Esther's comments: "*...they get away with what they can, I mean for a landman that's his job...*" (June 2005) The industry preferred to negotiate with individual landowners via land agents instead of negotiating with all the landowners involved because it was thought to be cheaper. This approach could lead to friction within the community as one neighbour may receive more money than another based upon their bargaining skills. Compensation for land access and disturbance was a sensitive topic.

> "*If somebody comes into my place and they're not dealing with me fairly I tell them where the door is. And I say when you get yourself straightened out come back or maybe I'll call if it's a landman I might call the company and say 'you'd better send me a different landman because he and I are not seeing eye to eye'. It's my land, it's my business so I've got to negotiate for me and for my land. I mean I've taken a landman by the seat of the pants and the scruff of the neck and thrown him out the door...*" (Dave Brown, Community Member, June 2005)

148

There was still the perception that industry treated farmers with a level of disrespect and as an annoyance as they caused delays in the operational side of the resource extraction. However, the reality was that many of the farmers were operating multimillion dollar businesses and when landmen or industry agents came to visit they did not show any sensitivity or empathy regarding the farmers' position and issues, nor considered their timing:

> "...I think that er farmers have been educating industry folks er that 'listen you can't just turn up on my doorstep and want me to talk about your proposed development because I have a business to run here. I have 50 cows calving out there in a blizzard in March, I don't have time to sit and talk with you right now'..." (Deborah Eastlick, EUB, January 2007)

**Educating the next generation**

SPOG industry and community members became involved in the Land Agent programme offered at Olds College in order to educate the 'next' generation of landmen so they understood the landowners perspective. The college is industry focused and SPOG sought to address this imbalance, so that students on this programme would understand the farmers' perspective and as a result be more respectful when working with them. When Esther Johnson started working for SPOG as the residential visits co-coordinator, she was impressed at how well the industry and community got along, which came as a bit of a surprise because she had only heard about conflictual relationships between industry and landowners. Esther recalled a seminar delivered by SPOG by Judy Winters, a farmer, when she studied on the Land Agent programme:

> "...I can remember being scared because one of our classes was the seminar called Land Agent Seminar ...and er they had different people coming in and talking to the class...industry people and community people and SPOG came and a person from SPOG came, and I remember being so ticked off because this woman came in and she said 'land agents are the scum of the earth' and she was from SPOG, and I thought oh my goodness, is that how we are perceived out in the community? And we are. Land agents don't have very good names..." (Esther Johnson, SPOG worker, June 2005)

Land Agent programmes such as the one offered by Olds College include modules on communication[18].

Esther's opinion was that the situation was much better in 2005 than it was in the past: "*...you hear about some of the horrible things companies have done to the environment or to their land and they are trying to recover, but it's definitely oodles and oodles better than it was 10 years ago...*"

SPOG has developed and built up relationships between the industry and community, overcoming a lot of 'bad' history and over time has repaired some of the damage:

> "*...not all history is good history, right, erm there's also a lot of bad history or we're less than perfect erm but I mean even from bad experiences come out some good experiences, right, so as long as when bad things happen you find positive ways in order to deal with them or it comes to a positive or at least not such a negative ending, it's heading in the right direction ... you do gain some trust along the way...*" (Diana Gilbert, Shell Canada, June 2005)

A part of SPOG's role is to educate the community as they may not know what their rights are and how they can engage with the process and when they can raise concerns and participate in making decisions that affect their lives. SPOG is viewed as being a catalyst for the level of engagement and educating both industry and community:

> "*SPOG is a great catalyst for that and they really do ensure that erm the community understands and you know there is a percentage of the community, more every day that are executives from Calgary buying recreational quarters and a lot of them don't want oil and gas activity in their own neighbourhood. They work on it (oil and gas) all day, they don't want to see it out here but you know if you purchase land out here you know it is pretty much a guarantee that you have a pipeline going through it...*" (Diana Gilbert, Shell Canada, June 2005)

---

[18] The education and professionalization of Land Agents / Landmen has led to the development of a number of postgraduate vocational programmes as well as licensing and a professional association CAPL (Canadian Association of Petroleum Landmen). CAPL has its own professional certification (P. Land Certification) which includes examination on proficiency and ethical conduct. Information on CAPL is available on www.landman.ca [accessed 02 September 2007].

**An improving situation**

SPOG has resulted in building a relationship between the industry and community, which ensures a 'level headed' approach to sensitive issues and trust that the issues will be resolved. The community has become aware that the SPOG processes work and that there are benefits for engaging with it. The complaints monitoring process has improved transparency and accountability, and there is a level of trust pertaining to the resolution of problems:

> "… *the feeling of respect, reassurance and calmness and whatever so er that when a problem comes up people don't go into explosive mode, they're more willing to say 'ok, we had better meet and address this'…people imitate other peoples' behaviour and they see that when you have a problem with a company what you do is phone SPOG and you also phone the company and SPOG will keep an eye on things...*" (Frank Dabbs, Community Facilitator, August 2006)

The way that industry and community interacted and collaborated is still relatively unusual practice in Canada. Industry Member Doug Logan recalled his introduction to SPOG when he was transferred to the Sundre area in 2001:

> "…*most of my career has been in north eastern BC…so when I came to Sundre erm as [part] of my new job then, they said you need to understand SPOG and er what it is all about, so I just started attending the Community Affairs meetings so then I got quite involved and after 2 years I was the er co-chair of Community Affairs and this year I'm on the Board of Directors.*" (Doug Logan, Petro-Canada, June 2005)

SPOG was viewed as having improved the industry-community relationship by both the community members and the industry. SPOG has supported other community groups in their development and had an important role in the Synergy Alberta movement. SPOG was viewed as being a 'real' Synergy group because it had both industry and community members, whereas some other groups only had community membership (Dave Brown, Community Member, June 2005).

The industry-community relationship had transformed partly because the petroleum operators realised they could not function in the closed system they previously

operated within. By recognizing that the external environment had an impact upon them the petroleum operators changed toward functioning within an open system (Katz & Kahn, 1978).

The EUB recognized that SPOG became successful because of the initial drive and commitment from Shell for improving community relationships, and the perceived sincerity in truly wanting a better community engagement process:

> "…Shell stepped up and said this is not just a pain in the neck kind of exercise, this is the way we will do business in this community because it is the right thing to do and erm and they knew that erm you don't build relationships over night, they were in the community for a long time, many decades, and they were prepared to put in the effort to build good relationships with the community. So erm like any relationship that we have it had its ups and downs but everybody stuck with it when it became apparent that Shell was sincere about making this work, and about being transparent and giving access to the community to what they were doing and involving the community with decisions and what not, and trust was built over time." (Deborah Eastlick, EUB, January 2007)

Deborah Eastlick (EUB, January 2007) viewed Shell's role as being instrumental in changing the approach to the industry-community relationship.

> "…I think the folks at the Caroline plant are awesome. You know, they live in that community, and Alice likes to talk about that there is only one aisle in the general store, there is nowhere to hide when you go for groceries so if you screw up somebody is going to tell you pretty quick you know…I really like that mentality because the people who work at the plant live in that community and erm they're all in it together." (Deborah Eastlick, EUB, January 2007)

Deborah Eastlick mentioned that with the SPOG industry-community relationship the EUB saw the start of the Synergy movement in Alberta, and the phrase "social license to operate". Deborah preferred Alice Murray's (Shell Canada, May 2005) elaboration on it which made the community's role clear: "*the government grants permits and the community grants permission*". Deborah explained that in Alberta individuals to a certain extent had the right to dictate the terms of development on their property. This

did not mean they could refuse development but it did mean that they had the right to say how that development would proceed, what it would look like on their land and essentially identify what their expectations were.

From the EUB's perspective, SPOG was one of the oldest synergy groups in Alberta, and one of the most highly organised. *"I can only think of one other synergy group that also has a board of directors and a full-time paid administrator and committees and a, you know, a huge budget and that kind of thing"* (Deborah Eastlick, EUB, January 2007). At the time SPOG developed there were approximately a dozen small groups in the province, which were structured differently as they met the needs and interests of their particular community. These groups started to form in the mid-1990s when the internet became more widely available in rural areas. People who belonged to these new groups at that time were connecting and learning from each other via the internet and because they were situated in different parts of the province they met online. Deborah said that from her EUB perspective it seemed that the numbers of groups grew exponentially and the EUB started referring to the groups that included industry and community members as synergy groups. With so many synergy groups emerging across Alberta the EUB realised that it was in its vested interest to host a conference where industry and these groups could meet face-to-face and learn from each other, as well as be included within the network themselves:

> *"…it was self-interest on our part… we were aware as the regulator that these groups were all connecting with each other erm in a loose sort of network and we weren't in it, we were outside of this communication network, and because we're also a stakeholder we didn't believe this was a good thing. We needed to be in the loop so we knew what was going on and that we could help support erm because the EUB if can support collaboration over confrontation we're all over that, so erm along with the industry association we sponsored that first and all the successive conferences, and I have to say I'm pretty proud of the way that has all worked. We won a national award for it this year and we've been nominated for a UN award in the synergy movement, so we did something right!"* (Deborah Eastlick, EUB, January 2007)

**Internet connections**

The impact of the internet on public relations was that an organization's publics could connect with others no matter where they were located and exchange expertise and collaborate, thus by-passing the organization completely. Deborah and the EUB recognized that the synergy groups were communicating with each other and that they did not have access to this private sphere. It was in the EUB's interest to move the communication into the public sphere as it could then participate and influence the dialogue. Whilst the petroleum industry was very familiar with the EUB the community groups were not. Community member Jim McAllister (June 2005) mentioned that he thought the EUB tended to regulate on the 'side' of industry, as the province reaped huge economic benefits from the oil and gas industry. Another reason why the EUB may have been perceived as being closer to industry than to the community was that in general the role of the EUB was to regulate the industry as its rules only applied to the industry. The EUB could not regulate the public as this was not its mandate, so the EUB had far less interaction with the community compared with the industry. The EUB recognised the importance of having a closer relationship with the community and adopted a stakeholder approach and started to develop this by having field officers in nine locations around the province that provided the 'local' face of the EUB and worked with community groups. It was in the EUB's interest to have groups like SPOG as they reduced the level of community dissatisfaction and cut down on the EUB's costs:

> " *We don't like to see things go to a hearing because they're hugely expensive in terms of dollars but also very divisive for the community in terms of relationships in communities.*" (Deborah Eastlick, EUB, January 2007)

The EUB has benefited from SPOG and other synergy groups as it was able to regulate with a 'light touch' instead of having hearings and needing to intervene. The organized synergy groups were able to access resources, advice, information, and also learn from the experiences of other groups throughout the province. It was in the EUB's interest to actively support these 'synergy groups' so they could show that industry-community relationships worked by having fewer hearings. By encouraging community participation in decision-making the EUB would not be viewed as being 'in the petroleum industry's pockets' because issues would be resolved amicably via the Synergy group and the EUB would not have to make rulings that for the most part supported the industry because of its utilitarian outlook.

This chapter has contextualized how the actual participants involved in the SPOG industry-community relationship described their personal experience of it. The relational paradigm shift within the context of the SPOG industry-community relationship explained via the perspectives of the relational parties involved was important as it provided some insight into the motivations for reducing the conflict and changing the relationship. Without sufficient motivation levels the behaviour, and thus the relationship, would not have changed. The background context surrounding the industry-community relationship was critical for understanding how the relationship developed and influenced how the participants felt about it and also how and why they wanted it to change. The industry and community members described their own personal experiences and involvement with the SPOG industry-community relationship. By doing this they provided the context for the relationship and they were able to explain why they felt the relationship was rebuilt and the core values that helped rebuild trust and led to a community engagement process that reduced conflict levels.

This chapter has partly addressed the first research question by exploring how the participants involved in this OPR described their personal lived experience of this phenomenon. The participants indicated that the relationship had started out as an exchange relationship where the petroleum operators paid the 'going rate' for access to the mineral wealth and the farmers were happy to have some much needed income. Over time the relationship was not meeting the farming community's needs and it became viewed as an exploitative relationship as the industry took advantage of the local residents. After the industry and community decided to rebuild the relationship in 1997 it developed into what could be described as a covenantal / win-win relationship as both the SPOG industry and community members focused on collaboration, cooperation, common good, and win-win conflict resolution outcomes (Hung, 2005). The next chapter builds a deeper understanding by exploring industry and community opinions about the relational elements involved within the relationship in more detail.

**Chapter 5   Relational elements: Trust, transparency, dialogue, commitment, and power**

This chapter[19] focuses on a contextualized exploration of the interviews. It builds on the previous chapter that explored the interviewees' stated understanding of the background context relating to the formation of SPOG and the development of the industry-community relationship.  Thus relational elements were viewed through the contextual lens of historical experience.

Literature on communities of practice and situated learning theory (Lave & Wenge, 1991, cited in Handley et al, 2006, p.643) emphasized the importance of context for understanding, learning and practice and proposed that learning was not developed passively but that it involved "social practice" (Lave & Wenge, 1991, p.53, cited in Handley et al, 2006, p.643). The historical or background context behind the SPOG industry-community relationship was critical in shaping how this relationship evolved. The background context and the community's 'litany of unhappiness' (Alice Murray, Shell Canada, May 2005) had to be addressed by the petroleum operators in the rebuilding of their relationship with the community otherwise trust could not be developed.

The SPOG industry-community relationship could also be viewed as a 'community of practice' (Handley et al, 2006, p. 643) as the industry and community members participated in SPOG's identity construction by collaboratively developing the SPOG vision statement and physically participated in the various processes such as community affairs, complaints, and new developments. Handley et al (2006, p.643) discussed communities of practice in relation to core processes of participation, identity-construction and practice which resonate with the development of SPOG and

---

[19] Part of this chapter has appeared in the following publications:
Jahansoozi, J. (2006). 'Relationships, transparency, and evaluation: The implications for public relations. In L'Etang, J., & Pieczka, M. (Eds). *Public relations: Critical debates and contemporary practice*, pp. 61-91.Mahwah, NJ: Lawrence Erlbaum Associates.
Jahansoozi, J. (2006). 'Organization-stakeholder relationships: Exploring trust and transparency. *Journal of Management Development*, Vol.25, No.10, pp.942-955.
Jahansoozi, J. (2007, NYP). Organization-public relationships: An exploration of the Sundre Petroleum Operators Group. *Public Relations Review*, Vol. 33, No. 4.

how the industry and community members negotiated, resolved conflict, and collaborated in the decision-making process.

The term 'relationship' was defined earlier in Chapter 2 as being "comprised of a series of related interactions, each affected by past episodes, and in turn affecting future interactions" (Hinde, 1979, 1981, cited in Blumstein & Kollock, 1988, p.468) which implied that relationships existed regardless of how they were categorized. The focus within public relations literature and the relational paradigm has been on 'positive' relationships and the literature highlighted a number of relational elements important for these types of OPRs. Trust, commitment, satisfaction, control mutuality and dialogue (Kent & Taylor, 2002) are considered to be essential relational characteristics for maintaining a beneficial relationship. The existence of the relational elements required for rewarding relationships are what differentiates good relationships from bad relationships, which tend to be characterized by their dysfunction. The background to the development of the SPOG industry-community relationship discussed in Chapter 4 helped to explain the perceived need for a good industry-community relationship. Whilst each relational element is presented and discussed separately it is necessary to emphasize that these elements are interconnected and individually isolating them only provides a limited understanding of the whole relationship. In the case of SPOG the whole relationship appears to be greater than the relational parts as each relational element influenced the others as they were considered to be interdependent. Trust was perhaps the only relational element that was perceived to be the 'foundation' but it also required transparency and dialogue for it to be developed, especially considering that the relationship had previously broken down. Commitment was required for the long-term survival of the relationship and satisfaction kept the momentum going for the maintenance of the relationship. Control mutuality was perhaps the most 'controversial' relational element as this was where opinions and perspectives tended to differ more widely.

The SPOG vision statement, which was collaboratively developed by the SPOG industry and community members clearly emphasized what the members considered to be of the greatest importance for defining what SPOG was about and aspirations they had for the relationship:

> *"A long-term relationship based on mutual trust, honesty and respect, by way of sharing pertinent information and resolving issues to benefit all stakeholders."* (SPOG, 2007)

The relationship between the industry and community was defined as being a long-term relationship, which insinuated that there was a level of commitment and investment (both emotional and financial) required for maintaining the relationship over the long-term. The relational element 'trust' was singled out because of its perceived importance for the existence of the relationship whilst 'honesty' and 'respect' indicated the acceptable behavioural patterns which would reinforce the relationship. The key indication of what the acceptable behaviour would consist of was the demand for '*sharing pertinent information*' and for the commitment to a conflict resolution process that resulted in a 'win-win' scenario for both parties. The following sections mainly address the secondary research question as they describe the interviewees perceptions related to the different relational elements within the context of the SPOG industry-community relationship. The interviewees also described how they evaluated the relationship which relates to one of the sub-questions connected with the primary research question.

**Trust**

The relational element 'trust' was highlighted in the SPOG vision statement as being important for the long-term relationship between the industry and community. When mutual trust levels existed in this relationship the relational parties were less likely to be defensive when difficult issues were discussed or act rashly. Instead, the relational parties were more likely to engage with each other and listen to the different perspectives without immediately being defensive. Community members were more likely to 'forgive' industry members when mistakes or crises occurred and had confidence that when a crisis did occur everything possible was being done to resolve the situation. The industry's motivation to improve trust levels was instrumental as trust was used as a tool for achieving a collaborative approach and for gaining the permission of the community to engage in its activities. Both parties identified that trust was an essential relational element for the SPOG industry-community relationship because without it there was no possibility of collaboration and the cycle of hostility and distrust, as well as fear and stereotyping, could not be broken.

The previous industry and community clashes that pre-dated 1997 had left both the industry and community tired of fighting and having EUB hearings which resulted in both parties losing. Industry may have 'won' the right to exploit the petroleum resources but the production and operational costs became very high owing to increased security issues and constant friction with the local landowners. The community was often split as almost everyone had a relative working in the petroleum industry and so families were divided. By deciding to work together in 1997 via SPOG's membership expansion to include community members and then collaboratively developing the SPOG vision statement both the industry and community had 'bought' into the idea of working together and resolving problems before they escalated into crises. Trust was therefore an important relational element for building the relationship and encouraging participation from both industry and community members.

*Defining trust*

Trust was defined by what it meant personally to the interviewees. Trust was linked with openness and truthfulness, and was viewed as being critical for developing and repairing the industry-community relationship.

> "*I guess how I define trust is is eh, if it's the end of the day and I can look them in the eye and we can talk about the good, the bad and the ugly without getting defensive and all that kind of stuff, that's when you know you're earning your trust...*" (Keith Eslinger, Shell Canada, June 2005)

Keith emphasized that trust was equated with honesty and openness and being able to talk about difficult issues without having a defensive reaction. This theme was also mentioned by Jennifer in her definition of trust:

> "*It's kind of like the absolute foundation, being up front with information, it's important, well it kind of ties together I think, erm people don't want to live with hidden agendas...I think trust is something that erm you know that is necessary, you don't have to be naïve about it, I mean the truth isn't always what people want to hear, erm, but it's being up front erm that's something at SPOG we, you know, we're definitely not a love-fest where everybody gets along...*" (Jennifer Lutz, SPOG Coordinator, June 2005)

Jennifer linked trust with truthfulness which for her and Keith entailed telling people things that they might not want to hear but nonetheless needed to know. Having relational trust meant that the parties involved understood that whilst the dialogue might be difficult at times because the feedback was negative, the relationship was strong enough to be able to cope with it and that people were able to reflect on the issues and improve the situation if possible. Reg's definition of trust again makes the link with truthfulness by describing it as being 'honest':

> *"…both sides being honest, you know with what they say and do and making an honest effort er to work together, to come up with mutually beneficial responses…"* (Reg Watson, Community Member, June 2005)

These definitions of trust described behaviour such as 'doing what you say you will' and 'being upfront' which also implies communicating in an open and honest way similar to Habermas's theory of communicative action which underpinned Grunig and Hunt's (1994) two-way symmetrical communication model as the truth was not 'spun' into a positive version that was more palatable. However the definitions provided did not describe trust as a feeling. Gerald Ingeveld's description was the closest to identifying trust as a feeling as he stated that building trust required vulnerability which could also be considered as being open to criticism:

> *"…you have to have that trust level or, nobody wants to be naked in front of someone you don't know…I can't trust someone that has no chinks in their armor…"* (Gerald Ingeveld, Community Member, June 2005)

Industry member, Diana, also made the link between trust and communication and that trust was developed over the long-term:

> *"…I've always thought you know people say you've got a communication problem, and I've always thought a lack of communication is a lack of trust, like if you have the trust then the communication comes through and that makes sense, but er …you have to earn trust, I mean it takes years to gain trust…"* (Diana Gilbert, Shell Canada, May 2005)

It was clear from the interviewees' definitions of trust there was a perception that when communication was believed to be open and honest and that industry members were behaving the way they said they were then trust was developed. Transparency appeared to be critical for developing trust as it allowed the community members to

see that industry actually behaved the way it claimed it was. So transparency could be viewed as a trust-building strategy in this circumstance.

*Rebuilding trust*

The previous history between industry and community in this region had an impact on the levels of relational trust. The industry and community members did not have a 'blank slate' as both brought with them previous personal experiences and had heard negative stories that created levels of fear and distrust and also reinforced stereotypes. The SPOG industry members believed that trust could only be built up over time by the numerous small actions that showed that a company was 'keeping its word'. Keith Eslinger explained that gaining trust was really to do with having an understanding of the minor industry-related operational activities that upset the community and by trying to avoid either performing those activities or limiting them as much as possible it would have a beneficial impact on the relationship:

> "…it's a lot of little things like you know like making sure you're not moving your rigs during school bus hours, you've got enough signage, making sure you're not dusting, noise, all these things that are small things but they aggravate…" (Keith Eslinger, Shell Canada, June 2005)

This 'slow drip' effect of small yet irritating behaviours degraded the levels of trust the community had in the petroleum operators and damaged the relationship.

Another industry member also mentioned the importance previous history or experience had on trust as well as communication being part of developing trust and building relationships:

> "…trust is a pretty big term as far as relationship building. It's a lot to do with history and erm it's communication and how you come across if you come across [as being] very understanding …" (Diana Gilbert, Shell Canada, May 2005)

Diana thought it was possible to learn from mistakes and from previous experience develop improved ways of operating so that the community could see that their issues were taken seriously and that they were not just given platitudes regarding the improvement of industry practice. There was recognition that building trust took a long time and that it could be quickly lost if companies did not pay attention to the impact their activities had on the community. It also was not just the activities of one

operator but that there was an accumulated impact relating to all the operators in the area:

> *"…it takes years and years and years to build trust but it can be lost in the blink of an eye and I think that the, especially the operators you know and Shell included, but there are some 30 operators in this SPOG area, erm and the ones who have been there a long time since the beginning with SPOG are quite aware that you can't coast, that you can't just rest on your laurels and think that everything is going to take care of itself,  it requires constant effort…"* (Deborah Eastlick, EUB, January 2007)

In order to overcome the negative history and personal experience with the petroleum industry trust-building exercises were organized for SPOG industry and community members when SPOG opened its doors to community members. As mentioned previously in Chapter 4 the initial communication training focused on developing trust:

> *"…well trust is the critical, it is really the critical value of SPOG because when we started SPOG there was no trust, and we went through an exercise of defining a perfect future like together with the community and trust was the main thing and so it was it was er creating a vision of working together with trust honesty and respect in dispensing the distrust and to create actual trust…"* (Alice Murray, Shell Canada, May 2005)

Industry members recognized the importance of  acknowledging that terrible things had happened in the past to the community but that as there was no way to change the past it was important to discuss how industry and community could build a relationship that would change how they interacted in the present and future. By having this form of mediation members were enabled to be more forgiving and willing to rebuild the relationship, which supports Kaminer et al's (2001) research regarding forgiveness as an important factor for reconstructing socio-political processes.

> *"…we had a facilitator and he took us through the process of creating a vision and talking about all this stuff that happened over the last 50 years, there's not a thing we can do about it but we can sure change how we can move forward and we [the industry] know you [the community] don't trust us,*

*you know, and you actually don't have any reason to trust us but you know*
*what can we do next? The vision for SPOG is really central to everything that*
*we do and creating that trust, honesty and respect is like that's paramount*
*without that we have nothing!"* (Alice Murray, Shell Canada, May 2005)

For SPOG the process of creating its vision was the starting point for rebuilding trust. It was because the vision was developed collaboratively that the community members got to know the industry members and vice versa, which enabled them to break down the stereotypical images they had of each other and realize that despite the different jobs they had much in common starting with being neighbours and caring about community they lived in (Gerald Ingeveld, Community Member, June 2005).

The process of industry and community members becoming familiar and getting to know each other helped them to understand the differing perspectives but most importantly it enabled them to see each other beyond the assigned differentiating roles of 'industry member' and 'community member' and to interact as neighbours who lived and had families in the same area and who shared many of the same concerns.

Community Member, Frank Dabbs, who facilitated new development committees identified a hierarchy amongst the SPOG vision values, with trust evolving out of honesty and respect. Openness was also referred to by other interviewees, which again indicated the need for transparency for building trust. Also the word 'trust' was linked with 'honesty' and 'respect' which indicated the level of recognition and internalization of the SPOG vision as this association was frequently made.

For some community members it was enough to just have had the SPOG community affairs and new development meetings as they thought these helped build trust as people were able to sit together and resolve issues:

*"…90% [of the time spent in meetings] is building trust and I think it's 10%*
*having a process…So trust is maybe more than 90%..."* (Gerald Ingeveld,
Community Member, June 2005)

Keith Eslinger, Shell Canada, agreed that meetings were essential for building trust as he perceived that the face-to-face communication and interaction provided by interpersonal communication was important:

> *"...you can't do that [build trust] with emails, notes, so it has to be face-to-face and my experience has been that you earn trust through that direct response and you can't do that with a lot of people..."* (Keith Eslinger, Shell Canada, June 2005)

By having industry and community members meet together there was the possibility that the actual problems could be identified instead of treating the surface 'symptoms'. Also, not all of the community members had internet access and so face-to-face meetings or telephone conversations were preferred.

Interviewees referred to emotions as being on the whole negative and were equated with feelings of frustration and anger, resulting in defensive behaviour. Owing to the level of trust between SPOG industry-community members it was perceived that community members now behaved calmly instead of reacting with oppositional emotions when rumours of new developments were circulated:

> *"There's just a different cultural and social atmosphere in the er a different feeling in the air in how you er how you treat each other ...so that when a problem comes up people don't go into explosive mode, they're more willing to say ok we had better meet and address this..."* (Frank Dabbs, Community Facilitator, August 2006)

This perceived level of calmness was an emotional state that might also have been a result of the community members knowing the industry members as individuals and therefore being more willing to give them the 'benefit of the doubt' rather than condemn them first before finding out what the facts were. This links to the 'emotional bank account' concept discussed in Chapter 6.

When asked if the SPOG industry-community relationship had helped increase the level of trust or not a SPOG Community Member who had experienced a lot of industry bad practice in the Pincher Creek area of Alberta responded that it had made a difference for her:

> *"I think so, I think it's on going, there are some people in the community that maybe never satisfied and they've maybe had enough or you know and even with people now trying to make things change that there's too much stuff behind them that they would never trust...[but] at what point do you forgive and move on, and at what point do you carry on, and trust, and I think human*

*nature is er wants to trust, and I personally do want to trust you know and I think it it stands out I want to trust until I'm proven wrong and I don't want to be proven wrong…"* (Jan Marr, Community Member, June 2005)

*Trust and control mutuality*

Within the SPOG industry-community relationship trust was influenced by the relational characteristic 'control mutuality' which refers to the degree which the industry and community members agreed the extent of their influence on the relational goals and processes (Stafford & Canary,1991). Control mutuality includes the notion of power as each party in the relationship agree and understand that one has the rightful ability to influence the other or agree upon the power balance (Morton, Alexander & Altman, 1976, cited in Heath & Bryant, 1992, p. 163; Plowman, Briggs & Huang, 2001). The perception that SPOG was industry driven was mentioned by Jim McAllister (Community Member, June 2005). Jim's views were paradoxical as he thought SPOG represented industry views so he did not trust it because he felt it represented the industry and yet he still thought that SPOG was neutral when it came to resolving conflict and following the process. Later in his interview Jim mentioned that the SPOG processes allowed for the development of relationship building, dialogue and conflict resolution and because of his positive view of SPOG he nominated it for the 2003 Ambassador award, which it won.

It appeared to be more of an issue that Industry members paid the bills by funding SPOG for those who perceived it to be problematic than those who rationalized why the industry paid the bills and the community members should not have to as they gave up significant time to participate in the relationship. From the Community Members' perspectives it was evident that some perceived a link between trust and control mutuality and they viewed SPOG as either being industry-led or unjustly perceived to be so. The perception that SPOG was industry-driven is traced back to its pre-November 1997 roots when it was an industry-only group. This link is explored further on in the discussion of control mutuality and perceived relational influence.

*Preserving trust*

Maintaining trust levels in the relationship was acknowledged and viewed as a continuous activity by the industry members especially as there were new petroleum

operators and community members moving into the SPOG region who were unaware of what SPOG did or how the industry-community relationship was managed. The SPOG industry members guarded their relationship with the community and kept watch over the new industry entrants as they feared these new entrants would behave in a way that upset the community and that they would also be lumped in with them. The SPOG industry members had too much at stake to risk having the industry-community relationship destroyed by new entrants who did not subscribe to the same performance standards that the community was used to and had negotiated with the SPOG industry members. The focus on the new industry entrants was a direct result of the transparent processes which were developed in order to rebuild trust. The complaints process identified community concerns and after the incidents were examined many were found to be caused by the behaviour of new entrants. This theme is further discussed in the following section on transparency.

**Transparency**

Transparency is a 'critical' relational characteristic when trust has declined due to a large crisis or has been eroded over time owing to perceived negative organizational behavior. When there is a lack of trust in the OPR, transparency becomes a required condition for rebuilding trust and commitment in the relationship. For SPOG transparency was a critical relational characteristic because of the previous history of fighting that occurred between the industry and community. Transparency was alluded to by many of the interviewees when they defined trust, for example by being '*open*' and '*up front with information*'.

Transparency provided a number of outcomes that were beneficial for relationship building. As well as rebuilding trust, transparency could be viewed as a relational condition or variable that in SPOG's case promoted accountability, collaboration, cooperation and commitment amongst the industry-community members. When an organization's decision-making and operational processes are transparent accountability becomes possible as the relational parties are able to witness that what is being agreed upon is actually happening. In relation to SPOG this was critical for developing trust as the community members previously had negative experiences regarding the industry's behaviour and therefore needed to see that community

participation was taken seriously and had a visible impact upon the operational outcomes.

*Transparency and trust*

Transparency enabled the internal and external stakeholders to see where the responsibility lay and evaluation became easier as it was clear where blockages or mismanagement occurred. For SPOG's industry and community members transparency helped to rebuild trust in the industry-community as it has enabled industry members to show the community that they are indeed 'walking the talk'.

Diana Gilbert (Shell Canada, May 2005) mentioned the importance of transparency for building trust and that she felt that organizational transparency was also very important for employees in order for them to trust that their own company was being truthful and to have the 'complete picture' so that they had credibility when working with community members. Organizations that do not cascade information but limit it to a 'need to know basis' may have employees that believe they are not trusted by the senior management or who may feel that senior management is not being honest with them.

Dan Singleton (Editor/Journalist for the *Sundre RoundUp*, June 2005)*,* thought that the SPOG industry members provided information that was true and transparent. He also thought that the information was provided in a positive light, but that the industry members made the effort to address the concerns people had about their operations and were accessible. Dave Brown emphasized that SPOG was transparent and that a lot of effort was put into communicating with the community.

> *"It's [SPOG's] really transparent and it's clear. And we have a newsletter*
> *and we put things in the paper."* (Dave Brown, Community Member, June
> 2005)

Industry members stated that they couldn't think of anything that they were doing that people couldn't know about: "…*I can't think of anything that people don't know about or can't know about…anything at all!"* (Alice Murray, Shell Canada, May 2005)

The only possible explanation for desiring confidentiality was explained by Diana Gilbert:

> "...there are always things that might be more confidential because of a secret process within a plant, a competitive advantage, or we're putting a well somewhere where we don't want anybody to know where it's going in, there's always the odd situation there but as long as you can justify those situations to the community... As long as you're honest about your reasons they're ok...it's not secrecy for the sake of secrecy..." (Diana Gilbert, Shell Canada, June 2005)

Another industry member, Les Swelin from Pembina (June 2005) mentioned that he did not think the companies and industry workers were competitive because they were all working in the operations end and that he considered it was a benefit for the community that the industry members cooperated with each other, especially in areas such as mutual aid and emergency planning. It was easier for industry members in the SPOG region to be transparent about their operations as they were mostly involved in extraction activities[20]. The concern regarding competitiveness may have critical implications for organizations that perceive they have to protect their competitive advantage as they will have difficulty in overcoming this perspective and allowing transparency in their decision-making and communication with their key publics.

Transparency was recognized as being very important in rebuilding trust and the relationship with the community. Industry members felt it was critical that there were no secrets, no hidden agendas, and that all the SPOG processes including information sharing, complaints, new developments, and community affairs were transparent. If anybody wanted to know something they could easily find the pertinent information. Meetings were said to be open to the public and were promoted well in advance to encourage community participation.

> " ...there's no secret meetings or that kind of stuff it is like one community person said once 'the world is run by the people who show up' and that is

---

[20] It was only when companies were involved in exploration activities that there was a level of secrecy because they were competing aggressively with each other to find new petroleum reserves as these provided them with a competitive advantage linked with increased share price. Once a company had identified a petroleum reserve there was no further need for secrecy as it shifted from an exploration activity to an operational one.

*really what happens...we do some wrangling over some things it goes on*
*...there's no secrets, no secret agendas...our new development process er our*
*information sharing process and our complaint process all help the*
*transparency that er if people want to know something they know where to go*
*and er like there aren't secret meetings there aren't like it's all up front. We*
*have an office and people can walk right in and bang on Jennifer's desk if they*
*don't think they're getting something..."* (Alice Murray, Shell Canada, May
2005)

By defining transparency as essentially meaning no secret meetings or secret agendas
Alice's definition comes very close to Florini's (1998, p.50) definition. This level of
openness was supported by other industry and community members. In order to
develop trust and the industry-community relationship SPOG's processes were
developed collaboratively with both industry and community members and
information was readily accessible in a number of formats such as on the website and
in printed versions. Community members were encouraged to participate as much as
possible and it was hoped that by participating community members would see for
themselves that the industry members were trying to engage with the community.

> *"...we try to make it [SPOG] as as open and as transparent as we can. We*
> *have our own paper, newsletter, website and you'll hear Jennifer on the radio.*
> *We do a survey going door-to-door, Neighbours' Day – I guess I don't know*
> *how we can be more transparent that we are, but I'd say as far as being open*
> *and being receptive to things and being obvious to people I don't know how*
> *we'd do better. If people aren't interested and they don't come out then they*
> *won't know..."* (Dave Brown, Community Member, June 2005)

The SPOG industry members took time to consult with the community regarding new
projects or initiatives. The community was aware it had a strong voice and that its
views were seriously considered and that the process was not merely a form of '*lip
service*'. Transparency helped the community to have a better understanding of what
the industry was doing, the health and safety precautions taken, and consideration for
limiting the impact their operations had on the community. The industry also had a
better understanding of the community's needs and concerns, and also saw value in
having the community participate in resolving issues and collaborating on solutions.

When asked if from the EUB's perspective SPOG was transparent in the way it operated Deborah Eastlick remarked:

> "*I would say so, er when new operators move into the area, new industry operators, they are er pretty quickly informed that they need to belong to SPOG in order to erm acquire that social license to operate and erm not all of them are real happy about it but, er but there is such pressure within that area because it is a well oiled machine and er that generally they do take out membership and attend the meetings ...*" (Deborah Eastlick, EUB, January 2007)

*Transparency and accountability*

Community member Jan Marr rated the level of industry transparency much, much higher within the SPOG region compared with outside of it:

> "*...I think if you're looking at transparency within SPOG I would give it about 80%, outside of SPOG much lower, maybe 20%...*" (Jan Marr, Community Member, June 2005)

This difference in industry behaviour could be attributed to transparency as it promoted accountability via SPOG's complaint log process which was mentioned by interviewees. The complaint log process was intentionally designed to be transparent and clearly identified the industry member who was accountable to the community for the particular complaint registered. The industry member responsible for the problem is required to resolve the problem and report back to SPOG industry and community members at the Community Affairs meetings regarding the situation and its resolution. The complaint log process was perceived by industry and community to be completely transparent and anyone could access it at the SPOG office. An industry member explained that the complaint log provided an '*early warning alerting system*' as community residents were quick to contact SPOG when they had an industry-related complaint. SPOG's processes were clearly laid out making it easy for the community to spot if something is missed or not approached properly:

> "*...it's all very transparent. You can't hide behind anything...the way the process is set up if there's one check box or one step that's missed it's very obvious and it gets picked up and reviewed...*" (Diana Gilbert, Shell Canada, May 2005)

Owing to the level of transparency and SPOG complaint process industry members became aware that new industry entrants or operators new to the Sundre region were causing problems by upsetting the community members. Diana Gilbert mentioned that with the industry-community relationship building trust was something that did not have a finite end and the industry had to keep working on building it, especially with new industry entrants or operators who were behaving unacceptably by the SPOG industry-community relationship standards:

> "*...there are still problems with junior companies and they're small companies and they're small companies and they come in and they trick, do things like it was 20 years ago, so they have to be educated all over again but it's too late, they've already had an impact. So er and it's you have to keep them going and that's when it's the larger companies it's a bit of a burden but you've got to do it, [because] you're white washed with them...*" (Diana Gilbert, Shell Canada, May 2005)

SPOG industry members were concerned that they would be 'lumped in' with the new entrants that were upsetting the local community. In order to circumvent problems and reputational and relational damage the SPOG industry members actively used compliance-gaining and peer pressure tactics to persuade new entrants to join SPOG and abide by the best practice and performance indicators the community members had developed. Whilst this peer pressure approach is discussed in more detail in the section on control mutuality as well as in Chapter 6 it is important to note that this behaviour was influenced by the transparent processes that flagged up petroleum operators that were not conforming to the acceptable behaviour and performance. The transparent processes led the SPOG industry members to develop an approach they felt was important for 'encouraging' new industry entrants in the area to behave properly so as not to infringe upon SPOG's vision statement. New operators would be visited by a SPOG industry member and community members who introduced the SPOG membership and its community affairs role, processes and projects. This was a tactic the industry used to protect and thus maintain the level of trust in the relationship. The community's trust was dependent on the industry engaging with the community and behaving in a manner that lived up to SPOG's vision statement.

Transparency was linked to accountability and providing evidence for both the industry and the community. For industry members transparency enabled them to prove that their efforts in relationship building were fruitful. Much of this evidence

was of a qualitative nature as it indicated the quality of the relationship had improved as well as some quantitative evidence such as the reduction in EUB hearings (Keith Eslinger, Shell Canada, June 2005).

As transparency helped improve the relationship and resulted in tangible benefits such as a decrease in EUB hearings, Keith Eslinger was able to increase SPOG's funding:

> "...so our SPOG budget...when I started it was $30,000 a year and now it's $500,000! And nobody is bitching about it..." (Keith Eslinger, Shell Canada, June 2005)

In developing the industry-community relationship transparency had played an important role in gaining trust through having industry be accountable for its behaviour. An example of transparency ensuring accountability related to community members negotiating performance measures with the individual industry operators, which were then written into the proposal for the EUB. The performance measures could then be monitored by the community and the company was required to meet these requirements otherwise its license would be revoked and an EUB hearing would result. (See Appendix 15 for an example of performance indicators developed by the community).

*Transparency and collaboration*

The monitoring of the performance indicators was transparent and the information was shared and publicly made available. This process provided SPOG with credibility as community members were able to see changes and progress. The transparent approach also led to collaboration and changed the decision-making process into a participative one from the previous consultative approach. The community had an input into how things were done and as this process was transparent it ensured that accountability was clear. Trust levels increased and the industry-community relationship was described positively.

> "We're changing and we're educating industry and at the same time we get educated about the regulations and why industry does things they way they do. The community is always asking about what the options are. Some of the community are ex-oil and gas people who've retired and they know things can be done better." (Dave Brown, Community member, June 2005)

As organizational transparency increased the level of trust and accountability also improved, producing increased levels of collaboration and cooperation as by-products (Parks & Hilbert, 1995, cited in de Cremer & Dewitte, 2002; Jahansoozi, 2006). For collaboration to occur the SPOG industry and community members needed to be able to trust each other and know that what was agreed upon was actually happening. Cooperation also was similar to collaboration, as accountability was also required first in order for members to cooperate with each other. In this case the SPOG industry and community members provided reciprocal support in order to achieve an outcome that was beneficial to all involved (de Cremer & Dewitte, 2002).

Alice Murray (Shell Canada, May 2005) explained that SPOG filled the gap between the EUB regulatory requirements and the community's expectations of industry. Alice used the following example to illustrate how industry could work with the community to meet its expectations:

> "...there is no regulation that you can't move a drilling rig any old time you feel like but you can sit down with the community and agree not to move it during school hours, agree not to move it on the weekend er you know, agree to move it in a convoy...there are regulations for the county about how much dust you can make but you can agree to do more dust control er you know so all those things are up for discussion..." (Alice Murray, Shell Canada, May 2005)

It was not only accountability that improved the level of trust but also the level of collaboration and cooperation between the community and industry improved as well as the level of collaboration between industry members:

> "... the community has an input into how things are going to be done...they more or less bring the issues to the table and the companies sit down and figure out how to resolve the issue..."
> (Doug Logan, Petro-Canada, June 2005).

An example of industry collaborating with other industry members was given by Gerry Schalin who was initially introduced to SPOG when he worked for a small company. Gerry found that he gained valuable knowledge from attending the SPOG meetings and listening to the advice environmental experts from Shell or other large

companies had regarding changes to the regulatory framework that he would not have had access to without SPOG:

> "...I got a tremendous amount of value from going to SPOG meetings and being involved with SPOG... for me to go to the table and sit down with the environmental committee meeting and have the person who's hired by Shell sitting at the table and the person who's hired by Amoco and that's all they do, environmental work, I'd just sit there and listen and they'd give me all kinds of information, new regulations coming down the line that you've got to watch out for, set you all up" (Gerry Schalin, Provident Energy Trust, June 2005)

The collaboration between industry members was recognized by community members, which was perceived to be positive as 'best practice' could be shared and encouraged amongst them, instead of having a competitive culture. For the community members this meant that common issues could be resolved much more quickly and solutions were shared:

> "...One of the big things that I've noticed too since SPOG started is it seemed to start companies working together more..." (Dave Brown, Community Member, June 2005)

Gerry Schalin (Provident Energy Trust, June 2005) also reflected that the SPOG industry-community relationship had resulted in a collaborative approach to resolving issues. It also allowed both community and industry members to become more aware of what the issues were and what was involved in resolving them. The level of understanding related to the particular problems and issues increased, which enabled the community to consider various options more effectively as the implications were clarified and for industry to appreciate the community's perspectives.

Transparency increased collaborative behaviour as accountability was clear and also because trust levels increased. Control mutuality also became more visible as true collaboration required the parties involved to be able to influence the decision-process and outcomes. If the relational parties were unable to influence each other or the process and outcomes, then collaboration becomes impossible. Transparency is important as a trust-building requirement and accountability 'tracker' which enables

collaboration, but control mutuality is required for collaboration to occur. Control mutuality is discussed further in this chapter in more detail as a relational characteristic.

Shell Canada employees Keith Eslinger and Alice Murray both provided the same example of how the SPOG industry-community relationship noticeably improved Shell's operations owing to the increased level of community cooperation with new development proposals. Shell had a '*big complication*' with one of its pipelines and had to extend it over new terrain. This meant Shell needed to communicate with approximately 600 people who now would fall within its enlarged emergency planning zone. These people had not had much interaction with Shell as it had not been active in this part of the SPOG region. The community in this area was anxious as the content of sour gas was high at 36%. Shell used the SPOG processes and a new development committee was set up, chaired by a community member and it took 7 months for the performance indicators, experts, dialogue and relationship building to take place. The end result was that Shell was able to file the application with the EUB without one objection to it. This meant the pipeline was approved by the EUB very quickly and was fast-tracked as 'routine', even though there were 600 new community members who could have easily objected if there was any element they were unhappy with. The community cooperation meant Shell's costs were reduced and there were no delays. Both Keith and Alice emphasized that Shell was able to accomplish the development with community support instead of intervention because of the investment it had made in developing the SPOG industry-community relationship and following the SPOG processes.

However the senior management at Shell was not always supportive of the SPOG industry-community relationship championed by Keith and Alice. Keith stated that at one point after a change in management he was told by his new manager that he was spending too much time on '*this SPOG* stuff' and told to focus on making Shell profit. However after the extended pipeline proposal was approved without an EUB hearing the same manager congratulated him and was apparently thankful that Keith had not abandoned SPOG. This example highlighted that industry employees closer to the area and involved with the local community had a better relationship and understanding of what was expected and good practice and were able to effect change.

175

The short-term perspective, often driven by increasing shareholder value, demanded instantaneous results and because building relationships took time senior management located far away was not always appreciative of the relational benefits until the results amazed them. Senior management at Shell had anticipated a number of community interventions in the Sundre region as well as several EUB hearings relating to this pipeline expansion and when it was approved without any fuss interest in relationship building as a cost-reduction paradigm increased.

Another example of community collaboration with a SPOG industry member was provided by Frank Dabbs (Community Facilitator, August 2006), who facilitated the Hunt Oil 'B Pool' new development process with the community. One of the performance measures that was very important to the community was having "zero flaring", which was considered by industry to be an impossibility or very expensive to accomplish. Instead of saying 'no' to the community, Hunt Oil researched how it could reduce its flaring to a zero flaring level. The innovation Hunt's engineers came up was a little '*gizmo*' that captured the gas that came off the water and directed it into the gas pipeline instead of venting or flaring it. Hunt Oil was not alone amongst SPOG industry members in approaching issues creatively and who benefited from having the community collaboration.

For the SPOG industry-community relationship transparency was critical for rebuilding trust owing to the historical background that led to the development of this relationship. It was because relational trust had been eroded and the crisis situation that transparency was required in order for the community to trust what the industry was telling them and also for them to see the change in approach. Transparency was also important as it made accountability clear and collaboration possible, and also enabled dialogue to occur.

**Dialogue**

Dialogue was central for SPOG as it was part of the conflict resolution process that lay at the heart of what SPOG did. Through SPOG the industry, community and also the EUB were able to meet together at the same time and place and discuss issues, learn about new regulatory demands, and also share 'best practice' whilst also changing industry practice that was not meeting community expectations.

Dialogue was alluded to in SPOG's vision statement and is understood to be part of how industry and community members share 'pertinent information':

> "*[Dialogue] is certainly part of the sharing of pertinent information, is er getting out on the table what everybody cares about and why they care about it, er and it happens in a lot of different ways in SPOG...*" (Alice Murray, Shell Canada, May 2005)

The community members recognized that SPOG provided a valuable communication network which was readily accessible (Jim Eckford, Community Member, June 2005). The importance of information sharing should not be underestimated. When industry activities caused a disturbance for the community they were more understanding and less annoyed if they were aware of why the disturbance was occurring and if they knew the expected duration of the disturbance. By providing this information the industry members prevented speculation and rumours which could be far more damaging than the actual disturbance. The industry was also able to receive community feedback regarding its operational activities which allowed them to make adjustments if necessary or able to provide more information.


*Dialogue as conflict reduction*

Gerry Schalin (Provident Energy Trust, June 2005), mentioned that when SPOG changed to become an industry-community group there were often issues that in his opinion were brought up by 'radicals' that had personal agendas. In order to calm fears, open up the dialogue, and resolve the issues SPOG brought in scientists and environmentalists who could answer questions and discuss the environmental and health concerns with the community rationally rather than emotionally. Industry members noticed that community members that previously were 'fence sitters' started engaging with SPOG and appreciated having access to information:

> "*...they [SPOG] always have the attitude that we need to talk to these people, to have communication open to these radical people find out their issues at the same time engage with the people that really have a common sense, so we sourced out people that had that common sense function and we encouraged them to become more involved in the SPOG operation and that paid some huge dividends...So it's important to, yeah make sure that people do engage, you give them the respect and the clout, we value your opinion and if there is a*

*problem that we don't know the answer to let's not make some assumptions*
*and let's work collaboratively, the systematic approach so we can come to er*
*resolve it. It's something we can both agree on.*" (Gerry Schalin, Provident
Energy Trust, June 2005)

Gerry Schalin's opinion in the extract above confirms the industry's desire to
maintain the power hegemony and the reference to 'common sense' is an indication
that the he would rather engage with people who accepted the 'common sense' truth
whilst the 'radical people' who were not in power were dismissed. This highlights the
non-transparent relationship at work regarding the maintenance power and hegemony
(Fairclough, 1993). Community members who might not be happy with the industry
activity but were not extremists were willing to collaborate with the industry and
resolve conflict. By encouraging community members to engage with SPOG industry
members and attend informational meetings the industry-community relationship
started to have a dialogue and gain community participation. Community members
who were interested in issues pertaining to industry activities and associated impact
upon the community were more likely to engage with SPOG and pay attention to the
dialogue.  These community members were more involved and were able to
cognitively elaborate on the two-sided arguments provided as well as participating in
the discussion and conflict resolution process, which led to long-term attitudinal and
behaviour change. Process models of persuasive communication such as Petty and
Cacioppo's (1986, cited in O'Keefe, 2002, p.137) elaboration likelihood model's
central route to persuasion partially explain the attitudinal and behavioural change.


The SPOG Community Affairs meetings provided an opportunity for industry and
community members to up date each other on events in the area that might have an
impact on each other.  Often SPOG invited guest speakers to give a presentation on a
topic that the community was interested in, for example on changes to EUB
regulations. The Community Affairs meetings served as an information exchange, as
well as an occasion where any problems or complaints could be mentioned and
addressed. These meetings also included a buffet lunch and were relatively informal,
thus encouraging discussion:

> "...*a lot of communication happens whether it's through Community Affairs*
> *meetings where they have a community rep comes and talks about you know*
> *who's having a family reunion, where the vehicles have to watch out for or*

*and that they're redoing the hall erm and at the same meeting where the community talks about that we talk about what projects we have in the same area and we manage to realign schedules around each other and so there's nothing that stays hidden...*" (Diana Gilbert, Shell Canada, May 2005)

Another industry member, Doug Logan (Petro-Canada, June 2005), described the Community Affairs meetings as 'round table discussions', which also demonstrated that communication was perceived to be two-way and that this was an opportunity for the community members to raise issues and develop mutual understanding. The community recognized there were operational aspects that could not be changed, such as the extraction of the hydrocarbons, but there were many operational aspects that could be changed such as the oil well or pipeline location and their input influenced these aspects.

*Keeping dialogue active*

There were differing viewpoints regarding whether it was the industry or the community members that drove the dialogue. Alice Murray perceived that the community pushed the industry to keep the dialogue going:

"*...I think that er well SPOG keeps it [dialogue going] on their [the community] behalf but er that er I think that even if we wanted to stop SPOG, you know say 'ah, that's it, we're done!' That er there's no way they'd let us stop...whether we're here or not there is still oil and gas development, so what are you going to do? What are you're other options? A hearing? That's your other option. Be oblivious and have a hearing! Be oblivious and have a hearing! That's no fun; we [Shell] did that...*" (Alice Murray, Shell Canada, May 2005)

However Diana Gilbert thought that SPOG industry members kept the dialogue going as a proactive approach to maintaining the industry-community relationship:

"*I think the industry keeps the dialogue going, yeah and erm we're pushing more...it's not really pushing but erm we're often throwing information out there and communication out there and the ones that are really concerned, or really have issues or need to talk will call you and the ones that don't, won't have a problem...but if you don't send information out [then] those little fires they're just getting bigger and bigger and they're [the community member]*

*getting more and more upset about things and if you don't get a chance to get out there and put those little fires out then it makes it just that much more of a catastrophe when something goes wrong.*" (Diana Gilbert, Shell Canada, May 2005)

Diana also mentioned that she thought when the community had had enough of the dialogue that they would let the industry know in order to 'quit' the level of interaction. This was the only mention of possible 'stakeholder fatigue' which was previously discussed as a relationship management concept in Chapter 2. It was clear that the industry members recognized the great benefit they have had from engaging in an on going dialogue with the community. The complaints log process alerted industry members to issues that potentially could have developed into a crisis whilst the new developments committee provided a forum for community members to find out about new operations in the region and have an input on how those operations unfolded by developing performance measures with the industry member involved. Both of these processes (complaints and new developments) required dialogue to function properly. The processes would help identify potential issues or concerns, but the dialogue between the industry and community members was essential for collaboratively resolving issues or developing new approaches.

In keeping with its vision statement regarding the sharing of pertinent information SPOG apparently kept the media informed about new developments, meetings, and other opportunities for community input. Dan Singleton, editor and journalist for the *Sundre Roundup* thought that SPOG did a good job of keeping the local media informed and that he would have liked to have more input from SPOG in his newspaper, which was unusual:

> "*I think they've [SPOG] kept the local paper informed, er their office manager [Jennifer Lutz], she's pretty good. I'd like them to do a regular column but they haven't, the SPOG column, I've brought that up a few times, 300 words every couple of weeks, but they say they don't have the manpower they say to do that but it would be good...*" (Dan Singleton, Editor / Journalist *Sundre Roundup*, June 2005)

Jennifer Lutz confirmed that Dan Singleton had approached SPOG to write a regular column for the *Sundre Roundup* but explained that she did not have the time to do it and she felt that everyone would benefit from independent media coverage, including

criticism, as that kept the debate and dialogue going. Instead Jennifer forwarded relevant news items and invited Dan or his colleagues to attend the meetings and events and report what was going on from an impartial perspective. SPOG already had its own newsletter '*IMPACT*' which was written by industry and community members. As well as reporting on the industry activity and community concerns the *Sundre Roundup* included an annual supplement focusing on the Neighbours' Day and also including more in-depth articles on the industry activities.

Dialogue was referred to mostly as communication, and some industry members referred to it as '*two-way communication*'. Interpersonal communication was mentioned as being critical for developing trust as well. Proximity was identified as being important and that face-to-face communication channels were of paramount importance in order to visually see reactions when trying to resolve conflict. Email was considered to be too distant and not that helpful for relationship building. This could be partly explained by the fact that not everyone in the community used email, even though it was becoming more popular.

**Commitment and satisfaction**

Relational commitment and satisfaction are both closely intertwined and interviewees expressed their perceptions regarding both elements at times rather interchangeably. Relational commitment was reinforced and motivated by relational satisfaction levels leading to a cycle that positively reinforced this behaviour. The level of relational satisfaction was important for the continuation of the relationship simply because if the relational parties were not satisfied the commitment levels could drop and the relationship would be at risk. Levels of satisfaction were linked with the perceived benefits that were reaped by both parties. These benefits needed to outweigh the commitment costs of maintaining the relationship, and from the SPOG industry members' perspective this was clearly happening. Industry members remained financially committed to the relationship and also devoted many hours outside of the working day to SPOG sponsored community events. The community members volunteered hundreds of hours of their time and labour, ensuring that the community presence at all meetings was strong and that SPOG events were well-planned and attended.

*Long-term commitment*

The interview findings emphasized that there was a high level of commitment for maintaining the SPOG industry-community relationship. Industry members recognized the benefits of having the relationship and mentioned it would be "*business suicide*" (Alice Murray, Shell Canada, May 2005) to terminate it. Others described having the SPOG industry-community relationship as the only way to conduct business. The community members also expressed a high level of commitment and a willingness to volunteer many hours of time to the participation process and to SPOG projects. Both industry and community members were keen not to relive the hostility and experience the levels of conflict that pre-dated the development of SPOG as an industry-community group, and again the historic relational background influenced the way the industry and community reflected on relational commitment and satisfaction.

The community members recognized the overall high level of commitment and importance SPOG industry members placed on maintaining the industry-community relationship, especially in comparison with other non SPOG members. The industry-community relationship within the SPOG boundaries was viewed as being quite different from what was happening in other parts of Alberta where the interaction between industry and community was not participative:

> "*…I would say most of the oil industry, is skeptical about the whole Synergy movement and of course that includes the CEOs, very cynical. The SPOG members are most, I would say, 70% of the SPOG [industry] members are committed to the long term.*" (Dave Brown, Community Member, June 2005)

The industry members were very clear that they perceived the SPOG industry-community relationship as being a long term relationship and were committed to engaging with the community for at least the lifetime of the oil and gas industry. Diana Gilbert (Shell  Canada, May 2005) mentioned that the Shell Caroline Gas Complex had a life expectancy of approximately 50 years and from her perspective unless other reserves were found that would be the point in time when the relationship might end as Shell would not be active in the area. Diana expressed that she could not foresee a situation (other than when there was no business interest for Shell in the region) for Shell to abandon the industry-community relationship. She thought that

some operators might not understand the crucial importance for having the relationship but she had difficulty imagining Shell abandoning it. For her, Shell and SPOG were one and the same:

> "*I can't see that, not Shell. There might be other companies that might get frustrated with the [SPOG] process, getting forced to do things. There might be other companies coming up from down south or from another country where they don't understand that this is how you get things done. They might decide that this is too much and too much whatever, and they might back out for a period of time before they come back, but erm yeah, overall I can't erm, a lot of people say SPOG is Shell and Shell is SPOG erm we've been ingrained into the whole system because it it works and we've had the resources to throw into it and we have, and we're pretty well ingrained. We won't be dropping the ball anytime soon!*" (Diana Gilbert, Shell Canada, May 2005)

Another industry member reflected that he had considered what he would do if his company made the decision to pull out of the SPOG industry-community relationship but felt that his senior management were very committed to SPOG so he did not have that worry:

> "*I always think about things like if my company pulls out what do you do, but I guess we'll have to cross that bridge when it comes. SPOG er we have to be very careful that we're not burning our volunteers out or the people who are representing the industry because it is so easy to fall into that, you know that er so you try to avoid that and you form committees and we're supposed to make sure we have representation on every committee and that's not the case all the time. You know, some companies may have four employees, others have more. I know our company is represented on every committee and er I'm hoping to keep it that way and I mean getting our employees involved as well, so that helps too. It would have to be something very, very significant for us to consider that [termination of the relationship]. I know that our management is very committed to making sure that this works so...*" (Doug Logan, Petro-Canada, June 2005)

The difference in the amount of resources (specifically employee resources) that the various industry members had at their disposal was used to explain why some

companies were not as engaged as others and was a reason why some of the smaller industry members appeared not as committed or could not commit themselves to the same extent that the larger companies were able to. The reference to differences in levels of commitment amongst the industry members was also mentioned by community members Gerald Ingeveld and Jan Marr:

> "…individual companies will have different levels of it [commitment], companies like Shell for example that have huge investments in this area are the strongest supporters of SPOG and there may be companies that have only a few wells in this area and they maybe resent the amount of time they have to invest in SPOG for the small investment they might have." (Gerald Ingeveld, Community Member, June 2005)

> "I think that there are definite members of industry like Shell, again because of Keith and Alice, because of their influence, and er I believe they're [Shell] the biggest operator in the area. Erm, you have little guys who come in and they really do not want to be involved and resent giving up part of their production money to support SPOG…" (Jan Marr, Community Member, June 2005)

*Location and commitment*

The tension between the employees that were in 'the field' and their head offices was expressed. The more remote and distant the head offices were to the front line operations the more the threat was that the relationship would not be valued properly which could potentially affect the commitment levels. The internal communication and reporting feedback on the benefits of maintaining the relationship was therefore critical for some SPOG industry members who had to persuade their head offices that this work was valuable and reduced production costs as conflict with the community was minimal. Jennifer Lutz, SPOG Coordinator, mentioned the differences that exist even within an industry member's practice which showed that within a company there were different approaches to industry-community relationships:

> "I've heard in this [SPOG] office people that are involved in Synergy yelling at the people in Calgary ' no this is not the way we do it you know, we'd get burned alive if we went in there and pushed something through without public consultation that's not the way it works out here', and so just within the

*companies there is a huge variance on priorities..."* (Jennifer Lutz, SPOG
Coordinator, June 2005)

Jennifer reflected that she could really only think that the industry-community
relationship would stop if there was a situation where trust was abused beyond what
the trust reserves in the 'emotional bank account' could cope with.

The community members appeared to have the opinion that there was a higher level
of commitment from industry members who lived locally as they were more
personally involved in the local community's activities. The development of the
SPOG industry-community relationship and subsequent improvement of the industry-
community relations with industry members living in the community and sharing the
same concerns was discussed in Chapter 4. Keith Eslinger believed that industry
members that lived in the area were more committed to building the community
relationship as they had personally invested more in the local community:

> *"...within our 30 [SPOG industry] members the behaviour and ownership and
> the passion that I see more of is again the leaders that represent SPOG that
> live in our area are the ones that give us the most volunteered time and the
> most passion...philosophically I believe as a manager of Shell you should live
> in the community you operate in. "*(Keith Eslinger, Shell Canada, June 2005)

Community member Jim McAllister thought that the level of commitment that the
community had towards the SPOG industry-community relationship was high and that
there were some members of the community who were so involved that they were
"*sacrificing themselves*" (June 2005). Reg Watson agreed with Jim's analysis that the
community members (himself included) were very committed and gave up a lot of
time and invested energy into making the relationship work:

> *"...the people that are involved are committed. Personally I try and attend all
> the committee meetings...there's the environment committee, mutual aid
> committee, community affairs, the livestock, but I stay away from that as I
> don't have any livestock, the newsletter committee, communications...there's a
> fair few that Jennifer sets up about probably over 118 meetings a year..."*
> (Reg Watson, Community Member, June 2005)

Jennifer Lutz (SPOG Coordinator, June 2005) complimented the industry and
community members by saying that they were not "*clock watchers*" meaning that

when they attended meetings or events they focused on the work at hand and were not there because they had to be and that they did not flee as soon as they could. Jennifer thought that the SPOG members (industry and community) gave "*100%*" to whatever activity or meeting they were involved in, which made her life a lot easier as she was the person who organized volunteers for SPOG events. The community was committed to the relationship because they could see the changes that were implemented as a result of their own participation and found that by having the industry-community relationship the quality of community life in the Sundre region had improved.

*Evaluating satisfaction*

For the SPOG industry members, relational satisfaction was judged against the amount of community resistance for industry activities, which included having far less tension and fighting as well as a reduction in EUB hearings, and also for having community input on new developments which also provided a cost savings. The industry members recognized that the relationship they had built up with the community had changed how they interacted and allowed both parties to overcome previous negative experiences and the stereotypes mentioned in Chapter 4. The industry-community relationship had developed a level of 'mutual understanding' which meant that when mistakes were made the focus was not on blaming the 'guilty' party but instead was on learning from what had happened and ensuring that similar mistakes would not be repeated (Alice Murray, Shell Canada, May 2005). As discussed previously in Chapter 2, mutual understanding does not imply that both parties are satisfied, but that they understand each other's position regarding the particular situation or issue. The community's support was attributed to the SPOG industry-community relationship.

The satisfaction that Keith Eslinger (Shell Canada, June 2005) derived from the industry-community relationship was connected to the community building activities that had developed out of SPOG and had changed how people interacted and participated:

> "*…this is no longer about oil and gas, this is community building. It's more about community building than anything else. That to me is the thing I'm most proud of, because you know, sure it started with oil and gas, but what I'm*

*most excited about is it's so big, and I'm seeing people volunteering for many other things...I never dreamt, never dreamt it would, you know, would transpire into that... it's the thing at the end of the day, if I say to my daughter, if you write anything on my tombstone this is what I'm most proud of. This is what is important in my life...*" (Keith Eslinger, Shell Canada, June 2005)

This opinion regarding community building supports the public relations practice in its move away from its persuasive communication focus and toward its community-building role (Kruckeberg & Starck, 1988, p.xi). Keith passionately acknowledged that he learned a lot from community members such as Jan Marr and strongly expressed his willingness to support Jan and others like her: "*...I'd crawl across a mile of broken glass....*"

Another Shell employee, Alice Murray, explained how satisfied she was with the SPOG industry-community relationship and explained that it really was beneficial for Shell to have this relationship as the community supported the new developments it proposed. Alice gave an example of a community meeting in 2004 that she had attended along with three other SPOG industry members. Shell and another company who had developed a good relationship with the local community had the backing of the community for the operational projects they were involved in. For Shell it meant that a very sour gas well (36% H2S) could go ahead and be re-drilled. The other company that also had a good relationship with the community was asked a few minor questions about the changes it proposed and were given approval to go ahead. Alice described the third company as being new to the area: "*…they were very reluctant members of SPOG, like they only participated in what they thought they absolutely had to and made a lot of fuss about everything...*" After the new company explained what they planned to do, which apparently was to replace three sweet gas compressor stations with one quieter compressor, the community became very upset: "*just about had a riot – so it wasn't the message, it was the messenger!*" Alice thought that the community's response had been negative purely because they did not trust the new operator and because they did not have a relationship with them. (Alice Murray, Shell Canada, May 2005)

A key financial benefit for the industry was that the number of EUB hearings in the SPOG area has been reduced. Hearings are very expensive for the industry:

> *"…it saves a huge amount of money like it is a competitive advantage for Shell to have…because a hearing costs more than a million dollars and then there's the I mean if you put it off for a year if you're wrangling it over for a year that could be you know fifteen million dollars worth of production …"* (Alice Murray, Shell Canada, May 2005)

Keith Eslinger (Shell Canada, June 2005) mentioned that the community has created significant cost-savings for the industry which meant more resources were available for community projects.

The editor and journalist for the local newspaper *Sundre Round Up* also mentioned that satisfaction was high because there were hardly any EUB hearings despite the increased industry activity in the area because of the SPOG industry-community relationship:

> *"I think they hardly have any hearings over the years er not since SPOG existed. I think it [industry activity] has become busier. I can gage the opinion by the number of letters that we've received. We don't receive that much from people…I think SPOG exists not to have hearings you know, these people have a way to vent and that's probably their biggest advantage, and for people here too it's good to have a voice…"* (Dan Singleton, Editor / Journalist *Sundre Roundup*, June 2005)

Dan Singleton also thought that the evidence of community satisfaction with the SPOG industry-community relationship was simple to explain: *"they've stuck with it all these years, that's an indication!"* (Dan Singleton, June 2005). Another example Dan provided illustrated satisfaction levels was that:

> *"…the Town of Sundre have been associate members from day one, so that's an example of public satisfaction, a good indication for you because they're the ones, the companies will want to be involved for their own reasons but the other members [eg Town of Sundre] are going to be involved and they're not getting something out of it… I don't know of any anti-er SPOG [group], so that over the long term that's probably a feather in their cap, keeping it together…"* (Dan Singleton, Editor / Journalist *Sundre Roundup*, June 2005)

The SPOG community members appeared satisfied with how the industry-community relationship had evolved, especially because the fighting had stopped:

> "*It has been really fantastic to change from fighting. I've been at meetings where I've seen great big grown ranchers come to meetings and cry because they think that sour gas well is going to kill their families and cattle, and we don't really have that anymore. We still have the emotional bits but I mean it's nothing personal...*" (Dave Brown, Community Member, June 2005)

The community members were aware that the industry activity would not stop and so for them it was a matter of somehow managing the level of impact the activity had on their lives and livelihood in the case of farmers. The SPOG industry-community relationship had provided the community with a vehicle for managing the industry impact and enabled them to participate in how developments proceeded whilst community's concerns were addressed.

Reg Watson (Community Member, June 2005) said that he thought that the industry members were not "*out there tooting their horn but they should be...*". In Reg's opinion the community did not realize how supportive the industry was of community functions and that he considered that the industry was also a part of the community. The separation of industry and community was 'blurry' as many industry employees were also landowners and some had quite large farms and ranches as well. Industry employees involved in the operations side tended to live locally and also there were many ex-petroleum employees who decided to retire in the area. A few interviewees mentioned that the ex-petroleum employees were the toughest critics as they knew how poor the industry's record had been and how little it had previously done in ensuring environmental and community concerns were considered.

Both relational parties were supportive of the SPOG industry-community relationship and agreed unilaterally that they did not want to stop being involved with it. These members keenly remembered the previous tensions and hostility and did not want to experience that again. There was a need for an organizational history or story and for this to be communicated which was recognized as a version was created and made available on the SPOG website and was also included within the SPOG Management System Information Pack which was given out to new industry members. The historical relational background was therefore particularly motivating for the industry

members who explained their eagerness for maintaining the relationship and the continued investment into it.

**Control mutuality**

Control mutuality was identified as a relational element (Hon & Grunig, 1999) and within the interview findings was referred to most often as the ability to influence a project development, decision-making, and having an input in the SPOG processes. The community members expressed satisfaction with the relationship and part of this was concerned with their ability to have input into the decision-making processes. One of the community members mentioned that he thought the SPOG industry members were indeed flexible when it came to making changes to how they were operating:

> "…*I think most times industry has been really flexible and I think most times industry is more flexible than the community, but I think where most of the conflict comes out of people who don't know what's going on and once they find out they're much more likely to come up with something, to accommodate…*" (Reg Watson, Community Member, June 2005)

By having transparency and dialogue between the industry and community members conflicts were reduced as trust was enabled by having control mutuality. The community was able to have a participative role as it could influence the SPOG industry members, which was important for having the relationship. This participative approach is supported in literature on empowerment theory, which is concerned with people, communities and organizations gaining control over the issues that affect their lives and well-being (Perkins & Zimmerman, 1995). Empowerment processes and outcomes were evident in the SPOG industry-community approach as there was participation in the decision-making processes and that the community was empowered because it had a level of influence on operationalization of new developments and SPOG industry behaviour via the complaint process and Community Affairs committee.

*Empowerment*

Industry members agreed that it was important for the community to have input in the development and implementation of projects: "*There is nothing more debilitating to a project than going into a room full of stakeholders and saying this is what we're*

*doing, we just thought we'd let you know!"* (Diana Gilbert, Shell Canada, May 2005). Diana went on to illustrate how important empowerment was for community members:

> "*...it is really important for communities to feel they have some say or feel that what they're saying is not believed as that de-powers them and that's not conducive to a trusting good relationship because that's not how normal interaction with people goes...it has to be give and take, and there needs to be compromise and er some industry is willing to do that and some companies within industry see that but not all, it's coming though...*" (Diana Gilbert, Shell Canada, May 2005).

Keith Eslinger (Shell Canada, June 2005) mentioned that within the SPOG industry-community relationship and similar to other interpersonal relationships, power was not necessarily equal between the parties involved but was negotiated by collaboration. Keith recognized that it was crucial for both parties to have the power to influence the other for the relationship to survive.

Jennifer Lutz (SPOG Coordinator, June 2005) thought that at times both the industry and community felt powerless and thought the other party had the power, but the difficulty was finding a balance. The small sample of coorientational data (see Appendix 12) collected indicated that the industry members surveyed thought that the community members had more influence on the industry members than the community members' themselves perceived they had[21]. This gap between community and industry members' perceptions could be attributed to the industry members' thinking they were accommodating the community's perspective whilst the community members' felt they were still compromising more as the industry activity would not go away. However the gap between industry members' perception of how much influence they had on the community members and how much influence the community members' thought the industry members had on the community members was quite small[22].

---

[21] Of the 14 community members surveyed nine members indicated six or above on the nine point Likert scale, where 1 was equated with the community having very low influence on the industry and nine was equated with the community having very high influence on the industry. This was compared with the 11 industry members surveyed of which 10 rated the community influence as having an impact and indicated six or above on the same Likert scale.

[22] Nine out of 11 industry members rated their own level of influence six or higher on the nine-point Likert scale (where one was equated with very low influence and nine was equated with very high

The industry members expressed that they thought the community had quite a lot of influence upon their operational developments and activities. However, whilst the community members agreed that they had a level of influence that made an impact there was the perception that the industry members had more power regarding the outcome: "*...industry is definitely in the driver's seat*" (Reg Watson, Community Member, June 2005). This could partly be explained by the community's perception that the EUB would support the industry development applications regardless of the community's unhappiness as resource developments that were shown to be 'in the interest of all Albertans' were approved. Individual concerns were listened to but the perception was that in the end the EUB hearings would approve developments that exploited resources and generated revenue for the province. The community could not halt developments because they did not want them but they could restrict the impact and shape how the development was operationalized by setting the performance measures which were above the EUB's regulatory requirements. The performance measures would be monitored and evaluated and the company was accountable to both the EUB and the community. This approach was an attempt at ensuring the community was empowered. Community members Reg Watson and Dave Brown (June 2005) mentioned that the community had far more influence on SPOG industry members than on non-members.

Other community members also made similar comments and gave anecdotal examples of bad practice that they had come across or heard of that was occurring outside of the SPOG boundaries by non-SPOG industry members. It was clear that the community perceived a difference in behaviour between how industry members operated within the SPOG area and how some operators behaved out side of the SPOG boundaries.

The industry-community levels of agreement on issues after going through the SPOG process was considered to be very close as there were rarely any EUB hearings in the

influence) compared with 11 of the 14 community members who rated the industry as having a level of influence of six or higher on the same scale. The coorientational data was collected from a very small sample and the participants had difficulty quantifying their thoughts which they felt changed depending upon the situation. Therefore conclusions were drawn with caution and are only mentioned here in order to provide more insight rather than generalizations which cannot be made.

region: "*…there haven't been any hearings, so very close levels of agreement…it works because of the processes, the complaint process, the new development process…*" (Dave Brown, Community Member, June 2005). This was partially supported by the small co-orientational data collected which indicated that of the 14 community members questioned 11 indicated that they felt that the levels of agreement between the industry and community members were close[23].

There was the perception that the community was able to influence the SPOG industry members, and the SPOG development committee for B Pool was a concrete example that both industry and community members cited as the community had a high level of input into the decision-making process, including the development of performance measures that Hunt Oil had to live up to (Jan Marr, Community Member, June 2005).

Jennifer Lutz, SPOG Coordinator, unlike the community or industry members thought that power was divided equally between them:

> "*I think everybody is valued and there is a place for everybody at the table and that there is an equal divide of power, you know, with community because they're in a group erm I think it levels the playing field and it gives a better understanding of who really holds the power, and er it's collaboration, it's cooperation, it's kind of the way things get done…*" (June 2005)

Jennifer's role as the SPOG Coordinator entailed that she was present for all of the meetings, which meant that she saw the industry and community interact far more than any other person involved with SPOG. Whilst Jennifer's role was funded by the industry members she is a Community Member.

The idea that industry held the power within the industry-community relationship and was equated with control of the community was dismissed by Diana Gilbert, Shell Canada:

> "*…you can't control anything! You can't control your own life let alone control the community, erm, I think it's more of education and awareness and*

---

[23] The community members' responses ranged between six and nine on a nine point Likert scale, where one indicated agreement levels were very far apart and nine indicated agreement levels were very close (see Appendix 12 for the breakdown of responses).

*understanding them. Erm, you know you can't control a situation. You can*
*help steer a conversation or a project in a direction that might be more*
*beneficial to the community or more to the industry or er both, but you can't*
*control much of anything in this world..."* (May 2005)

However, it was evident from what Diana mentioned that there was an ability to influence the decision-making and resulting outcome. This made sense as satisfaction levels were based on the industry and community members feeling that there was a benefit for them being involved and if they had perceived that they were not able to influence the outcomes then there would have been very little motivation for either party to remain committed to the relationship.

*Power balance*

Community members recognized that there was a 'power structure' because of the way SPOG was funded:

> *"…obviously the people putting in the money have more of a say than the rest*
> *of us…a balance between these are the companies that are putting the money*
> *in to operate so they sit on the board and they make the big decisions, but on*
> *the other hand if the public [community] members walk then they'd have no*
> *group. So they have to do that balancing act between funding giving the ability*
> *to have more say, because of funding, as opposed to what's going to drive the*
> *public members out…"* (Gerald Ingeveld, Community Member, June 2005)

As explored previously within the context of building relational trust the issue relating to SPOG's funding and the impact this had on the power relations within the industry-community relationship was mentioned by community and industry members. Power issues pertaining to the industry members funding SPOG were founded on the assumption that because the industry members paid membership fees they were therefore driving the agenda and making the decisions. Alice Murray, Shell Canada, thought this perception was of more consequence for people who were not involved with SPOG and who only commented from an external perception and who had little or no personal involvement in SPOG.

> *"…what people outside of SPOG criticize SPOG about is the fact that they*
> *think  it must be industry run because industry pays the bills, er, because*
> *they're outside of SPOG and don't see how it works so they perceive just by*

*paying the bills that we have some sort of power …but the way I think about it is that er if weren't here doing what [we're doing] there wouldn't need to be any SPOG, there wouldn't need to be a cattle study, there wouldn't need to be a mutual aid group, there wouldn't need to be an office with Jennifer in, and there wouldn't need to be all those things. So yeah, then no one would have to pay but it's our fault we're here. We're doing this – it is to our benefit. I mean we get to produce the oil and gas so to me it only makes sense that we pay the bills and er kinda like the least we can do and er the budget is something that is set up with the community's input and they're the ones who say well these are the things you need to do…"* (Alice Murray, Shell Canada, May 2005)

As mentioned previously in Chapter 4 possibly another reason why SPOG was perceived externally as being an industry group was when SPOG's membership changed to include community members the name was not changed. The decision to retain the name Sundre Petroleum Operators Group and SPOG acronym caused identity problems for the industry-community relationship as the community was not mentioned in its name. This has led to an external perception that SPOG was an industry driven group instead of an industry-community group by people unfamiliar with SPOG (Dave Brown, Community Member, June 2005).

*"…'We don't have a pact! We're part of the community, we live here, we want it to be as clean as you do and we do what we can to do it. And if we're not doing what we're supposed to then we want you to jack us up and industry to jack each other up and do what's best… I do think we [industry] have some influence but not that we're trying to influence them in a bad way, and I'd say the community has a similar influence on the industry. It works both ways, there's people an industry guy will tell an[other] industry guy 'that's not what we're trying to do here', and a community person will tell another community person and I think that's really important…"* (Les Swelin, Pembina, June 2005)

Industry members all mentioned that when the community members participated in discussions or were involved in the decision-making process that it had a 'huge impact' (for example Doug Logan, Alice Murray, Keith Eslinger, Gerry Schalin, & Les Swelin, May/June 2005). Esther Johnson, SPOG Community Visit Coordinator,

supported the view that community members had a significant impact on the industry members. Esther's role ensured she had a lot of interaction with community members within the SPOG boundaries and she perceived that the SPOG community members had a great deal of power over the industry and that any non SPOG industry members were 'highly encouraged' to participate and join by community members who otherwise refused to deal with them (Esther Johnson, SPOG Resident Visit Coordinator, June 2005).

*Control mutuality and collaboration*

In SPOG the decision-making process was referred to as a collaborative process between industry and community members with the 'win-win' outcome as the objective. The other relational elements such as trust and transparency permitted the collaborative approach which would not have otherwise been possible. The approach adopted towards the negotiation of power and control mutuality within the SPOG industry-community relationship was critical for defining SPOG, its vision, and its community building outcomes, which were inspired by Stephen Covey's (2004) work and were incorporated into SPOG's processes because of Keith Eslinger's (Shell Canada) influence. The influence of Covey's work on the development of the SPOG industry-community relations and discourse is explored more fully in Chapter 6.

The community members were aware that the EUB granted industry proposals as long as the proposed activity was in the public interest for all Albertans and that consultation has occurred with the local community and accommodation was done where possible. However the SPOG community members have understood that if they were willing to collaborate with the industry it was more likely that the resulting proposal submitted to the EUB would address their needs and would be more acceptable from their perspective.

> "*...most people realize that the probability that the thing [the new development proposal] is going to go ahead even if it goes to a hearing and if they [the community] just sit down and talk they can come up with something that's acceptable to both sides...*" (Reg Watson, Community Member, June 2005)

As most of the developments in the SPOG region pertained to the extraction of sour gas the industry was required to consult with the local community as sour gas was

toxic. The community members were able to develop performance measures that would limit the intrusion and impact on their land and lifestyle but rarely were they able to stop developments from occurring as the EUB ruled in favour of the benefit for all Albertans. The SPOG industry members were used to engaging with the community and collaborating on developing performance measures however new entrants that were involved in extracting sweet gas were not as it was not a regulatory requirement for them to consult with the community. The difference in behaviour caused problems for both the SPOG community and industry members. The community members became upset as they were used to participating in the new development process and engaging with the industry operators and they did not appreciate the lack of communication from the sweet gas operators. Not all of the community members could differentiate between the types of operators (eg sweet gas versus sour gas) and some may not have understood the regulatory differences. The SPOG industry members recognized that the new entrants that typically were sweet gas operators posed a threat to the industry-community relationship that they had built up, which was why they made an effort to give new industry entrants an induction to working within the SPOG region. Further discussion on the interaction with new entrants is found in Chapter 6.

This chapter provided a deeper understanding of the OPR by exploring industry and community opinions about the relational elements involved within the relationship in more detail. The second research question - how do the participants describe the relational elements and relate them to their experience of the OPR – was addressed as well as a sub-question relating to the first research question which was concerned with how participants measured the relationship. The interviewees' opinions relating to trust, transparency, dialogue, commitment, satisfaction, and control mutuality were explored and described within the context of the SPOG industry-community relationship. Participants were able to explain and define what the relational elements meant within the context of the relationship and provided anecdotal examples that illustrated their understanding of them. In describing commitment and satisfaction levels participants also explained how they evaluated the relationship by having much fewer EUB hearings as well as an effective 'early warning' system with regard to the complaints process.

The interview findings regarding the relational elements explored in this OPR supported much of the literature covered in Chapter 2. Trust emerged as the foundation for the relationship and that transparency was critical for developing trust as the relationship had previously been quite hostile. The other relational elements contributed to strengthening the OPR and rebuilding it so that both industry and community members were satisfied, which meant there was motivation for keeping the relationship going and  maintaining commitment and investment levels. The key presupposition for this OPR is that whilst petroleum resources exist the Government of Alberta is in favour of exploiting them as the subsequent tax revenue funds the Province. The SPOG industry-community relationship is negotiated in the space where the community has a latitude of influence, which is to ensure that the petroleum developments are operationalized with the least amount of impact upon the community as possible. The relational elements and the OPR were framed within this presupposition.

The following chapter explores a number of connected themes that surfaced in the interviews and were related to the work of 'management guru' Stephen Covey and to the relational element control mutuality. In particular, aspects relating to control mutuality such as compliance gaining and peer pressure tactics pertaining to 'new industry entrants' in the SPOG region are explored in detail.

**Chapter 6   Gurus and witchdoctors: discourse and relationships**

This chapter[24] explores a number of connected themes that surfaced through the interview analysis. These themes were:

- The influence of Stephen Covey's (1989; 2004; 1999) *The 7 Habits of Highly Effective People* and *Principle-Centered Leadership*  on the development of the SPOG industry-community relationship;
- Compliance gaining and the use of peer pressure tactics to mostly keep industry members or 'new industry entrants' to the SPOG region 'in line';
- Exporting the SPOG approach beyond the Sundre area.

These themes are interesting in relation to the OPR as it was apparent that Stephen Covey's work influenced the development and in particular the rebuilding of the industry-community relationship and therefore could not be ignored. The approach adopted in examining these themes was to compare them with identified themes and concepts found in Stephen Covey's work relating to relationship building, and conflict resolution which is found in public relations and management literature. Many of Covey's concepts directly relate to the public relations relational characteristics such as trust, commitment, and satisfaction, mentioned in Chapters 2 and 4, and which relate to both of the research questions this thesis addresses. The participants' personal experience of the OPR was partly shaped by Covey's work. Also, how the participants' understood and described the relational elements such as trust and commitment was influenced by Covey as they had all participated in the Covey workshops, especially when developing the SPOG vision statement. Covey's concepts relating to relationship building centre on building trust as the starting point before engaging in organizational change programmes, as well as focusing on interpersonal relationships, which connect to public relations literature within the relational perspective.

---

[24] Part of this chapter has appeared in the following publications:
Jahansoozi, J. (2006). 'Organization-stakeholder relationships: Exploring trust and transparency. *Journal of Management Development*, Vol.25, No.10, pp.942-955.
Jahansoozi, J. (2007, NYP). Organization-public relationships: An exploration of the Sundre Petroleum Operators Group. *Public Relations Review*, Vol. 33, No. 4.

Covey's (1989; 2004, p18) approach refers to what he calls the "character ethic" and describes as the principles of effective living, in effect 'natural laws'. Covey's (1999; 2004) book *The 7 Habits of Highly Effective People* explores the seven habits in three sections: private victory, public victory, and renewal. In the 'private victory' section the first three habits which relate to personal attributes and values are taught. In the 'public victory' section habits 4, 5, and 6 are explored which pertain to collaboration and 'win-win' approaches, interpersonal relationships, relationship building, and collaborative conflict resolution. The final section, 'renewal', is linked to the seventh habit called "sharpen the saw" (Covey, 2004, pp.285-307). This habit comprises four dimensions: physical, spiritual, mental, and social/emotional. Covey assures his readers that by following and internalizing these 'lessons' individuals will have positive win-win relationships. The chapter themes will now be addressed in order.

**The influence of Stephen Covey**

Literature on 'management gurus' and in particular the effectiveness approach advocated by Stephen Covey was previously discussed in Chapter 2. The influence of Covey's work on the development and maintenance of the SPOG industry-community relationship emerged very strongly from the interview analysis. Covey's work (1989; 2004; 1999) *The 7 Habits of Highly Effective People* and *Principle-Centered Leadership* had particularly inspired Keith Eslinger (Shell Canada) who was key in instigating the changes in SPOG's organization, namely the change of membership to include both industry and community members, and the organization and delivery of communication training. Keith believed in the Covey approach and philosophy for resolving conflict and leading change. The Covey approach was used within Shell for leadership development, and Keith thought it would be helpful for breaking down the barriers between the industry and community and changing the relationship. Keith Eslinger's influence on introducing Stephen Covey's work to SPOG is explained further in this chapter. Covey language was noted as being used regularly when describing how SPOG processes worked and had become incorporated into the language used to communicate within the SPOG industry-community relationship.

Covey's work appears to have resonated with SPOG's industry and community members and could be partly explained because Covey shares a similar world view in that he has a rural upbringing as he grew up on an egg farm, and that he has strong

religious beliefs (Jackson, 2001). Covey uses a number of rural metaphors and in particular the 'Law of the Farm' example relates well to the Sundre community making it easy for the SPOG members to personally identify with him:

> "*Did you ever consider how ridiculous it would be to try to cram on a farm – to forget to plant in the spring, play all summer then cram in the fall to bring in the harvest? The farm is a natural system. The price must be paid and the process followed. You always reap what you sow; there is no shortcut.*"
> (Covey, 2004, p.22)

For SPOG this analogy directly translated into the approach for building the industry-community relationship and following the SPOG processes, which could not be crammed, but when followed properly and developed over time would lead to 'win-win' outcomes. Unsatisfactory conflict resolution outcomes for the industry were attributed to not following the SPOG processes which when followed controlled the structure of the discourse between the industry and community (van Dijk, 1997, p.21). Alice Murray gave an example of a situation that went badly for Shell in a community just outside of the SPOG area in 2002 because the SPOG-like approach was not used with the community there:

> "*…we applied to drill a sour well and we didn't have a relationship we didn't have a Synergy group we didn't have SPOG and not only did that go to a hearing but David Suzuki … came out and gave us a lickin'. Yeah he er did a show about it called 'worst case scenario' and we lost …yeah I mean when David Suzuki gives you a lickin' you know you've had one and and that was a huge cost to the company both in the cost of the hearing the fact that well will never be produced, and reputation, huge cost in reputation.*" (Alice Murray, Shell Canada, May 2005)

The Sundre region is very rural and its religious roots, although not Mormon like Covey's, are still Christian and share similarities. The values that Covey emphasizes 'rang' true for the farmers and industry employees. People in this area were independent and were willing to take personal responsibility for their actions, which matched Covey's paradigm, however in order to 'succeed' there was a perceived need to become 'interdependent':

> "*…we can't manage this if we're very individualistic and in Covey-speak we've got to get back to interdependence cause we've lost what that means, we*

*really have, we're very independent and we're proud of it, eh, ...*" (Keith Eslinger, Shell Canada, June 2005)

For a relationship to exist the parties involved are interdependent, meaning that the behaviour of each of the relational parties affects the others' outcomes (Blumstein & Kollock, 1988, p.468). Covey recognized the importance of interdependence between the relational parties and considered it more valuable than independence (Covey, 2004, p.3). Covey's interdependence paradigm is built upon what he refers to as 'true independence' which is when an individual is "*proactive, value driven and able to organize and execute around the priorities in our life with integrity*" (2004, p.187). Covey explains that once the individual was independent they could then choose to become interdependent and have rewarding and enduring relationships with others, which he characterized as having honesty, trust, and respect, and which are all mentioned in the SPOG Vision. Within the SPOG context it was in the industry members' interest to give up some of their autonomy by building a relationship with the community because if they were able to develop a good relationship the industry members would be better able to carry out their petroleum activities than if they had a bad community relationship (Grunig, Grunig, & Ehling, 1992, p.69).

In analysing the Covey influence on SPOG's development and operation the rhetorical vision contains all three master[25] discourses (*righteous master*, *social master*, and *pragmatic master*) as identified by Bormann and his colleagues (Jackson, 2001, p.49, and illustrated in Table 1). Jackson's (2001, p.63) rhetorical analysis of Covey concluded that Covey's 'effectiveness' culture management change rhetoric fell into the righteous master discourse category. In the context of SPOG the social master discourse and pragmatic master discourse are also visible, however the righteous master discourse was found to be more dominant, which supports Jackson's analysis of Covey's work. Table 1 shows the type of rhetorical vision, definitions, and examples from interviewee's that illustrate the particular rhetorical vision.

---

[25] There is a clear gender bias in the academic literature on discourse as evidenced by Bormann's master discourses.

Table 1: Analysis of the rhetorical vision applied to SPOG:

| Rhetorical Vision | Definition | Example |
|---|---|---|
| Righteous master discourse | Emphasis is on the correct way of doing things; the right way versus the wrong way; moral way versus the immoral; just versus unjust. | "…the whole point of that is to try and find a way that acknowledges the conflict, doesn't try to run away from it, doesn't try to paper it over, doesn't try to you know doesn't try to lard it over with a bunch of public relations makeup, we acknowledge we have a problem but you know here we are we're stuck with each other so how can we work out our relationships…" (Frank Dabbs, Facilitator, August 2006) "… We help out a ton of different Synergy groups around the province, kind of getting them [the other groups] to this way of thinking; we call it the SPOG traveling road show. So you know we try and help anybody that needs help …" (Jennifer Lutz, SPOG Coordinator, June 2005). |
| Social master discourse | Emphasis is on relationships and relational elements such as: trust; caring; friendship; community–mindedness. | "…I put my name in for the board of directors of Synergy on the basis of relationships not on the basis of cash flows" (Dave Brown, Community Member, June 2005) "…Synergy organizations, that's what they do, they open up relationships" (Dave Brown, Community Member, June 2005) "…What Synergy groups do is build relationships" (Dave Brown, Community Member, June 2005) "…It's SPOG that builds individual relationships" (Alice Murray, Shell Canada, June 2005) |
| Pragmatic master discourse | Emphasis is on practicality; cost – benefit; effectiveness; usefulness. | "…not only is it development for the community and relationship building and even capacity building for staffing it has really helped erm but it also really helps the bottom line financially too because it does help get projects because you have relationships built up and the community people understand that you're going to do the best you can in the area and they need you to do the best you can on it and it helps cut down on objections on projects which cause huge financial losses…" (Diana Gilbert, Shell Canada, May 2005) |

Adapted from Cragan and Shields (1992, p.202, cited in Jackson, 2001, p.49)

The background story that SPOG used to explain why it formed as an industry-community organization emphasized the conflict situation that made living and working in the area untenable and that the previous behaviour had been wrong as the industry had not communicated or developed a relationship with the community and instead had ignored it. The *righteous master discourse* is evident here as developing the industry-community relationship was deemed the right thing to do.

SPOG's actual vision can be linked with the *social master discourse* as it emphasizes words such as 'trust', 'honesty', 'respect', and 'sharing'. The pragmatic master

discourse was also evident in how SPOG was 'sold' to new industry members who were encouraged to join. The benefit of having reduced conflict and therefore reduced costs was made clear. If that did not induce the new members to join they were pressured into joining simply by the group pressure to conform and by the implied threat that they would not be able to work in the region if they did not sign up to SPOG's approach and community affairs processes.

The *righteous master discourse* was identified as influencing the initial decision to change SPOG's membership from only industry members to include community members, which was previously discussed in Chapters 4 and 5. Keith Eslinger (Shell Canada, June 2005) was already familiar with Covey's work and had participated in Covey workshops within Shell and could be considered a '*believer*' of the Covey approach. Covey's ideas resonated with Keith who comes from an agricultural background.

As previously mentioned in Chapter 4, Keith organized a number of Covey workshops for SPOG industry and community members in order to develop communication and relational skills and to start collaborating and co-develop the new SPOG vision statement. Once developed the new SPOG vision statement would underpin all of SPOG's processes and approach to the industry-community relationship.

> "...it was a half-day session and it was a miracle, er because what we did there is er we had a facilitator and he took us through the process of creating a vision and talking about all of this stuff that happened over the last 50 years [that] there's not a thing we can do about it but we can sure change how we can move forward, and we know you [the community] don't trust us ...and you don't have any reason to trust us but ...what can we do next? What would a perfect future look like? How would you like that to be?" (Alice Murray, Shell Canada, May 2005)

Alice Murray's choice of language in describing the interaction and outcome of the workshop as a '*miracle*' was interesting as it implied the result was beyond her expectations and was a remarkable event given the previous hostility and anger that was present in the community. The above quote also illustrated the influence of

Covey's second habit, "Begin with the end in mind". According to Covey (2004, p.99) this habit is based on the premise that "*things are created twice*" and it also relates to philosophical debates regarding mind/body dualism. First you need to create a mental construction of what you want and when a clearly defined understanding or image is produced then the physical creation can be developed. By defining what "*a perfect future*" would look like clearly shows adherence to Covey's "begin with the end in mind" approach.

When SPOG moved office locations in late May 2005, after the unpacking and organizing the furniture and files, the SPOG vision statement was immediately painted on the main entrance wall in the new office as depicted in the following Figure 4:



Figure 4 Grand opening of the new SPOG office, June 2005

The immediacy with which the SPOG vision was painted on the wall was mentioned by Dave Brown (Community Member, June 2005) and was a symbolic act that indicated the level of importance attributed to it by industry and community members. SPOG's mission is not only physically visible in the SPOG office, but at all SPOG

operational meetings as each industry and community member has a name/place card which on the side facing away from them shows their name and on the side facing toward them has the SPOG mission statement as well as the values with examples of how these values are operationalized (for an example see Appendix 13). This directly tied in with Covey's third habit 'first things first' as this habit encourages the focus on the mission and what is important. Another example of keeping the focus of the 'mission' was provided by Keith Eslinger who emphasized the importance of keeping the mission and values visible in order to reinforce and internalize them:

> "…we believe if it is in front of us everyday [be]cause it's important to us then we should be staring at it and we should be using it in our decision-making."
>
> (Keith Eslinger, Shell Canada, June 2005)

The SPOG vision statement was ubiquitous. It was painted on the SPOG office wall as well as on materials at meetings and served as a physical reminder and shaped the space where industry and community members met. The visibility of the vision statement was a controlling influence as SPOG members had co-developed the vision and 'bought into it' and therefore felt a level of commitment for maintaining the long-term relationship because they had agreed to the stated values and how those values were translated into behaviour. Morgan and Hunt (1994) emphasized the necessity of commitment for collaboration and the maintenance of the relationship and so the visibility of the SPOG vision statement was a tactic that reinforced the relational commitment.

Almost all of the community and industry members that were interviewed remarked that the initial training sessions were critical in developing a foundation for the relationship. Workshops based on Stephen Covey's *The 7 Habits of Highly Effective People* were directly specified by most of the participants as being of great importance and were credited for transforming the interaction between industry and community members. Community members pinpointed the training being of fundamental value (Reg Watson; Gerald Ingeveld) and credited it with 'SPOG's success' (Jim McAllister, June 2005).

The interviewees indicated the perception of a positive effect the Covey training had on the industry and community members. At the workshops the industry and community members got to know each other beyond the assigned industry and

community roles and developed a shared language based on the terminology used in conflict resolution literature and Covey's work.

Management gurus develop or co-opt terminology which is linked to their particular concept (Jackson, 2001, p.33). The language used in conversations, dialogue, and text, characterized the interaction within the SPOG industry-community relationship for accomplishing its vision and goals (van Dijk, 1997) and made use of Covey's terminology. Stephen Covey's effectiveness movement popularised terms such as 'win-win', 'synergy', 'interdependence', 'emotional bank account', and 'principle-centred leadership'. This 'new' terminology was used as a 'new' language for SPOG's members, which was reinforced through Covey workshops, books and recordings. The 'Covey language' appeared to be integrated into SPOG's processes and both industry and community members referenced it when explaining their personal experience of SPOG. By incorporating the Covey approach and language, a new social schema was developed which helped the industry and community members organize appropriate behavioural responses when interacting with each other. The Covey discourse enabled the industry-community members to accomplish 'social acts' such as participate in dialogue between the industry and the community. The interaction between the industry and community members became embedded as a social context in which the SPOG industry-community relationship existed (van Dijk, 1997, p.2). By integrating Covey's language SPOG's industry and community members created a shared system of meaning which supported their collaborative approach to finding 'win-win' outcomes.  This finding supports Blundell's premise (2006, p. 2) regarding multi-stakeholder collaboration: "*These networks clearly have tremendous cognitive tasks they wish to accomplish and it is hard to imagine that they can create new knowledge, innovative solutions and enhance mutual understanding without first possessing a shared system of meaning*".

The shared system of meaning developed using the Covey training was regularly reinforced by refresher training so the Covey discourse was kept alive amongst the 'old' members but was also taught to the 'new members'. The committed SPOG industry and community members were involved in keeping the Covey approach fresh and operated as 'discourse workers' engaged in creating a schemata or even 'life world' (L'Etang, Falkheimer, & Lugo, 1997; Habermas,1987/1989):

*"They started out using the Stephen Covey er seven habits and ...that developed the language that they all knew and they train all the new folks that come along and it is the common language that they have..."* (Deborah Eastlick, EUB, January 2007)

By developing a shared language SPOG members were able to shape non-conforming behaviour by using words as 'triggers'. Behaviour that was thought to be damage the industry-community relationship was 'problematized' and was identified through the Covey training (Foucault, 1984, cited in Motion & Leitch, 2007). Power was created and transferred through the SPOG discourse as Covey's concepts were accepted at being true by the SPOG industry and community members and therefore had an effect on them (Motion & Leitch, 2007). The use of power for influencing others was re-conceptualized as being a force for positive change, which was similar to how Foucault perceived power/knowledge (Motion & Leitch, 2007). For example, if a community member started speaking at a public forum in a manner that was not considered 'respectful' another community member would remind them of SPOG's values. The following quote from an interviewee highlights the subtle control that members had in halting any dissenting perspectives.

*"...you see some of the people from the community defending some of the company reps too. There was still one fellow who decided he wanted to take a strip of someone and another community person took a step to get between them and said 'how's that going to help you now, we're trying to settle something here', so you know they've picked up some of the [Covey] process, they've agreed to start separating again the issues from the position and identifying what really is the problems..."* (Gerald Ingeveld, Community Member, June 2005)

An industry member provided an example that supported Gerald Ingeveld's example of community members policing themselves:

*"This group does it very well in SPOG where they test it [the decision] against the vision and the goals. They test against that vision lots when they're trying to take a decision say and it works both ways [be]cause you know [be]cause there's companies that don't get it and there's some residents that don't get it, they're extremists eh, it's powerful when a community person says to this other community person 'hey, you're violating our vision right now, it that*

*what you intend to do? Are you intending to do that? If you're not then could you be clearer, if you are then we've got a different situation'. It is so much more powerful when it's from a resident than an oil company so, it's not so much about power it's about influence..."* (Keith Eslinger, Shell Canada, June 2005)

The perception is that the SPOG approach (based on the Covey approach) is the right way to follow and other approaches are unacceptable. This again highlights the *righteous master discourse* at work (Jackson, 2001, p. 49). Later in this chapter the aspect of gaining conformity and the coercive tactics used will be explored more fully.

Covey's effectiveness approach appeared to be embraced by the SPOG industry and community members. Interviewees provided numerous examples of the 'win/win' approach to resolving issues. In Covey's (2004, pp.205-234) chapter "Habit 4 Think Win/Win" he outlines six paradigms of human interaction: win/win; win/lose; lose/win; lose/lose; win; win/win or no deal. The win/win approach is Covey's suggested philosophy for situations that are a part of an interdependent reality. Covey describes his win/win philosophy as being a "*frame of mind and heart that constantly seeks mutual benefit in all human interactions*" (Covey, 2004, p.207). The win/win approach strives to resolve issues so that the outcomes are mutually beneficial and that all parties involved feel satisfied. The approach promotes cooperation and collaboration in developing solutions and resolving conflict. The win/win approach was recognized as being advocated by SPOG members (Jim McAllister, Community Member, June 2005).

Cooperation and collaboration are possible when the relational parties trust each other as discussed in detail in Chapter 5. Covey (2004, p.216) explains that the win/win approach comprises five interdependent dimensions: character, relationships, agreements, structure, and systems. The character dimension is subdivided into three character traits required for the win/win approach. The first character trait, integrity, requires the individual to keep commitments to themselves and others. The second character trait, maturity, is described as the "...*balance between courage and consideration*" (Covey, 2004, p.217). A mature person should be able to express their opinions with courage whilst being considerate of the feelings others may have

regarding the issue. The final character trait is the abundance mentality which essentially means there is enough for everyone. These character traits form the foundation for the win/win approach as once they are present win/win relationships can be formed.

Covey's relationships dimension is based of trust being 'saved up' in an "emotional bank account" (2004, p. 220). Trust is emphasized as being essential for the development of relationships and is built up or 'banked' over a period of time, which is also critical for establishing credibility and resolving conflicts (Plowman, Briggs, & Huang, 2001). SPOG's industry members needed to foster trust in the industry-community relationship in order to have operational autonomy. Trust also is linked to openness and respect, as well as commitment. Covey (2004, p. 220) argued that relationships that have emotional bank accounts with a high trust balance indicated a strong commitment to win/win and led to a synergy approach. As the trust reserves were built up in the emotional bank account if relational mistakes were made then a 'withdrawal' could be made that didn't put the emotional account into deficit. The emotional bank account concept was used to explain how trust worked within the SPOG industry-community relationship:

> "*I know Covey talks about that emotional bank account and er I've worked with a lot of people and over a lot of different things and you can't agree all the time, and I've come across industry stuff that I don't agree on but I think you can get through it because you have that kind of emotional bank account.*" (Jennifer Lutz, SPOG Coordinator, June 2005)

Covey's relationship dimension based upon trust allowed for agreements to be made between the relational parties that provided the win/win outcome. Covey (2004, p.223) referred to agreements as sometimes being called performance agreements and this was adapted by SPOG and referred to as 'performance measures' which the community developed and negotiated with the industry members.

For the character, relationship, and agreements dimensions to function properly Covey envisaged that there would need to be a supportive environment with systems that rewarded collaboration and interdependence. The systems dimension is linked to

cooperation instead of competition. If the environmental system is competitive then the win/win philosophy is not supported and there will be minimal collaboration or trust involved. SPOG's industry members did not view each other as competitors as they are not involved in exploration and instead are able to cooperate and collaborate on operational issues that affect them all.

The processes dimension for the win/win philosophy requires that the means for getting to the mutually beneficial solution should also be mutually beneficial. Fisher and Ury's (1999) approach to principled negotiation is very similar to Covey's processes dimension. Fisher and Ury emphasized that the parties involved need to be separated from the issues so that the focus was on the interests involved and not on the opposing positions. SPOG members set up a number of processes which were followed and helped make the decision-making process streamlined and also inclusive.

The 'win-win' concept was referred to by many of the interviewees for describing the SPOG approach to conflict resolution. Table 2 illustrates the 'win-win' concept manifested within the SPOG industry-community relationship.

Table 2: Examples of the 'win-win' language usage:

| Interviewee | 'win-win' language |
| --- | --- |
| **Alice Murray (Shell Canada)** | "*...in SPOG it's very much our decision-making outcome is a win-win thing...*" |
| **Doug Logan (Petro-Canada)** | "*...I think for the most part, most things get resolved on a win-win basis.*" |
| **Gerald Ingeveld (Community Member)** | "*...you go into a situation saying there has to be a win-win here.*"<br><br>"*...finding a win-win and not being satisfied with a win-lose or a and only satisfied with a win-win and I think that's what synergy becomes that's when all the values are represented er at the table with an element of trust er and erm so you don't feel I'm just trying to beat you out of something, and we're coming together and working together to find a solution to a problem.*"<br><br>"*I began talking about 'win-win' right from the beginning and was quite insulted by a couple of fellows, I was out of my mind, I was naïve, I was all of these things, why should we even try to have a win-win, and the last meeting was the most creative meeting we that we had where we finally went through we broke it into three steps: what information do you need as a community to understand what these people want to build in your community, and the second one was what are the concerns that the community are already expressing and there were millions of concerns everything from elk herds to you know, you can't imagine, the third*" |

| | |
|---|---|
| | *step was what are the performance measures that could be put in place that would beneficial to the community.*" |
| | "*...I can say there's the potential now of at least a vision of win-win.*" |
| **Jennifer Lutz (SPOG Coordinator)** | "*...you know we definitely not a love-fest where everybody gets along there's decisions made that erm the person doesn't want a facility in their back yard, they don't want it you know erm you know a real win-win you know we've had people who say well if it's in my back yard that is never going to be a win, it's not always the outcome that people want...*" |
| | "*...I guess trust would be even knowing having the information up front, kind of knowing your rights erm and there is actually two owners to land, subsurface and surface, and erm coming up with the best solution as possible as close to a win-win as you can get that's more and more the trust part erm you know I know Covey talks about that emotional bank account...*" |
| | "*...we're always trying to prove our value and make it a win-win for companies and the community...*" |
| **Jim McAllister (Community Member)** | "*The er truth is is that they don't just talk about listening they actually listen and they gather information and they will try to look for look er for ways that create and I hate to use the cliché win-win situation.*" |
| **Reg Watson (Community Member)** | "*... there's a lot of animosity, cause no one really wins a hearing, you both lose, Steven Covey's 7 habits there's win-win situations and win-lose situations but you always try and go for the win-win so both people can go away having gained something...*" |
| **Gerry Schalin (Provident Energy Trust)** | "*Most people realize both industry and residents that that's what this group [SPOG] is about. That they don't walk away from issues, so the people involved realize that if you have an issue or problem resolved it's going to be give and take...it's definitely a 'win-win' concept...*" |

Gerald Ingeveld (Community Member) provided an example of using the 'win-win' approach with CCS (Canadian Crude Separators) who wanted to develop a land fill in the SPOG area. CCS had started to attend SPOG Community Affairs meetings in order to get to know the community. Gerald Ingeveld, SPOG Community Member, volunteered to lead the facilitation process. In the beginning it was quite difficult:

"*...they were here for six months before they even let anyone know that they wanted to do something, and then when they did say we're going to do something then the community said 'no listen we can't do this we can't take this on', and so we began to go through the process and the first thing, and I took a leading role as a sort of SPOG mentor, we formed a new development committee and some people reluctantly er went on the committee, so initially it*

*was a hall full of people mad because they [CCS] want to come and do this...*"
(June 2005)

From the beginning of the process Gerald had talked about a 'win-win' solution and at first was insulted by a few of the Community Members: "*...I was out of my mind, I was naïve, I was all of these things, why should we even try to have a win-win?*" However, after a number of meetings they had reached a point where Gerald thought the potential for a win-win outcome was achievable.

The end result of the New Development committee was that the community members were able to start working collaboratively with CCS in resolving issues, which was for Gerald Ingeveld "*...the first real feeling of synergy... 'I'm no longer fighting with you, now we are wrestling with the problem*". (June 2005) It was at this point that performance measures were developed. This example relates very well to Habermas's work on developing understanding through communication which Burkart (2007) applied to his 'Consensus-Oriented Public Relations' (COPR) mentioned in Chapter 2. When applied to Gerald Ingeveld's example the similarities were clear: the proposed CCS development caused disturbance amongst the local residents. The SPOG new development process provided communication regarding the proposed waste facility that was true, trustworthy, and legitimate; doubts regarding CCS were dealt with; and performance measures were developed to ensure the preservation and protection of the environment. The SPOG new development process developed mutual understanding of the issues and the discourse on the side of the public was taken seriously. Appendix 16 illustrates the COPR approach when applied to the CCS example.

In reaching the 'win-win' result the issue of power was considered by Keith Eslinger, who viewed it as being collaborative but not necessarily equal amongst the participants. For Keith it is the fact that relational power is recognized and it is understood that all parties involved in resolving the conflict have the power to influence the result, as discussed in the section on control mutuality in Chapter 5.

Whilst the win-win outcome is the 'raison d'être' for Synergy groups there still has to be an 'agree to disagree' resolution process for those occasions where there is an

impasse. However from the following quote it seems that the EUB is thought not have a sympathetic view regarding personal agendas:

> "…*our constitution guarantees us all individual rights so in other words you can be part of SPOG, you can be part of the process and even if you substantially agree with everything but you just say well you guys have all agreed on the one thing that I can't agree on, it's too important to me as an individual, then your group can [say] this project should go ahead but this person can break rank and ask for a hearing…but the [EUB] board will take into account that you sat on the Synergy group and you know your community substantially agreed. We understand your personal issue but this ain't the cross to die on so thank you for your input…but you still have your right to a hearing…*" (Keith Eslinger, Shell Canada, June 2005)

This emphasizes that the only approach tolerated is the 'win-win' one as this is what was rewarded. The assumption here is that personal issues are not important in the eyes of the EUB who regulate in favour of the 'public interest' for all Albertans. The EUB has adopted a utilitarian approach and justifies the impact of petroleum operations on the relatively small number of Albertans compared to the greater benefits that the majority of Albertans receive. This approach could be perceived as being coercive as it reinforces the 'tyranny of the majority' and is one of the main critiques of utilitarianism (Waldron, 1995) and democracy. The EUB does not subscribe to proportional representation which means that minority groups are disadvantaged (Burns, 1959).

Covey's (2004, p.262) sixth habit is 'synergize'. For Covey synergy is "*the highest activity in all life – the true test and manifestation of all of the other habits put together*". Synergy is the core of Covey's principle-centered leadership and is responsible for acting as a catalyst which "*unleashes the greatest powers within people*". Covey defines synergy as "*the whole is greater than the sum of its parts*" (2004, pp.262-263). When asked what 'synergy' meant in the context of the industry-community relationship a community member responded by paraphrasing the Covey approach which strongly links synergy with 'creative cooperation':

> "*Synergy is the process of taking two parties that disagree and separating them from the problem, so in other words identify the problem and then getting both parties to attack the problem instead of each other. At the end of*

*the day if that's done honestly and fairly and people set their personal agendas aside that solutions are found that were never thought of before. One plus one can equal three…And so it was just a better way of thinking, a way of approaching problems er with mediation, arbitration or whatever but finding a win-win and not being satisfied with a win-lose …and only satisfied with a win-win and I think that's what synergy becomes, that's when all the values are represented er at the table with an element of trust …so you don't feel I'm just trying to beat you out of something, and we're coming together and working together to find a solutions to a problem. And really that's what SPOG is trying to aim at…"* (Gerald Ingeveld, Community Member, June 2005)

Deborah Eastlick (EUB, January 2007) through her work with the EUB has been involved with supporting synergy groups and also with the development of Synergy Alberta, thought the term 'synergy' was 'invented' by the EUB in order to differentiate between groups that were willing to work in a cooperative manner as opposed to groups that were basically 'anti-development'.

Another Community Member, Dave Brown, reflected that the word 'synergy' had first been introduced to the Sundre vocabulary by Keith Eslinger and that it was essential for developing relationships. In Dave's view synergy quickly became a very popular term both within and beyond the SPOG boundary and yet he perceived that only a few people seemed to know what the word meant, implying that the synergy concept was having a 'bandwagon' affect as it got "*banded around*". The word 'synergy' could be considered a brand as it has come to symbolize collaboration between industry and community. The Synergy Alberta umbrella organization was nurtured by the EUB and has representatives on its board from the petroleum industry, government, and community.

Dave Brown was critical of groups that called themselves synergy groups but were not operating with the intent of cooperation as they only had community membership and did not collaborate or cooperate with industry in order to resolve issues:

"…*a lot of the Synergy groups aren't true Synergy groups because they don't have companies as members.*" (Dave Brown, Community Member, June 2005)

Alice Murray, an industry member, expressed the essential requirement for synergy was the collaboration between relational parties:

> "...*You're a Synergy group if you use the process of collaboration...*" (Alice Murray, Shell Canada, May 2005)

There was an underlying criticism of 'so called' synergy groups that were really activist or issues groups but called themselves synergy groups as they only had community members and did not engage with industry other than to state their 'position' on the issue. This criticism also surfaced with other interviewees. In analyzing this discourse the 'disapproval' of the groups that did not engage with the petroleum industry was because they were a considered threat to the dominant power and hegemony (oil industry and EUB), which is possibly why they were marginalized this way. Reg Watson, a SPOG community member, recognized that synergy groups had different approaches but he was critical of groups that did not at the very least sit at the same table with the industry and the EUB when trying to resolve conflict. It could be that these other 'so called' synergy groups have not been exposed to the Covey training and therefore do not share the same meaning of the word 'synergy' as SPOG members. It is clear that some SPOG members rejected these groups as far as they were viewed as not being 'real' synergy groups but activist groups that have taken on the term, perhaps in a 'bandwagon' fashion without true understanding of what it means. Again, this resonates with the *righteous master discourse* as SPOG has adopted the Covey approach and understanding of synergy is superior whereas the 'so called' synergy groups that do not collaborate with industry are inferior as they do not practice the 'synergy' principle. Reg argued that Norma LeFonte's 'synergy' group did not meet his criterion:

> "...*She's [Norma LeFonte] from a group east of Calgary and they, they call themselves, at least Norma calls themselves a Synergy group but I don't feel she's a Synergy group. They don't er sit down at the table with the industry at all, they'll meet as a resident group and then make big presentations to industry and the EUB and the meaning of Synergy is that you've got to have everybody at the table all at the same time, you can't be meeting the community people without having the industry and regulators...*" (Reg Watson, Community Member, June 2005)

The above extract also provides an interesting example of insider/outsider group status.

Gerry Schalin, a SPOG industry member recognized that a 'stigma' existed regarding community groups, like SPOG, that accepted industry funding. His perspective on this was mirrored by other SPOG members, including community members:

> "…*other groups that are so called Synergy groups er that absolutely will not take a penny from an oil company because they don't want to seem as though they've been bought… are limited to the kind of courses that they can take, they are limited to the resources they can access, er they may have a volunteer co-coordinator and they may be spending a lot of their own money to deal with a situation that they didn't cause, you know, and er I and any group that I've erm encountered at conferences that we've been to that there is nothing wrong in taking some money from the companies that are causing the problems, the issues, and why not? I mean an oil company is er terrible…the oil companies are here to make money and this is the cost of doing business, to fund a Synergy group and most oil companies will fund because they know that a Synergy group is a good thing.*" (Gerry Schalin, Provident Energy Trust, June 2005).

Gerry did not see the industry funding as limiting or hindering SPOG's ability to tackle difficult issues, nor that the community was 'bought'. Dave Brown, a SPOG community member, also expressed that the perception that SPOG was industry run was a problem but that it was not valid:

> "… *A lot of people just think they're still saying it [SPOG] is industry run and er if you heard me at one of the meetings a month or so ago you'd have found out that it isn't, I made damn sure!*" (Dave Brown, Community Member, June 2005)

The problem of independence and having industry 'bank-roll' SPOG was partly resolved by an interpretation of Covey's 'interdependence' principle. The community and industry worked interdependently to develop their relationship and resolve issues. The community volunteers its time and energy and the industry engages and pays the bills. Others viewed it rather pragmatically from the perspective that as industry caused the issues they were responsible for creating them and should pay the costs for conflict resolution.

**Compliance gaining**

The second theme in this chapter explores a rather negative aspect of the guru-led corporate culture change movement that is not often discussed but is also a problem for all instrumental corporate cultures (L'Etang, 2007, p.193). When a culture change movement is adopted by an organisation there is often a lot of pressure to conform to the approach, which limits any dissenting voices or behaviour (Wood, 1989; Ray, 1986; Wilmott, 1993; all cited in Jackson, 2001, p.17). The interviewees mentioned that peer pressure was used to gain conformity by SPOG members (both industry and community) as well as on 'new' industry entrants to the SPOG region.  The use of peer pressure was viewed positively by the SPOG industry and community members as well as by the EUB as the underlying assumption was that this approach was the 'right way to do business', which again subscribed to the righteous master discourse. The difference between peer pressure and coercion is not a clean line as it may be difficult to identify the point where voluntary action stops and involuntary action begins (Gass & Seiter, 2007, p.28). Also as coercion is not limited to the threats of punishment but also includes rewards it is more closely linked with persuasion and persuasive communication.

SPOG's organizational culture was led by the Covey effectiveness approach, which was regularly reinforced through training SPOG members as well as new industry entrants to the region. Whilst there are a few examples cited of community members encouraging other community members to comply the majority of the examples concerned the behaviour of new industry entrants whose behaviour threatened the SPOG industry-community relationship. SPOG industry members were particularly concerned with maintaining a good relationship with the community and used compliance, and in some instances coercion tactics, in order to ensure that new industry entrants into the SPOG region joined SPOG and also abided by its processes and approach. The EUB saw immense value in synergy groups like SPOG and was very supportive of SPOG (Deborah Eastlick, EUB, January 2007). Whilst it was not an EUB regulatory requirement that petroleum operators join relevant synergy groups like SPOG, it was the 'preferred' way to operate as it reduced costs and feelings of ill will. This falls into the righteous master discourse as industry engagement and participation in a synergy group was 'the right thing to do' as well as the pragmatic

master discourse as it saved money. There was little consideration that the level of engagement demanded by the SPOG processes and approach to community affairs created a barrier for new entrants that were small operators, and in effect was an 'unofficial' form of regulation. The SPOG industry members policed the new entrants and pressured them so they conformed their behaviour to match the SPOG values in order to reduce community dissatisfaction and avoid EUB regulation.

From the interviews there were three broad categories of examples illustrating the peer pressure tactic: industry members pressuring other industry members or new industry entrants; community members pressuring other community members; and community members pressuring new industry entrants (who were not SPOG members). Examples interviewees gave of the peer pressure tactic that fell into the above three categories are illustrated in Table 3.

Table 3: Peer pressure as a tactic to gain compliance

| *SPOG Industry Members pressuring other industry operators* | • "*...SPOG itself as an organization has no mandate of authority over anyone. I think by and large, over time via SPOG and via some other communication networks the players that play the game will put pressure on those that don't understand or don't care because the ones that don't understand or don't care are influencing the entire community towards the industry as a whole...*" (Jim Eckford, Community Member, June 2005) |
| --- | --- |
| | • "*…I think in the SPOG area the industry peer pressure gets them [new industry entrants] to get with the programme… it is really hard for the community to really pressure them with the social license to operate because they couldn't care less and … it reflects badly for the whole industry and all the operators who are playing by the rules know that and so they're not keen to have people to behave like that because they all get painted by the same brush. So there's quite a lot of peer pressure in that area to play by the rules if they're going to be there at all.* " (Deborah Eastlick, EUB, January 2007) |
| | • "*...another advantage of SPOG is peer pressure. So those guys that are like that are easily educated. When I was the er Chairman of Community Affairs Jennifer and I went into Calgary to meet with the manager of one company because he felt that this [SPOG] was too much work, and he says well maybe we just not join SPOG you know, so we say well that would be very unfortunate and that would look very negative to that company as well and the community would form an opinion why is that company not participating, so er they stayed on.*" (Doug Logan, Petro-Canada, June 2005) |
| | • "*The people who find it most uncomfortable I think in community affairs are the companies that have a PR man that lives in Calgary and they come out to these meetings and often they are struggling to accept some performance measure, it's the other companies that are going to put the pressure on the, the peer pressure on them because they regulate them...*" (Gerald Ingeveld, Community Member, June 2005) |
| **SPOG** | • "*...when people get out of line and you can say 'look does that go along with* |

| | |
|---|---|
| **Community Members pressuring other community members** | *our mission and vision? It doesn't seem like it does, maybe you'd like to rephrase [how] you're coming at this', and we draw attention to it and you use it. Most people build a mission statement vision statement and it's filed. Not SPOG!"* (Reg Watson, Community Member, June 2005)<br><br>• *"...you see some of the people from the community defending some of the company reps too. There was still one fellow who decided he wanted to take a strip of someone and another community person took a step to get between them and said 'how's that going to help? You know we're trying to settle something here.' So you know they've picked up some of the process they've agreed to start separating again the issues from the position and identifying what really is the problems..."* (Gerald Ingeveld, Community Member, June 2005) |
| SPOG Community Members pressuring non SPOG industry members | • *"...many of our residents already ask are you a SPOG member company and if they say no they shut the door on them and say come back when you're a member..."* (Diana Gilbert, Shell Canada, May 2005) |

There were no examples of industry members pressuring community members, possibly because when a community member did not agree with the process or disagreed with the outcome that may have agreement with other community members and industry, they were entitled to have an EUB hearing. When this occurs the EUB knows that a synergy process was followed and that the other community members have worked to resolve the issues and developed performance measures that the petroleum company agrees to abide by. The EUB following its utilitarian approach would consider and weigh the 'public good', the commitment the petroleum company had to the community regarding the performance measures and best practice, and the level of community support for the collaborative process that was followed against the community member who disagreed.

There are no regulations in Alberta requiring petroleum operators to join synergy groups, but as they are perceived as a good thing Deborah Eastlick, EUB, appeared rather unconcerned regarding the coercive tactics and unofficially supportive of the practice.

> *"...there is quite a lot of peer pressure in that area by the other industry members. However, that said, we do not require, as the regulator, we do not require industry operators to belong to synergy groups, that's a voluntary thing."* (Deborah Eastlick, EUB, January 2007)

Most of the examples provided by interviewees dealt with industry members pressuring new industry entrants. This was mainly because it was the SPOG industry members that had the most to lose if the industry-community relationship broke down.

> *"...there is a lot of peer pressure with the way the [SPOG] processes are set up... it not only helps to make them more accountable in the region but it also helps with SPOG membership and also er increases transparency because now they have to explain to SPOG what happened...they have to come to the meetings and say this is what we did wrong and this is what we have done to fix it..."* (Diana Gilbert, Shell Canada, May 2005)

Diana identified the link between peer pressure, accountability and transparency, which was previously discussed in literature review in Chapter 2. In this example transparency was used to enforce the maintenance of standards via the underlying coercive threat of exposing bad practice (von Furstenberg, 2001, p.108).The EUB was supportive of this approach as it meant the industry would self-regulate because of the threat of being publicly exposed.

While new industry entrants were not 'forced' to join SPOG they were highly encouraged to do so via visits from SPOG industry members who explained how much easier it would be for them to gain approval for new developments if they participated. Essentially there was little choice in the matter because the consequences for not joining made it difficult for them to operate because SPOG had the support of some of the most powerful petroleum operators in the province (Esther Johnson, SPOG Resident Visit Coordinator, June 2005)

The SPOG industry members had social power, or control, over new industry entrants to the Sundre region (van Dijk, 1997). Whilst in some cases the industry members' power was coercive mostly it was 'mental' as they explained the benefits for joining SPOG and adapting to the behavioural norms of the industry-community relationship. SPOG industry members reasoned that it was in the best interest for the new entrants to join SPOG as the cost-benefits for using the SPOG approach made it financially worthwhile in the long run because projects were approved by the EUB more quickly and there were also far fewer hearings. This was an example of the pragmatic master discourse rhetorical vision where the SPOG industry members persuade the new entrants to join SPOG and become involved in the industry-community relationship.

The compliance was not based upon coercion but rather on persuasive arguments as the option to adapt to SPOG's requirements was more attractive than the alternative scenario presented (van Dijk, 2007).

> "...they [new industry entrants] can say no we don't want to be [a SPOG member], and they don't have to be, we're not forcing them to [join] but then [when] all the other companies around them are doing it they tend to fall into place because it's a good thing and they do find that the more involved they are with the project, the different projects within SPOG the easier it is to get their own project pushed through as far as regulations erm as far as erm there's no lines that are missed..." (Diana Gilbert, Shell Canada, May 2005)

As most of the new entrants to the SPOG area were small petroleum operators often the cost of fully engaging with the community was perceived as being too high and so some tried to limit their interaction to paying membership fees and occasionally visiting the SPOG office.

> "...little one-man operations and they cut corners, and er they feel just because they come in the SPOG office that they er have free rein... they don't understand what's going on and so you do have the peer pressure from the industry". (Reg Watson, Community Member, June 2005)

SPOG industry members were expected to participate and engage with the community. It was not enough to join SPOG and pay membership fees as attendance at meetings was taken and participation in organizing SPOG events was monitored:

> "The peer pressure pushes the commitment as well. If you're not showing up at the CA [Community Affairs] meetings you might get a phone call saying we've noticed you've not been at the last three..." (Doug Logan, Petro-Canada, June 2005)

Community members were also aware of the monitoring aspect which led to industry members complying with the community's expectations:

> "...everybody knows that within these boundaries if they [industry] step out of line or do something you know then it's reported, they have all the phone-ins, they have all that so it's the other industry members and community and government and so its wide open and I think that helps..." (Jan Marr, Community Member, June 2005)

Keith Eslinger (Shell Canada, June 2005) explained that the EUB collaborated with SPOG by letting them know when a new entrant was moving into the SPOG area so they could be proactive and approach new entrants as soon as they had submitted an application to the EUB. A community member and an industry member would then visit the new entrant and have a 'face-to-face orientation'. This was in fact a 'welcome wagon' approach with 'helpful' advice on how to engage with the local communities, an introduction to the SPOG vision, and an invitation to join SPOG as an industry member.

The following extract from Keith Eslinger's interview hints at peer pressure tactics that border onto coercion and bullying. The social power in this example was akin to hegemonic discursive power as the way Keith portrayed his behaviour was as if it were by consensus, natural and necessary to manipulate new entrants (van Dijk, 2007).

> "…one of the things we've learned here is that you've got to be cautious of is when we get new entrants into the SPOG model, because I can be impatient and of course we are kinda are anxious about having a good relationship, eh, we're so enthusiastic, eh, and when you talk to somebody who feels like they're 20 years behind the times like and they're looking at you like and [saying] 'we already do that stuff Keith' oil company, oil company new entrant, 'oh yeah, Keith we do that, we do that, we do that' and I know they don't do it! So you sit there and go ah, so what do you do? Beat on the guy with a stick? And in some cases I have to, to get his attention, eh, 'don't pay lip service to me right now buddy and I won't let you join SPOG'…in some cases I've had to take some guys back out and meet the person alone and say listen I've spent two meeting with you and you're not getting this, now you're going to see the other side of me. I will fight for this and you will die hard… You think you've got an application in? I'll make one phone call to the EUB and say you know what this company's application, you can probably lose it for three months, so…inconvenient!" (Keith Eslinger, Shell Canada, June 2005)

In the above extract Keith used strong language such as "*beat on the guy with a stick*" and "*you will die hard*" to express what he felt he was willing to do toward non-compliant industry members. The non-compliant operators were being 'punished' for

not following the SPOG approach, which illustrated the use of coercion and could be interpreted as bullying behaviour. The utilitarian assumption that the 'ends justified the means' was used to legitimize this behaviour by SPOG industry and community members, and it also fed into the righteous master discourse. Hegemonic power controls behaviour by controlling the attitudes and ideologies of others via discourse. SPOG industry and community members had control over the public discourse

Keith Eslinger focused his attention on 'rounding up' industry members that were not complying with SPOG's vision and processes or with the underlying Covey approach as he perceived that industry has a duty and responsibility for supporting the community as in most cases the industry created the angst. In the quotation extract below Keith provided a biblical reference to Job, which again reinforced the righteous master discourse as Job's story explains why the righteous suffer and how by approaching problems properly strengthens one's character (Frazier, 1999):

> "*You always wonder at the end what is your influence, particularly the oil company side. I have the patience of Job for my community members, I don't dime and cross them. These [industry] guys my expectations are a lot higher and I'll ride them until they get it and I'm not afraid to ride them and I will...*"
> (Keith Eslinger, Shell Canada, June 2005)

Keith expects more from the petroleum operators because of the social responsibilities they have toward the community. By saying he would '*ride them*' Keith insinuated that he would use his influence to pressure the non-compliant industry operators until their behaviour was acceptable. Jennifer Lutz (SPOG Coordinator, June 2005) elaborated that once a company was a SPOG member even if they might not be fully 'embracing' the SPOG approach and the level of community engagement required it was rare for them to opt out. Jennifer also emphasized that SPOG only lobbied on 'big picture' issues and avoided public 'naming and shaming' of individual petroleum companies.

There was also the perception that although new industry entrants might not initially be 'thrilled' at the prospect of 'having' to join SPOG they eventually 'saw the light' and both recognized and realized the benefits of complying. This apparent change in behaviour made sense regarding the hegemonic power discourse as hegemonic power made people act as if it were by consensus (van Dijk, 1997). Both SPOG Community

Member Jan Marr and SPOG Industry Member Gerry Schalin acknowledged that many companies only joined SPOG because they were 'forced' to but once they participated and saw for themselves how much easier it was to operate within the SPOG framework they became 'reformed':

> "*...I don't know how much they [new industry entrants] want to comply with it [SPOG...So I can't tell you they come in as willing partners, in fact for the most part I would say they are unwilling partners but they may realize there could be an advantage [to joining SPOG] and they get dragged along by Keith and his enthusiasm.*" (Jan Marr, Community Member, June 2005)

> "*...I think a lot of companies join [SPOG] out of peer pressure and the Board [EUB] tells them 'go and see and join SPOG', but as they get more involved and you see a transition and motivation increases.*" (Gerry Schalin, Provident Energy Trust, June 2005)

**Exporting the SPOG approach**

The final theme explored in this chapter relates to expanding the SPOG synergy approach to other parts of Alberta. This links with the chapter's Covey theme as people indoctrinated into the Covey approach often wanted to convert others which was part of the righteous master discourse as it was deemed the 'right way to behave or conduct business'.  Other SPOG members may view the Covey approach more instrumentally, which linked with the pragmatic master discourse.  SPOG has played a key role in supporting the development of other synergy groups throughout Alberta as well as the establishment of Synergy Alberta.  SPOG's supportive role was recognized and supported by both the industry and the community members. The following quotes in Table 4 from SPOG community and industry members illustrated the level of satisfaction with the synergy approach and the expressed desire to propagate[26] it across the province of Alberta.

---

[26] The term 'propagate was used because of the link to propaganda with the original meaning of spreading / disseminating religious doctrines. Covey's work is based upon his Mormon religious values and he promotes his 'effectiveness movement' with missionary or evangelical zeal.

Table 4:

| Interviewee | Desire to propagate the SPOG approach |
|---|---|
| Keith Eslinger (Shell Canada) | *"Oh, I'm ecstatic! I'm ecstatic! Where my angst is I want a cookie cutter as cross over because my belief is if we can enjoy this in this 600 square [mile] area why can't we have the same experience everywhere and that's why we're pushing this Synergy movement eh, across Alberta."* |
| Jim Eckland (Community Member) | *"I'd like to see it [SPOG] er right across the province, erm I think that SPOG was an experiment and I think by and large it's been a big success."* |
| Jan Marr (Community Member) | *"I'm very impressed. I see that the process is working and I see that they are contributing to everything in establishing community groups...you know each Synergy group will come up with it's own distinct personality and how they operate, but SPOG is the catalyst that brought that on and they've moved things forward so I'm yeah, I'm very pleased with it and it's transferable to other industries..."* |
| Jennifer Lutz (SPOG Co-coordinator) | *"... We help out a ton of different Synergy groups around the province, kind of getting them [the other groups] to this way of thinking, we call it the SPOG traveling road show. So you know we try and help anybody that needs help..."* |
| Gerry Schalin (Provident Energy Trust) | *"...I think it [SPOG] has set the tone for synergy groups in the Province of Alberta because of the way it developed and the people that are involved and the motivation that they have to make this work and you have some big companies that make a lot of money and the probably could have bought their way through the issues but they realized that wasn't a long term solution..."* |
| Gerald Ingeveld (Community Member | *"SPOG has been the hub of that [Synergy] for 10 years probably. New groups starting up the EUB will say go talk to someone at SPOG..."* |

Deborah Eastlick, EUB, emphasized SPOG's organizational structure was a differentiating factor compared with most of the other synergy groups that have emerged. She also explained that synergy groups had developed exponentially and linked this growth with the internet and increased accessibility to information. The EUB decided it would organize a Synergy Alberta conference and invite all the synergy groups to participate as it was in the EUB's interest to 'support collaboration over confrontation'. Hearings are expensive for the EUB as they require a lot of employee time which was why the EUB was supportive of groups like SPOG as they reduced the EUB's workload. The more often issues were resolved without hearings the less damaged the industry-community relationship was, which in turn implied a 'light touch' role for the regulators. The reasons for the EUB supporting Synergy Alberta and hosting the conferences were explained in more detail in Chapter 4.

SPOG Community member Dave Brown mentioned that synergy organizations like SPOG were a benefit for the petroleum operators as well as the EUB:

*"…as far as I'm concerned I've got nothing but plusses for the Synergy process and organizations like SPOG and I think it's a monstrous asset for the bottom line of the companies, it's a er real asset to the regulatory section as far as it making it easier for people to do their jobs and with the development of the performance and their performance measures and as far as the government is concerned I hope that it will lead to be a place where we can try and put stuff forward and really try and change policy and that's good for everyone too."* (Dave Brown, Community Member, June 2005)

However, with the rise in numbers of active synergy groups there was an underlying concern that Gerry Schalin (Provident Energy Trust, June 2005) mentioned relating to the additional resources that industry was having to fund. As the numbers of synergy groups increased across Alberta the resources, particularly time resources, were pressured. Given the size of the SPOG region and the size of Alberta a petroleum operator could be involved with as many as 200 groups which may all operate quite differently from each other and SPOG:

*"…You know we've got some 200 plus erm, lots of issues groups, activist groups, you might be lucky to have maybe 10 SPOG like things kinda out there… so I was worried about the proliferation of SPOGs because how do you deal with that many different groups, and how do you standardize the model? Eh? We always talk about sharing best practice and this is best practice! How do we emulate it but still keep our [SPOG's] autonomy?"*
(Keith Eslinger, Shell Canada, June 2005)

Keith Eslinger's concerns were echoed by Gerry Schalin, who also was concerned that there needed to be real engagement with the industry for resolving problems instead of just 'cash handouts'. There was a temptation for SPOG industry members to mould other synergy groups into 'SPOG like' organizations, which would be easier for them to engage with as the processes were clear and familiar. Part of this unease could be attributed to the corporate culture of petroleum companies and employees who were mostly engineers and used linear approaches problem solving. SPOG's processes were all mapped out in flow chart form (see Appendix 1) so the steps were clear and easy to follow.

A SPOG community member perceived that synergy groups like SPOG could be rather threatening for organizations because it was organized and it spread through communities:

> "...*SPOG is a vehicle and it spreads, like you see it spreading through communities and er Synergy groups evolving and there's a network and that network is also a support network, and that must feel a little scary for people in the industry and the government because it's organized...*" (Jan Marr, Community Member, June 2005)

The demand for propagating SPOG and transferring the approach to other areas of the province drained some of the dedicated SPOG industry and community members, but not enough to limit their support. Keith Eslinger (Shell Canada, June 2005) expressed that his commitment to the SPOG synergy approach was greater than his concern for the welfare of the SPOG members, which indicated a belief that justified a level of personal sacrifice for the greater good. This again links to the righteous master analogue (Jackson, 2001, p.49) as well as with a utilitarian philosophy.

SPOG members admitted to having a 'missionary-like' zeal for propagating their model of industry-community relations, which was heavily influenced by Covey's work. Jackson (2001, p.115) suggests that Covey has created an "*invisible religion of his* own" with his effectiveness movement, which may explain the many religious or spiritual references interviewees made. Table 5 illustrates a sample of interview extracts with religious or spiritual language:

Table 5:

| Interviewee | Phrases with religious / spiritual connotations |
|---|---|
| Alice Murray (Shell Canada) | • "*...it was a half-day session and it was a miracle...*" |
| Keith Eslinger (Shell Canada) | • "*...he's a believer in this – his belief is as strong as mine...*"<br>• "*...I believe in this stuff, will die on the cross for it...*"<br>• "*...I've always believed that I may be only this big but if I choose to change the dance the rest around me have to change...*"<br>• "*Our corporate donations people still have got to have a religious experience though...*"<br>• "*…I have the patience of Job for my community members...*" |
| Jennifer Lutz (SPOG Co-coordinator) | • "*...we have been called a cult before and I can see that for an outsider it would look kind of funny, community people and oil and gas people can get along so well, you know I don't mind that, they can call us a cult if they want!*" |
| Gerald Ingeveld (Community Member) | • "*We're like missionaries sharing what we do here with the rest of the world.*" |

SPOG members expressed a great deal of commitment to ensuring that the industry-community relationship continued and in supporting other similar synergy groups in developing.

This chapter has attempted to explore the extent to which Covey's ideas were adopted and integrated into SPOG's approach and incorporated into the industry-community relationship. Bormann's three rhetorical vision master discourses were used in analyzing how SPOG members made sense of their vision statement and approach. The righteous master discourse was found to be more dominant from the interview analysis, which supported Jackson's (2001) analysis of Covey's work and made sense as the SPOG approach was heavily indebted to Covey's (1989; 2004) *The 7 Habits of Highly Effective People*.

Another finding from the interview analysis was the coercive control element that was used in order to suppress dissent and forced compliance. Both Ray (1986) and Wilmott (1993) observed that in the corporate management culture promoted by management gurus there was an effective controlling element that did not tolerate differing values or approaches (cited in Jackson, 2001, p.17). None of the SPOG industry or community members raised any concerns about the level of peer pressure and coercion applied to new petroleum operators in the region and instead it was viewed as having a positive effect. This coercive behaviour also seemed to be sanctioned by the EUB whose vested interest was to have collaboration between industry and community as it saved the EUB money and cut down on its workload. The compliance gaining behaviour was legitimized, and had essentially become institutionalized as acceptable and was viewed as being a 'proactive' way to prevent future issues. Small petroleum operators were at risk of being disadvantaged because of their reduced economies of scale as it was expensive for them to engage at the level SPOG required, which could lead to an industry landscape populated by only large petroleum companies. These larger companies have considerably more resources and can meet the engagement levels and rules SPOG has set, which they also participated in developing and thus reinforcing the system (Fairclough, 1995). The participants acknowledged the level of peer pressure applied to new industry entrants and the

behavioural tactics used for preserving the industry-community relationship which stood out for the researcher as it was expressed as falling within the norms of behaviour within this OPR context.

The influence of Covey's work on the SPOG industry-community relationship was evident and because of this the researcher recognized that the interviews might not solely contain the voice of the interviewees but also that of Covey. The interviewees may have incorporated Covey's approach into their 'own' narratives, which raises the issue of whose voice was being examined and whether it was the interviewees' or Covey's discourse. An implication of this possibility was that the change in voice within the interview narratives indicated varied subject positions: the interviewees' as community members and industry members, and Covey's (Gubrium & Holstein, 2002, pp.21-22).

Covey's work and approach to building and maintaining relationships relates to public relations theory within the relational paradigm as it focuses on human relations, interpersonal relationships and communication, all of which are important within the relational perspective and also found in management literature. Literature from these areas has been purloined from other disciplines and 'transplanted' into public relations literature which is to be expected as public relations as an academic subject is interdisciplinary and draws on management, psychology, sociology, and communication disciplines as well as others.

The findings in this chapter relate to both of the research questions. The SPOG industry-community relationship was described by the interviewees using 'Covey' language. During the course of the interviews Covey was frequently mentioned and referred to and therefore his influence on the development and maintenance of this OPR could not be ignored. All of the interviewees had participated in Covey workshops which emerged as incidents that stood out for the participants as these workshops helped them to develop the SPOG vision and work collaboratively. The language and terminology the participants used also reflected the level of internalization of the 'Covey' approach. The interviewees used Covey terminology when describing the relational elements, and in particular when discussing rebuilding

trust in the OPR. The next and final chapter of this thesis discusses the overall conclusions and implications that may be drawn from this piece of research.

**Chapter 7  Conclusions and implications**

This chapter explains the main achievements of this thesis and its contribution to the literature pertaining to the public relations relational paradigm. It does so by reviewing the main findings in relation to the research questions and exploring the wider implications of the work. It also reflects on the research approach, limitations, and implications for public relations as well as some potential research areas for continued exploration.

This thesis has made a new contribution to the field of public relations in the area of organization-pubic relationships and community relations and in doing so it has explored an industry-community relationship in depth from a qualitative perspective. Minimal research on OPRs has been conducted using qualitative perspectives and none using a phenomenological approach. This research has added an understanding of an OPR, including how the relational elements are described and are interrelated. As well as providing a description and analysis of the relationship background and the context that led to a crisis situation for the OPR this thesis has also provided an insight into how trust could be rebuilt and the relationship maintained. In answering the two main research questions this thesis has explored and described the local community's relationship with the Sundre Petroleum Operators Group (SPOG) and the relational elements that shaped the OPR.

**Research questions**

The phenomenon researched was the SPOG industry-community relationship and the central research questions were:

RQ1: How do the participants in the Organization-Public Relationship describe their personal experience of this phenomenon?

- How is the OPR described and measured by the actors involved?
- What are the perceived reasons for the existence of the relationship (why does the relationship exist? Exchange? Communal?)
- What incidents connected to SPOG stand out?

RQ2: How do the participants describe the relational elements and relate them to their experience of the OPR?

- How are the relational elements perceived within the OPR? Are some more fundamental than others?

In answering the first research question and related sub-questions the participants described an industry-community relationship which had informally existed for many decades but was formalised in 1997. The change in the relationship came after the community vehemently complained about the petroleum operators within the Sundre area at an EUB pre-hearing for a new development that Shell had proposed. The pre-hearing was the catalyst that changed the industry-community relationship so that it became more rewarding for the parties involved. By deciding to change the industry-community relationship so that levels of conflict were reduced the industry and community were able to change the way they interacted.

The SPOG industry-community relationship started as a straightforward exchange relationship which over time had degraded into an exploitative relationship with industry taking advantage of the local residents. After the industry and community decided to rebuild the relationship it developed into what could be described as a covenantal / win-win relationship as both the SPOG industry and community members focused on collaboration, cooperation, common good, and win-win conflict resolution outcomes (Hung, 2005). The relationship changed partly because there was an understanding that the industry and community were interdependent upon each other, which altered the industry's approach to building and maintaining the OPR (Hung, 2006).

One way of looking at the development and maintenance of the SPOG industry-community relationship is that it was an attempt at community building and for the industry members to integrate into the community instead of operating as closed systems. Kruckeberg and Starck's (1988) work on the role of public relations advocated that the practice existed in order to fill the gap created by the disintegration of community due to the impact of new communication channels, transportation, and mobility. These three factors changed society and meant that the functional definitions of public relations no longer fitted because the relationships between organizations and their publics had changed.

In order to rectify the lack of community created by globalisation and urbanization (which includes new communication channels, transportation, and mobility) Kruckeberg and Starck (1988, p.xi) posited that public relations should be about restoring and maintaining a sense of community. It could be argued that within this perspective the SPOG industry-community relationship has accomplished Kruckeberg and Starck's functional definition. The industry employees who were interviewed were all respectively responsible for the community relations roles for their organizations, and they attempted to help the community members as well as their petroleum companies become aware of the common interests that were the basis for their contentions and solutions (Kruckeberg and Starck, 1988, pp.112-119). For the SPOG industry-community relationship it was important to have the industry employees responsible for the community relations function to live in the local area and be involved in the local community. Industry employees that did live locally had a better relationship with the community members as there was the perception that they were a part of the community and not just viewed as industry employees with loyalties located elsewhere and with different stakeholders.

The SPOG industry-community members described their personal experience of the industry-community relationship, how it evolved, the maintenance strategies and processes that kept the relationship satisfactory, as well as the relational characteristics. The background context for the relationship played an important part in how the relationship developed and was taken into consideration regarding the dialogic conflict resolution approach advocated long ago by Mary Parker Follett (Fogg, 1985, p.332; L'Etang, 2007, pp. 168-170).

The SPOG industry-community relationship has relied on interpersonal communication between the individual industry members involved with community relations and the community representatives. Sriramesh's (cited in Taylor, 2001) personal influence model was particularly relevant for the development of the SPOG industry-community relationship as the relationship was not with a public but with individuals identified as belonging to the particular public. Interpersonal communication methods such as face-to-face, 'eyeball-to-eyeball' (Keith Eslinger, Shell Canada, June 2005) were favoured by both the industry and community members. The need to sit down together and drink coffee and eat donuts (Judy

Winter, Community Member, June 2005) whilst getting to know each other was a relationship building tactic.

Communication and opportunities for dialogue were created and the level of community engagement increased as there was the perception that the community members could influence how things were being done and therefore limit the direct impact of the petroleum activities on their lives. However, it was not just about communication initiation and direction (changing from one-way communication to a dialogic communication activity) but it was about increasing transparency and accountability, rebuilding trust, resolving conflicts and reducing the level of hostility and therefore the underlying focus of relationship building was more about the process, content and ability to set the agenda so that the quality of the industry-community relationship would be improved. By focusing on building the community relationship and investing in the community the industry members were trying to restore a sense of community which they also wanted to be a part of. This approach fits in with Kruckeberg and Starck's (1988) view of what practitioners within the relational paradigm should be doing as within these parameters, the individual industry members were involved in building relationships between the organizations they worked for and the community they operated in under the umbrella of SPOG, essentially integrating the organization into the community and operating as part of the community, instead of being on the periphery.

Many aspects of the industry-community relationship stood out either as incidents or approaches that were critical for the development and maintenance of the OPR. The Covey training and communication workshops were mentioned as being critical for rebuilding the relationship and developing trust and a collaborative approach for conflict resolution. Also the level of peer pressure that was sanctioned by both industry and the community towards the new industry entrants within the SPOG area stood out as an OPR maintenance approach.

The second research question and sub-questions were answered as participants discussed the relational elements in relation to their own experience of the OPR. The participants considered trust, transparency, dialogue, commitment, satisfaction and control mutuality as having relevance and importance for the development and

maintenance of the relationship. However in the hierarchy of relational elements trust was perceived to be the foundation for the relationship to exist which supported literature emphasizing the importance of relational trust (Morgan & Hunt, 1994; Berry, 1995; Hon & Grunig, 1999).

The SPOG vision statement was clearly important as a guide to the relational elements which were of paramount value for resolving conflict: trust and communication (information exchange/dialogue). Rebuilding trust required a number of conditions such as transparency in the processes and communication, and overcoming the stereotypes that the industry and community members had of each other.

It was because trust levels were considered to be very low or non-existent in 1997 when SPOG opened up its membership to include community members that transparency became a critical condition for developing trust and the relationship. Trust was developed because transparency enabled the community members to see that industry members responded to their concerns with seriousness and commitment, and that community members were able to influence the decision-making process. Transparency made accountability identifiable so when a complaint was logged the issue could then be resolved as responsibility and ownership of it was clear. Transparency enabled both collaboration and cooperation between the industry and the community and provided mutual support.

As the industry and community members collaborated to resolve conflict they also got to know each other better and overcame the stereotyping and fear and instead started to develop trust. This 'virtuous' cycle reinforced the SPOG vision and key elements of trust, honesty and respect which were considered important for the industry-community relationship, and allowed dialogue to develop. Dialogic communication enabled the conflict resolution process which was at the heart of the SPOG industry-community relationship. The dialogic communication performed a co-orientation function as it allowed the SPOG industry and community members to orient themselves to each other regarding the issues at hand. Having a dialogue between the industry and community members also increased trust levels for the relationship.

Dialogue was deemed to be essential for the decision-making process, for providing 'pertinent information', and was at the heart of the conflict resolution process. By

engaging in dialogue the SPOG industry and community members were able to also develop trust as it was a key way to identify the truthfulness of the communication. Dialogue was used as a tool for resolving conflict so that both relational parties felt satisfied with the 'win-win' outcome. The process involved both the industry and community members to communicate back and forth regarding an issue and negotiating on how best to resolve it. By developing agreed upon performance measures the industry and community members collaborated in creating acceptable solutions for the issues that needed resolving. This dialogue process differed from Grunig and Hunt's (1994) two-way symmetrical communication model (discussed in Chapter 2) which views the participants as equal partners in the relationship, which was not true for the SPOG industry-community relationship. However the dialogue did enable the relational parties to find 'common ground' and find solutions that were acceptable for those involved and in this aspect it is more similar to Habermas's theory of communicative action which underpins the two-way symmetrical communication model. From this perspective the industry-community dialogue could be considered as near as two-way symmetrical communication as possible given that it is rare that both parties in a relationship have equal power and that they use communication to achieve the goal of mutual understanding so that they can resolve conflict. Habermas's theory of communicative action recognizes that relationships require symmetrical communication (dialogue) to take place as it encourages the parties involved to develop a deeper and mutual understanding of the 'others' position, leading to increased empathy (L'Etang, 1996, p.121).

Trust, transparency and dialogue contributed to the levels of satisfaction and commitment that industry and community members felt. Both satisfaction and commitment were related to the participants feeling that the quality of life had improved as the hostilities had decreased. The industry members indicated they were satisfied and based this evaluation on the reduction of conflict and EUB hearings and the ability to propose and operationalize new developments quickly.

Commitment in the industry-community relationship was high because the SPOG Community Affairs processes met the community's needs for influencing developments and resolving complaints and had resulted in a relationship that was worth maintaining and investing volunteer hours in. The relationship improved

because the community felt it had the ability to influence the SPOG processes and shape how new developments were implemented instead of just having a reactive role.

The relational approach adopted by the SPOG industry and community members was considered a success by the interviewees as the fighting was replaced by collaboration. The community members who were interviewed made a clear distinction between the relationship they had with the SPOG industry members, which they thought was good, and the relationship with the new entrants and small operators who they felt were disrespectful. The community benefits were not pecuniary and were mostly connected to an improved quality of life as the anxiety and uncertainty levels were reduced owing to the SPOG complaints and new development processes which they could influence. SPOG was transformed into an autonomous system that facilitated the relationship between the industry and the local community. This interpretation of SPOG evolving into an autonomous system or community of practice in its own right supports research conducted by Blundell (2006) into synergy groups in Alberta as well as research by Handley et al. (2006).

In the context provided in this thesis, both SPOG industry and community members at times pressured new industry entrants in the region into behaving in a manner that did not damage the SPOG industry-community relationship. SPOG industry members were sensitive to the fact that new entrants could ruin the relationship they had built up with the community and they were unwilling to tolerate this threat. The compliance gaining tactics were linked with the control mutuality relational element identified in public relations literature by Hon and Grunig (1999) and was defined as the ability of one relational party to influence the behaviour of the other party.

Habermas's theory of communicative action is also linked to the relational element control mutuality and the distribution of power. As relational parties are seldom equal one party usually has access to greater resources and power. When the relationship is unbalanced as a result of access to resources and power, communication becomes asymmetrical and irrational and leads to the relationship breaking down. The industry-community relationship broke down when the relationship become unbalanced and the community members felt powerless to influence developments in their community. By openly recognizing where the power lies in the relationship it

facilitates achieving the desired relational outcome (L'Etang, 1996, p. 121). In this relationship industry members recognized they needed the support of the community in order to operate.

Within the SPOG industry-community relationship context control mutuality was referred to as influence, and at times, power. The distribution of power within this relationship was not viewed as being equal by the community members mainly because of funding issues, however this inequality was accepted by the community members and it did not appear to have a detrimental effect upon the stability of the relationship. The industry members perceived that the community had more influence than the community realized. Handley et al (2006, p.644) to a limited extent discussed the impact of power dynamics found within communities of practice and mentioned that "…participation may be denied to novices by powerful practitioners…Constraints on newcomers may be strongest if the latter threaten to 'transform' the knowledge and practices of the extant community, since that knowledge is important or 'at stake' to the full participants who have invested in it." New industry entrants faced opposition from SPOG industry and community members if they did not participate and adapt to the 'SPOG approach'. The new entrants were not accepted as part of the industry-community relationship until they joined SPOG and started participating in the processes.

*The unexpected*

An unanticipated finding was the influence of Stephen Covey's ideas which were integrated into SPOG's approach and incorporated into the industry-community relationship. It is recognized that there is a shortage of empirical data that illustrates how 'management fashions' such as Covey's effectiveness approach, are actually consumed (Jackson, 2007). Covey language was found to be regularly used when SPOG members described how their approach to industry-community collaboration worked. SPOG members have helped other synergy groups to establish and have shared the concepts and processes so that other groups can learn from what they have achieved. Bormann's three rhetorical vision master discourses were used in analyzing how SPOG members made sense of their vision statement and approach. The righteous master discourse was found to be more dominant from the interview analysis, which supported Jackson's (2001) analysis of Covey's work and made sense

as the SPOG approach was heavily indebted to Covey's (1989; 2004) *The 7 Habits of Highly Effective People*. Like the righteous master discourse, Covey's work emphasizes the 'right way of doing things' with the religious and moral undertones found throughout his books. The righteous master discourse focuses on behaviour that is "…right and wrong, proper and improper, superior and inferior, moral and immoral, just and unjust" (Cragan and Shields, 1992, p.202, cited in Jackson, 2001, p.49). The righteous master discourse resonated within the industry-community relationship because it used basic 'moral truths' that met the needs the local and rather homogeneous Christian population. Jackson (2001, p.95) pointed out that Covey's Mormon and secular work met the "existential and spiritual needs" of people and he was particularly popular in North America. Covey's 'personal responsibility' approach to developing relationships worked in Sundre as the stereotypes broke down and industry workers and farmers developed interpersonal relationships. The implications of Covey and the righteous master discourse are many, however the main one was the influence in how the industry-community relationship was rebuilt, starting with the SPOG vision statement which was based on values that were then used to guide members to make the 'right' decision or behave in the 'right' way. It is hard to argue against building trust, honesty and respect, which made it easier to gain both support and acceptance for rebuilding the industry-community relationship as well as collaboration.

A 'darker' aspect of transparency was that it induced 'policing' activities in order to gain compliance from petroleum operators which were not SPOG members. This compliance-gaining aspect was also linked with the corporate culture movement advocated by 'management guru' Stephen Covey (2004) and the adoption of his *7 Habits of Highly Effective People* by SPOG members, which discouraged multiple values and unsanctioned behaviour (Jackson, 2001, p.17).

Both Ray (1986) and Wilmott (1993) observed that in the corporate management culture promoted by management gurus there was an effective controlling element that did not tolerate differing values or approaches (cited in Jackson, 2001, p.17). None of the SPOG industry or community members raised any concerns about the level of peer pressure and coercion applied to new petroleum operators in the region and instead it was viewed as having a positive effect. This coercive behaviour also

seemed to be sanctioned by the EUB whose vested interest was to have collaboration between industry and community as it saved the EUB money and cut down on its workload. The compliance gaining behaviour was legitimized, and had essentially become institutionalized as acceptable and was viewed as being a 'proactive' way to prevent future issues. Small petroleum operators are at risk of being disadvantaged because of their reduced economies of scale as it was expensive for them to engage at the level SPOG required, which could lead to an industry landscape that is only populated by large petroleum companies. These larger companies have considerably more resources and can meet the engagement levels and rules SPOG has set, which they also participated in developing.

The influence of Covey's work on the SPOG industry-community relationship was evident and acknowledged by the interviewees who found the Covey workshops beneficial as they learned communication skills, and thought about their personal problems as well as how they were relating to each other. The workshops also brought industry and community members together so they could learn about each other as individuals and without the corporate personas serving as a barrier. As previously mentioned in Chapter 6, I recognized that the participant interviews might not solely contain the voice of the interviewees but also that of Covey. Covey's voice may well have been incorporated into the interviewees' narratives and therefore I cannot be sure of whose voice was examined (Gubrium & Holstein, 2002, pp.21-22).

**Research approach**

The OPR theoretical lens, like most perspectives within public relations, drew upon multi-disciplinary concepts from neighbouring areas which were helpful for understanding the intricacies involved. This was both an advantage and disadvantage as the plethora of literature available had to be reduced to a manageable amount owing the scope of this thesis. The phenomenological qualitative interviewing approach suited this research as the overarching interest was in how the participants of the industry-community relationship personally experienced the relationship, and it was complemented by participant observation, critical discourse analysis, and co-orientation surveys. The additional methods complimented what I found which at times was rather surreal. For example, both the overwhelming references to Stephen Covey's work and influence on the development of the relationship as well as the high

level of satisfaction the participants expressed, from a cynical standpoint seemed quite odd. However the critical discourse analysis approach was useful for uncovering the non-transparent relationships that maintained the status quo and which worked to support and secure the hegemonic power. In this OPR, the presupposition was that the industry activity would go ahead no matter what objections the community members had owing to the EUB's utilitarian approach to resource exploitation. As the community members had accepted this situation as being 'common sense' they were willing to collaborate with the industry and influence the aspects of the petroleum operations that could be changed and negotiated. The SPOG industry members recognized that the community members did indeed have a level of power and could demand EUB hearings which were costly and damaged the industry-community relationship which was why it was in the industry's vested interest to accommodate the community wherever possible. The EUB benefited from the SPOG industry-community relationship as it had fewer complaints and hearings within the SPOG region as a result of the relationship, which reduced its regulatory costs.

As this research falls within the qualitative paradigm the findings are therefore limited by this paradigm and as such are subjective and cannot be generalized to other OPRs. Instead this research has analyzed and produced a rich description of the participants' lived experiences relating to a specific OPR, the Sundre industry-community relationship.

**Implications of the thesis**

This thesis has added to the body of theoretical knowledge in the field of public relations. Specifically it extended the understanding of an area of practice, community relations, and it has explored options for the management of activism and community engagement. The thesis has also added to the understanding of concepts, development of ideas, and integration with other disciplines through its empirical exploration of collaborative stakeholder engagement and in particular with community engagement. It has provided much needed empirical evidence to support the high value placed upon trust as a relational element which was questioned by Atuahene-Gima and Li (2002) within the relationship marketing area. It has also provided empirical evidence that supports Jensen's (1996) perspective on organizational legitimacy being very different from legal legitimacy as whilst the Alberta Government grants permits for

the petroleum industry to operate it is the communities the companies operate within that grant them the permission to operate. This thesis has highlighted new theoretical issues relating to transparency and its 'darker' aspects as a coercive force. In the context provided both industry and community members coerced new industry entrants in the region into behaving in a manner that did not damage the SPOG facilitated industry-community relationship. Another academic area this thesis has contributed to is management and leadership as it has provided empirical research relating to how management fashions such as Covey's effectiveness approach are actively consumed, which was identified by Jackson (2007) as a gap within this field.

This thesis also contributes to public relations practice. Public relations practitioners working within the oil and gas industry as well as other non-renewable resource extraction industries are responsible for developing and maintaining relationships with key publics, including the communities they operate within. As oil and gas prices continue to increase it is likely that petroleum companies will find it cost-effective to exploit oil and gas resources that previously were uneconomic as they were either difficult to access or were located in highly populated areas. With the continued increase in petroleum activity community relationships will become more of a priority. Practitioners need to be able to work with the relational parties and collaborate in the development of processes that meet the needs of the participants. As practitioners shift their focus to developing relationships with key publics they will need to develop new skills in areas such as conflict resolution, community engagement, and interpersonal relationship building.

This piece of research is functional as it reflects on the OPR and highlights findings that are useful for gaining insight into the relational dynamics for academics and practitioners as well as questioning the power distribution and dynamics within this particular OPR. By adopting the phenomenological approach it has provided a representation of an OPR, which whilst it cannot be generalized it does provide a richer understanding of how relationship building processes can operate as well as the importance of trust and transparency building when there has been a relational history of hostility, distrust and deep unhappiness.

Further qualitative research should explore the development and maintenance of the other OPRs in order to understand more about the various contexts, processes, content and ability to set agendas within relationships. It would also be interesting to further explore the influence of management gurus and management fashions adopted or promoted by senior management involved in OPRs and illuminate how these approaches are implemented and impact an organization's external relationships.

**Bibliography**

Abercrombie, N., Hill, S., & Turner, B.S. (2000). *Dictionary of Sociology.* 4<sup>th</sup> edition. London: Penguin

Achol, R. (1991). Evolution of the marketing organization: New forms for turbulent environments. *Journal of Marketing,* 55(4), 77-93.

Alberta Energy and Utilities Board. (2000) 'Public sour gas safety review to recommend regulatory blueprint'. *Across the Board.* March 2000, pp. 1-2.

Alberta Energy and Utilities Board (EUB)
URL: http://www.eub.gov.ab.ca. Date accessed: January 2005; May 2005; August 2006; December 2006; February 2007; March 2007

Aldrich, H.E. (1999). *Organizations Evolving.* Thousand Oaks, CA: Sage

Angrosino, M.V., & Mays de Perez, K.A. (2000). Rethinking observation: From method to context. In N.K. Denzin, & Y.S. Lincoln, (Eds.), *Handbook of Qualitative Research.* (pp.673-697).Thousand Oaks: Sage.

Atkin, C.K. (1972). Anticipated communication and mass media information-seeking. *Public Opinion Quarterly*, Vol. 36, No. 2, pp. 188-199.

Atkinson, P., & Coffey, A. (2002) . Revisiting the relationship between participant observation and interviewing. In J.F. Gubrium, & J.A. Holstein, (Eds). *Handbook of Interview Research: Context and Method.* (pp.801-814). Thousand Oaks, CA: Sage.

Atuahene-Gima, K., & Li, H. (2002). When does trust matter? Antecedents and contingent effects of supervisee trust on performance in selling new products in China and the United States. *Journal of Marketing*, Vol.66 (July), 61-81.

Baker, C.D. (2002). Ethnomethodological analysis of interviews. In J.F. Gubrium, & J.A. Holstein, (Eds). *Handbook of Interview Research: Context and Method.* (pp. 777-795). Thousand Oaks, CA: Sage.

Blumstein, P., & Kollock, P. (1988). Personal relationships. *Annual Review of Sociology*, Vol 14. pp.467-490.

Blundell, A. (2006). Communicating in the field: Or steps to an ecology of meaning. Paper presented at the Seventeenth Annual Conference of the International Association for Business and Society, Merida, Mexico.

Bogdan, R., & Taylor, S. J. (1975) *Introduction to Qualitative Methods: A Phenomenological Approach to the Social Sciences.* NY: John Wiley & Sons.

Bordia, P., & DiFonzo, N. (2004). Problem solving in social interactions on the internet: Rumour as social cognition. *Social Psychology Quarterly*, Vol. 67, No. 1, 33-49.

Breen, D.H. (1993) *Alberta's Petroleum Industry and the Conservation Board.* Edmonton, Alberta: University of Alberta Press

Briggs, C.L. (2002). Interviewing, power/knowledge, and social inequality. In J.F. Gubrium, & J.A. Holstein, (Eds). *Handbook of Interview Research: Context and Method.* (pp.911-922). Thousand Oaks, CA: Sage.

Broom, G.M., & Dozier, D.M. (1990). *Using Research in Public Relations.* Englewood Cliffs, NJ: Prentice-Hall.

Broom, G.M., Casey, S., & Ritchey, J. (2000). Concept and theory of organization-public relationships. In J.A. Ledingham & S.D. Bruning (Eds.), *Public Relations as Relationship Management.* (pp. 3-22). Mahwah, NJ: Lawrence Erlbaum Associates.

Bruning, S.D, Langenhop, A., Green, K.A. (2004). Examining city-resident relationships: linking community relations, relationship building activities, and satisfaction evaluations. *Public Relations Review,* 30 (3), 335-345.

Bruning, S.D., & Ledingham, J.A. (1999). Relationships between organizations and publics: Development of a multi-dimensional organizational-public relationship scale. *Public Relations Review,* 25(2), 157-170.

Bruning, S.D., & Ledingham, J.A. (2000). Perceptions of relationships and evaluations of satisfaction: An exploration of interaction. *Public Relations Review,* 26 (1), 85-95.

Bruning, S.D. (2002). Relationship building as a retention strategy: Linking relationship attitudes and satisfaction evaluations to behavioral outcomes. *Public Relations Review,* 28, 39-48.

Burgoon, J.K., & Hoobler, G.D. (2002). Nonverbal signals. In Knapp, M.L., & Daly, J.A. (Eds.)., *Handbook of Interpersonal Communication* (pp. 240-299).Thousand Oaks, CA: Sage.

Burkart, R. (2007). On Jürgen Habermas and public relations. *Public Relations Review*, Vol. 33, pp. 249-254.

Burns, J.H. (1959). Utilitarianism and democracy. *The Philosophical Quarterly*. Vol. 9, No. 35, (April 1959), pp. 168-171. Available at: URL: http://links.jstor.org/sici?sici=0031-8094%28195904%299%3A35%3C168%3AUAD%3E2.0.CO%3B2-8 [Accessed: August 24, 2007]

Buttle, F. (Ed.), (1996). *Relationship Marketing.* London: Paul Chapman Publishing

Canary, D.J., & Cupach, W.R. (1988). Relational and episodic characteristics associated with conflict tactics. *Journal of Social and Personal Relationships,* 5, 305-325.

Caragata, W. (1983) 'Recession effects main problem for western premiers'. Regional News, BC Cycle, UPI. January 29th, 1983.

Cardwell, J. (1997). Career paths in public relations. In C.L. Caywood (Ed.), *The Handbook of Strategic Public Relations and Integrated Communications,* (pp3-14). New York: McGraw-Hill.

Carlisle, T. (1988) 'Alberta hit by big chill as oil price plummets'. *The Financial Post.* October 10th, 1988, p.1.

Carlisle, T. (1989) 'Selling spree rages in oil patch: Fears grow that asset shuffle will leave little money for exploration'. *The Financial Post.* March 13th, 1989, p.6.

Center, A.H., & Jackson, P. (2003) *Public Relations Practices: Managerial Case Studies and Problems*, New Jersey, USA: Prentice Hall

Christensen, L.T. (2002) 'Corporate communication: the challenge of transparency' in *Corporate Communications: An International Journal,* Vol. 7, No. 3, pp. 162-168

Clark, M.S., & Mills, J. (1993). The difference between communal and exchange relationships: What it is and is not. *Personality and Social Psychology Bulletin,* 19, pp. 217-250.

Cohen, L., Manion, L., & Morrison, K. (2000) *Research Methods in Education.* London: Routledge.

Colaizzi, P. (1978). Psychological research as the phenomenologist views it. In R. K. Valle, & M. King, (Eds.), *Existential-Phenomenological Alternatives for Psychology* (pp.48-71). New York: Oxford University Press.

Conway, J.F. (1982) 'The prairie boom goes bust'. *The Globe and Mail.* December 14th, 1982.

Coombs, W.T., (2001). Interpersonal communication and public relations. In R. Heath (Ed.), *Handbook of Public Relations.* (pp. 105-114). London: Sage.

Coombes, P., & Watson, M. (2001). Corporate reform in the developing world. *McKinsey Quarterly Special Edition*, 4, 89-92.

Covey, S.R. (2004). *The 7 Habits of Highly Effective People: Powerful Lessons in Personal Change.* (15th ed.) New York: Simon & Schuster.

Cox, K. (1988) 'Stalled oil project puts city in limbo'. *The Globe and Mail.* February 6th, 1988.

Creswell, J.W. (1994) *Research Design: Qualitative & Quantitative Approaches.* Thousand Oaks, CA: Sage.

Creswell, J.W. (1998) *Qualitative Inquiry and Research Design: Choosing Among Five Traditions.* Thousand Oaks, CA: Sage.

Creswell, J.W. (2003). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches.* Thousand Oaks, CA: Sage.

Cropp, F., & Pincus, J.D., (2001). The mystery of public relations: Unraveling its past, unmasking its future. In RL.Heath (Ed.), *Handbook of Public Relations* (pp. 189-204). London: Sage.

Curtis, B. (1978) Introduction. In Curtis, B. and Mays, W. (eds) *Phenomenology and Education.* London: Methuen.

Cutlip, S.M., Center, A.H., & Broom, G.M. (1994). *Effective Public Relations* (7th ed.). Englewood Cliffs, NJ: Prentice-Hall.

Dabbs, F. (1989) 'Slump In Drilling Illustrates Industry's Negative Attitude: Mobil Canada rationalization a case study in cross-currents'. *The Financial Post*. April 6th, 1989, p.17.

Darwin, C. & Burrows, J.W (editor) (1982). *The Origin of Species: Or the Preservation of Favoured Races in the Struggle for Life.* London: Penguin Books.

Dawkins, R. (1989). *The Selfish Gene.* New York: Oxford University Press.

Demetrious, K. (2006). Active voices. In L'Etang, J.Y., & Pieczka, M. (Eds). *Public Relations: Critical Debates and Contemporary Practice* (pp.93-107).Thousand Oaks, CA: Lawrence Erlbaum.

DeMont, J., Howse, J., & Walmsley, A. (1989) 'Exodus of an industry'. *Maclean's*. November 6th, 1989. p.50.

Denzin, N.K., & Lincoln, Y.S. (2003) *The Landscape of Qualitative Research: Theories and Issues.* Thousand Oaks, CA: Sage

DiFonzo, N., & Bordia, P. (2002). Corporate rumor activity, belief and accuracy. *Public Relations Review*, 28, 1-19.

Dozier, D.M.(1995). *Manager's Guide to Excellence in Public Relations and Communication Management.* Mahwah, NJ: Lawrence Erlbaum Associates, Inc.

Duck, S. (1984). Social and personal relationships. In M.L. Knapp & G.R. Miller (Eds.), *Handbook of Interpersonal Communication,* (pp. 655-686). Beverly Hills, CA: Sage.

Eagleton, T. (1983). *Literary Theory: An Introduction.* Oxford: Basil Blackwell.

Ehling, W.P. (1992). Estimating the value of public relations and communication to an organization. In J.E. Grunig, D.M. Dozier, W.P. Ehling, L.A. Grunig, F.C. Repper, & J. White (Eds.), *Excellence in Public Relations and Communication Management,* (p. 622). Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

Ellis, C. & Berger, L. (2002). Their story/my story/our story: including the researcher's experience in interview research. In J.F. Gubrium, & J.A. Holstein, (Eds). *Handbook of Interview Research: Context and Method.* (pp.849-875). Thousand Oaks, CA: Sage.

Fawkes, J. (2001). Public relations and communications. In A. Theaker (Ed)., *The Public Relations Handbook*, London: Routledge.

Fairclough, N. (1995). *Critical Discourse Analysis*. London: Longman.

Fairclough, N. (2000). *Language and Power.* London: Longman.

Fairclough, N. (2003). The discourse of New Labour: Critical discourse analysis. In Wetherell, M., Taylor, S., & Yates, S.J. (Eds.). *Discourse as Data*, pp. 229-266. Thousand Oaks, CA: Sage.

Ferguson, M. (1984, August). *Building theory in public relations: Interorganizational relationships.* Paper presented at the annual convention of the Association for Education in Journalism and Mass Communication, Gainsville, Florida.

Fisher, R., & Brown, S. (1988). *Getting Together: Building a Relationship That Gets to Yes.* Boston, MA: Houghton Mifflin.

Fisher, R., & Ury, W.,(1991). *Getting to Yes.* New York: Random House Business Books.

Fisher, R., & Brown, S. (1988). *Getting Together: Building a Relationship That Gets to Yes.* Boston: Houghton Mifflin.

Florini, A. (1998). The end of secrecy. *Foreign Policy*, Summer, pp. 50-63.

Fogg, R.W. (1985). Dealing with conflict: A repertoire of creative, peaceful approaches. *Journal of Conflict Resolution.* Vol. 29, No 2, pp. 330-358.

Fontana, A. (2002). Postmodern trends in interviewing. In J.F. Gubrium, & J.A. Holstein, (Eds). *Handbook of Interview Research: Context and Method.* (pp.161-175).Thousand Oaks, CA: Sage.

Friedman, M.(1993). The social responsibility of business is to increase its profits. In Chryssides, G.D., & Kaler, J.H. (Eds.) *An Introduction to business Ethics.* London: Chapman and Hall.

Gass, R.H., & Seiter, J.S. (2007). *Persuasion, Social Influence and Compliance Gaining.* Boston, MA: Pearson Education.

Goodman, D.E., & Redclift, M.R. (1988). 'Problems in analysing the agrarian transition in Europe'. *Comparative Studies in Society and History.* Vol. 30, No. 4. pp. 784-791.

Groenewald, T. (2004). A phenomenological research design illustrated. *International Journal of Qualitative Methods, 3*(1). Article 4. Retrieved [May 2005] from http://www.ualberta.ca/~iiqm/backissues/3_1/pdf/groenewald.pdf

Grönroos, C. (1994). From marketing mix to relationship marketing. *Management Decision,* 32(1), 4-20.

Grönroos, C. (2000). Relationship marketing: The Nordic perspective. In J.N. Sheth & A. Parvatiyar (Eds.), *Handbook of Relationship Marketing*, (pp. 95-118). Thousand Oaks, CA: Sage Publications.

Gonstedt, A. (1997). The role of research in public relations strategy and planning. In C.L. Caywood (Ed.), *The Handbook of Strategic Public Relations and Integrated Communications,* (pp.34-59). New York: McGraw-Hill.

Grunig, J.E. (1990). Theory and practice of interactive media relations. *Public Relations Quarterly,* 35(3), 18-23.

Grunig, J.E. et al. (Eds.) (1992). *Excellence in Public Relations and Communications Management.* Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

Grunig, J.E., (1992). Communication, public relations and effective organizations: An overview of the book. In J.E. Grunig, D.M. Dozier, W.P. Ehling, L.A. Grunig, F.C. Repper, & J. White (Eds.), *Excellence in Public Relations and Communications Management* (pp. 1-28). Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

Grunig, L.A., Grunig, J.E., & Ehling, W.P. (1992). What is an effective organization? In J.E. Grunig, D.M. Dozier, W.P. Ehling, L.A. Grunig, F.C. Repper, & J. White (Eds.), *Excellence in Public Relations and Communications Management* (pp. 65-90). Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

Grunig, J.E., & Grunig, L.A. (1992). Models of public relations and communication. In J.E. Grunig, D.M. Dozier, W.P. Ehling, L.A. Grunig, F.C. Repper, & J. White (Eds.), *Excellence in Public Relations and Communications Management* (pp. 285-325). Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

Grunig, J.E., Grunig, L.A., & Verçic, D. (1998). Are the IABC's excellence principles generic? Comparing Slovenia and the United States, the United Kingdom and Canada. *Journal of Communication Management*, 2, 335-356.

Grunig, J.E., & Huang, Y. (2000). From organization effectiveness to relationship indicators: Antecedents of relationships, public relations strategies, and relationship outcomes. In J.A. Ledingham & S.D. Bruning (Eds.), *Public Relations as Relationship Management: A Relational Approach to the Study and Practice of Public Relations* (pp. 23-53). Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

Grunig, J.E., & Hunt, T. (1984). *Managing Public Relations.* New York: Holt, Rhinehart & Winston.

Grunig, L.A. (2000). Public relations research: a tripartite model. *Corporate communications,* 5(2), 75-80.

Gubrium, J.F., & Holstein, J.A. (2002). *Handbook of Interview Research: Context and Method.* Thousand Oaks, CA: Sage.

Gubrium, J.F., & Holstein, J.A. (2002). From the individual interview to the interview society. In Gubrium, J.F., & Holstein, J.A. (Eds). *Handbook of Interview Research: Context and Method*, pp.3-32. Thousand Oaks, CA: Sage.

Gudykunst, W.B. (1995) 'Anxiety / uncertainty management (AUM) theory' in Wiseman, R.L (Ed) *Intercultural Communication Theory*, pp 8-58. Thousand Oaks, CA: Sage Publications.

Habermas, J. (1987). *Theory of Communicative Action: The Critique of Functionalist Reason* Cambridge: Polity Press.

Hallahan, K (2000). Inactive publics: The forgotten publics in public relations. *Public Relations Review*, 26 (4), 499-515.

Hammarberg, T. (2001). Searching the truth: The need to monitor human rights with relevant and reliable means. *Statistical Journal of the UN Economic Commission for Europe.* 18 (2/3), 131-141.

Hammond, M., Howarth, J., & Keat, R. (1991) *Understanding Phenomenology.* Oxford: Blackwell Publishers.

Handley, K., Sturdy, A., Fincham, R., & Clark, T. (2006). Within and beyond communities of practice: Making sense of learning through participation, identity and practice. *Journal of Management Studies*, 43 (3), 641-653.

Hart, C. (1998) *Doing a Literature Review.* London: Sage.

Heath, R.L., & Bryant, J. (1992). *Human communication theory and research: Concepts, contexts and challenges.* Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

Heath, R.L., (Ed.), (2001). *Handbook of Public Relations.* London: Sage.

Hitchcock, G. & Hughes, D. (1989) *Research and the Teacher.* London: Routledge.

Ho, S.S.M., Wong, K. S. (2001). A study of corporate disclosure practice and effectiveness in Hong Kong. *Journal of International Financial Management and Accounting.* 12 (1), 75-103.

Hofstede, G. (2001) *Culture's Consequences: Comparing Values, Behaviours, Institutions and Organizations Across Nations.* Thousand Oaks, CA: Sage

Hon, L.C, & Grunig, J.E. (1999). *Guidelines for measuring relationships in public relations.* Paper presented to the Institute for Public Relations, Gainsville, FL [online]. Available at URL: http//: www.instituteforpr.com [accessed October 2001].

Huang, Y. (2001a). Values of public relations: Effects on organization-public relationships mediating conflict resolution. *Journal of Public Relations Research*, 13(4), 265-301.

Huang, Y. (2001b). OPRA: A cross-cultural, multiple-item scale for measuring organization-public relationships. *Journal of Public Relations Research,* 13(1), 61-90.

Huckin, T.N. (1997). Critical discourse analysis. In T. Miller (Ed.), *Functional Approaches to Written Text.* Accessed August 15, 2007. http://exchanges.state.gov/education/engteaching/pubs/BR/functionalsec3_6.htm

Huczynski, A.A. (1993) "Explaining the Succession of Management Fads", *International Journal of Human Resource Management*, 4 (2), pp.444-463

Hung,  C.J.F. (2005). Exploring types of organization-public relationships and their implications for relationship management in public relations. *Journal of Public Relations Research*, 17, pp.393-426.

Hung, C.F.J. (2006). Toward the theory of relationship management in public relations: How to cultivate quality relationships? In Toth, E.L. (Ed.) *The Future of Excellence in Public Relations and Communication Management: Challenges for the Next Generation*, pp. 443-476. Mahwah, NJ: Lawrence Erlbaum Associates.

Hutton, J.G., (1999). The definition, dimensions, and domain of public relations. *Public Relations Review*, 25(2), 199-214.

Hutton, J.G., (2001). Defining the relationship between public relations and marketing. In RL.Heath (Ed.), *Handbook of Public Relations* (pp. 205-214). London: Sage.

Hycner, R. H. (1999). Some guidelines for the phenomenological analysis of interview data. In A.Bryman & R.G. Burgess (Eds.), *Qualitative Research*, vol.3, pp.143-164. London: Sage.

Ihlen, Ø., & van Ruler, B. (2007). How public relations works: Theoretical roots and public relations perspectives. *Public Relations Review,* vol.33, pp.243-248.

International Monetary Fund (Cited as IMF). (1999). *Code of good practices on transparency in monetary and financial policies: Declaration of principles*. URL: http://www.imf.org/external/np/mae/mft/code/incex.htm.

Jacob, E. (1987) Qualitative research traditions: a review. *Review of Educational Research.* 50 (1), pp. 1-50.

Jackson, B. (2001) *Management Gurus and Management Fashions*. London: Routledge.

Jackson, B. (2007). *Covey and organization-public relationship building*.[E-mail]. Message to J. Jahansoozi (JJahansoozi@uclan.ac.uk). Sent April 20, 2007, 01:50.

Jahansoozi, J. (2002). *Public relations and the relational perspective: an exploration of relationship characteristics*. Paper presented at the 9th Bled Public Relations Symposium, Slovenia.

Jahansoozi, J. (2006). Relationships, transparency, and evaluation: The implications for public relations. In L'Etang, J., & Pieczka, M. (Eds). *Public Relations: Critical Debates and Contemporary Practice*, pp. 61-91.Mahwah, NJ: Lawrence Erlbaum Associates.

Jahansoozi, J. (2006). Organization-stakeholder relationships: Exploring trust and transparency. *Journal of Management Development*, Vol.25, No.10, pp.942-955.

Jahansoozi, J. (2007, NYP). Organization-public relationships: An exploration of the Sundre Petroleum Operators Group. *Public Relations Review*, Vol. 33, No. 4.

Jahansoozi, J., & Koper, E. (2004). *The public relations catalyst model: towards a new approach to explore public relations and knowledge management concepts.* Paper presented at The Fourth International Conference on Knowledge, Culture and Change in Organizations, Greenwich, August.

Jensen, I., (1997). Legitimacy and strategy of different companies: A perspective of external and internal public relations. In D. Moss, T. MacManus, & D. Vercic (Eds.), *Public Relations Research: An International Perspective* (pp. 225-246). London: International Thomson Business Press.

Johnson, J.M. (2002). Indepth interviewing. In J.F. Gubrium, & J.A. Holstein, (Eds). *Handbook of Interview Research: Context and Method.* (pp.103-119). Thousand Oaks, CA: Sage.

Kaminer, D.K., Stein, D.J., Mbanga, I., & Zungu-Diryi, N. (2001). The truth and reconciliation commission South Africa: Relation to psychiatric status and forgiveness among survivors of human rights abuses. *British Journal of Psychiatry*, 178, 373-377.

Katz, D., & Kahn, R.L. (1978). *The Social Psychology of Organization.* New York: John Wiley & Sons.

Kent, M.L., & Taylor, M. (2002). Toward a dialogic theory of public relations. *Public Relations Review*, 28, 21-37.

Kovacs, R. (2001). Relationship building as integral to British activism: Its impact on accountability in broadcasting. *Public Relations Review,* 27, 421-436.

Kruckeberg, D., & Starch, K. (1988). *Public Relations and Community: A Reconstructed Theory.* New York: Praeger.

Kvale, S., (1983). The qualitative research interview. *Journal of phenomenological psychology*, vol. 14, no. 2, pp171-196

Kvale, S. (1996). *InterViews: An Introduction to Qualitative Research.* Thousand Oaks, CA: Sage.

Ledingham, J.A., Bruning, S.D., & Wilson, L.J. (1999). Time as an indicator of the perceptions and behavior of members of a key public: monitoring and predicting organization-public relationships. *Journal of Public Relations Research,* 11(2), 167-183.

Ledingham, J.A., & Bruning, S.D. (Eds.), (2000). *Public Relations as Relationship Management: A Relational Approach to the Study and Practice of Public Relations.* Mahwah, NJ: Lawrence Erlbaum Associates, Inc.

Ledingham, J.A. (2000). Guidelines to building and maintaining strong organization-public relationships. *Public Relations Quarterly,* 45(3), 44-47.

Ledingham, J.A. (2001). Government-community relationships: Extending the relational theory of public relations. *Public Relations Review,* 27, 285-295.

Ledingham, J.A. (2003). Explicating relationship management as a general theory of public relations. *Journal of Public Relations Research*, 15 (2), pp. 181-198.

L'Etang, J., & Pieczka, M. (1996). *Critical Perspectives in Public Relations*. London: International Thomson Business Press.

L'Etang, J. (1996). Corporate responsibility and public relations ethics. In L'Etang, J., & Pieczka, M. (Eds)., *Critical Perspectives in Public Relations.* London: International Thomson Business Press.

L'Etang, J., Falkheimer, J, & Lugo, J. (2007). Public relations and tourism: Critical reflections and a research agenda. *Public Relations Review*. Vol. 33, (1), pp. 68-76.

L'Etang, J. (2007). *Public Relations: Concepts, Practice and Critique*. London: Sage Publications.

Leitch, S., & Neilson, D. (2001). Bringing publics into public relations: New theoretical frameworks for the practice. In R. Heath (Ed.), *Handbook of Public Relations* (pp.127-138). London: Sage.

Lincoln, Y.S., & Guba, E.G. (1985). *Naturalistic Inquiry*. Beverly Hills, CA: Sage.

Lincoln, Y.S., & Guba, E.G. (2003). Paradigmatic controversies, contradictions, and emerging confluences. In Denzin, N.K., & Lincoln, Y.S. (eds.) *The Landscape of Qualitative Research*. Thousand Oaks, CA: Sage, pp. 253-291.

Lund, M. (1985). The development of investment and commitment scales for predicting continuity of personal relationships. *Journal of Social and Personal Relationships,* 2, 3-23.

Mahoney, J. (1998) 'Alberta acts to thwart oil-patch sabotage  Millions allocated for police crackdown'. *The Globe and Mail*. October 30th, 1998.

Malkiel, B.G. (1999). *A Random Walk Down Wall Street.* New York: W.W. Norton & Company Inc.

McArthur, J. (1987) 'Turbulent boom and bust cycles characterize the Canadian economy'. *The Toronto Star.* June 11th, 1987, p. E2.

McCarthy, S. (1988) 'Canadian oil firms worried about OPEC's quota woes Repeat of single-digit prices for crude possible'. *Toronto Star.* November 16th, 1988, p. B1.

McKeen, S. (1999) 'Environmental activists step up campaigns in Alberta: More than 150 acts of vandalism were reported in the last two years.' *The Vancouver Sun*, February 20th, 1999, News, p.B1

McQuail, D., & Windahl, S. (1981). *Communication Models for the Study of Mass Communications*. London: Longman.

Miles, M.B., & Huberman, M.A. (1994) *Qualitative Data Analysis: An Expanded Sourcebook*, Thousand Oaks, CA: Sage.

Mintzberg, H. (1983). *Power In and Around Organizations*. New York: Prentice-Hall.

Moran, D. (2000). *Introduction to Phenomenology.* New York: Routledge.

Morgan, R.M., & Hunt, S.D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing,* 58 (July), 20-38.

Morrisette, P.J. (1999). Phenomenological data analysis: A proposed model for counselors. *Guidance & Counseling*, vol. 15, (1), pp. 2-7.

Motion, J., & Leitch (2007). A toolbox for public relations: The oeuvre of Michel Foucault. *Public Relations Review*, Vol. 33, (3), pp.263-268.

Moustakas, C. (1994). *Phenomenological Research Methods*. Thousand Oaks, CA: Sage

Mumby, D.K., & Clair, R.P. (1997). Organizational discourse. In van Dijk, T.A. (Ed.). *Discourses as Social Interaction*, pp.181-205. Thousand Oaks, CA: Sage.

Murphy, J.A. (1996). Retail Banking. In F. Buttle (Ed.), *Relationship Marketing.* London: Paul Chapman Publishing.

Murphy, P. (2000). Symmetry, contingency, complexity: Accommodating in public relations theory. *Public Relations Review*, Vol. 26, (4), pp. 447-462.

Natural Resources Canada (2004). *The Atlas of Canada: Alberta*. URL: http://atlas.nrcan.gc.ca/site/english/maps/reference/provincesterritories/alberta/referencemap_image_view . Date Accessed: July 14th, 2007.

Naude, P., & Holland, C. (1996). Business-to-business relationships. In F. Buttle (Ed.), *Relationship Marketing.* London: Paul Chapman Publishing.

Newcomb, T.M. (1953). An approach to the study of communicative acts. *Psychological Review*, Vol. 60, No. 6, pp. 393-404.

Ni, L. (2007). Refined understanding of perspectives on employee-organization relationships: Themes and variations. *Journal of Communication Management*, 11 (1), pp.53-70.

Nikiforuk, A. (1999) 'It Makes Them.' *Canadian Business.* February 12th, 1999, p.47.

Nikiforuk, A. (2002) *Saboteurs: Weibo Ludwig's War Against Big Oil*. Toronto: Macfarlane Walter & Ross.

O'Keefe, D. (2002). *Persuasion: Theory and Research.* Thousand Oaks, CA: Sage

Oliver, C., (1990). Determinants of interorganizational relationships: Integration and future directions. *Academy of Management Review,* 15, 241-265.

Osborne, J. (1990). Some basic existential-phenomenological research methodology for counselors. *Canadian Journal of Counselling*, 25, 79-91.

Owen, D. (1989) 'Amoco Canada To Shed Jobs After Revealing Loss'. *The Financial Times.* August 16th, 1989, p.24.

Palenchar, M.J., & Heath, R. (2002). Another part of the risk communication model: Analysis of communication processes and message content. *Journal of Public Relations Research*, 14 (2), 127-158.

Parker, L.D., (1984). Control in organizational life: The contribution of Mary Parker Follett. *Academy of Management Review.* 9 (4), 736-745.

Parkin, M., & King, D. (1995). *Economics.* Wokingham, UK: Addison-Wesley.

Patton, M.Q. (2002) *Qualitative Research and Evaluation Methods*, Thousand Oaks, CA: Sage.

Pavlik, J.V. (1987). *Public Relations: What Research Tells Us.* Newbury Park, California: Sage.

Perkins, D.D., & Zimmerman, M.A. (1995). Empowerment theory, research and application. *American Journal of Community Psychology.* 23 (5), 569-579.

Pfeiffer, J. (1978). *Organizational Design.* Arlington Heights, IL: AHM.

Pieczka, M. (1996). Paradigms, systems theory and public relations. In L'Etang, J & Pieczka, M (Eds). *Critical Perspectives in Public Relations*. London: International Thomson Business Press.

Plowman, Briggs & Huang, Y. (2001). Public relations and conflict resolution. In R. Heath (Ed.), *Handbook of Public Relations* (pp. 301-310)*.* London: Sage.

Ray, C.A. (1986) "Corporate Culture: The Last Frontier of Control?" *Journal of Management Studies*, 23, (3), 286-297.

Progressive Conservative Association of Alberta. (2007).
URL: http://www.albertapc.ab.ca/ Date accessed: November 21st, 2007.

Roffman, J. & Olson, M.L. (2001). From interests to identities: Towards a new emphasis in interactive conflict resolution. *Journal of Peace Studies Research*, 38 (3), 289-305.

Schwandt, T.A. (2003). Three epistemological stances for qualitative inquiry: Interpretivism, hermeneutics, and social constructivism. In N.K. Denzin, & Y.S. Lincoln, (Eds.), *The Landscape of Qualitative Research: Theories and Issues.* (pp. 292-331).Thousand Oaks, CA: Sage.

Sharpe, M.L. (2000). Developing a behavioral paradigm for the performance of public relations. *Public Relations Review,* 26 (3) 345-361.

Sharpe, S. (2002). *A Patch of Green: Canada's Oilpatch Makes Peace with the Environment*. Toronto: Key Porter Books.

Sheth, J.N., & Parvatiyar, A. (2000). *Handbook of relationship marketing.* Thousand Oaks, CA: Sage.

Silverman, D. (2000). *Doing Qualitative Research: A Practical Handbook.* London: Sage.

Singleton, R.A. Jr., & Straits, B.C. (2002). Survey interviewing. In J.F. Gubrium, & J.A. Holstein, (Eds.), *Handbook of Interview Research: Context and Method.* (pp. 59-82). Thousand Oaks, CA: Sage.

Soklowski, R. (2000). *Introduction to Phenomenology*. New York: Cambridge University Press.

Somerville, I. (2001). Business ethics, public relations and corporate social responsibility. In A. Theaker, (Ed.). *The Public Relations Handbook*. (pp.107-118). London: Routledge.

Springston, J.K., & Keyton, J. (2001). Public relations field dynamics. In R. Heath (Ed.), *Handbook of Public Relations* (pp. 115-126). London: Sage.

Stafford, L., & Canary, D.J. (1991). Maintenance strategies and romantic relationship type, gender and relational characteristics. *Journal of Social and Personal Relationships,* 8, 217-242.

Statscan. (2005) *Population urban and rural, by province and territory.*
URL: http://www40.statcan.ca/l01/cst01/demo62j.htm. Date Accessed: February 12th, 2007.

Statscan. (2006) 'Canada's population'. *The Daily.*
URL: http://www.statcan.ca/Daily/English/061221/d061221d.htm. Date Accessed:
February 12, 2007.

Sundre Petroleum Operators Group
URL: http://www.spog.ab.ca Dates accessed: September 2004; January 2005; May
2005; August 2006; December 2006; February 2007; March 2007

Sundre Petroleum Operators Group (2002). *SPOG Management System.* Sundre,
Alberta.

Taylor, M (2001). International public relations: Opportunities and challenges for the
21st century. In RL.Heath (Ed.), *Handbook of Public Relations* (pp 629-637). London:
Sage.

Thompson, D., (Ed)., (1995). *The Concise Oxford Dictionary of Current English.*
New York: Oxford University Press.

van Ruler, B. (1997). Communication: magical mystery or scientific concept?
Professional views of public relations practitioners in the Netherlands. In Moss, D.,
MacManus, T., & Verčič, D (editors). *Public Relations Research: An International
Perspective*, (pp. 247-263) London: International Thomson Business Press.

van Dijk, T.A.(1997). *Discourse as Social Interaction.* Thousand Oaks, CA: Sage.

Vasquez, G.M. (1993). A homonarrens paradigm for public relations: combining
Bormann's symbolic convergence theory and Grunig's situational theory of publics.
*Journal of public relations research,* 5(3), 201-216.

Vasquez, G.M., & Taylor, M. (2001). Research perspectives on "the public". In R.L.
Heath (Ed.), *Handbook of Public Relations* (pp. 139- 154). London: Sage.

Verčič, D., & Tkalac, A. (2004). *A local point of view: Application of the
coorientation theory on communication problems in international relations: the case
of Slovenia and Croatia.* Paper presented at the 11th Bled Public Relations
Symposium, Slovenia.

Victoria Women's Sexual Assault Center (VWSAC), (1994). *Crisis counselor
training manual.* Victoria, Canada: VWSAC.

Von Furstenberg, G.M. (2001). Hopes and delusions of transparency. *North American
Journal of Economics and Finance,* 12(1), 105-121.

Waldron, J. (1995). Rights. In Goodin, R. E. & Pettit, P. (Eds.). *A Companion to
Contemporary Political Philosophy*, ed.. Blackwell Publishing, 1995, p.581.

Warren, C.A.B. (2002). Qualitative interviewing. In  J.F. Gubrium, & J.A. Holstein,
(Eds.), *Handbook of Interview Research: Context and Method.* (pp.83-101 ) Thousand
Oaks, CA: Sage.

Watson, T. (1994) "Management 'Flavours of the Month': Their role in Managers' Lives", *International Journal of Human Resource Management*,5, (4), pp. 893-909.

Wetherell, M., Taylor, S., & Yates, S.J. (2003). *Discourse as Data*. Thousand Oaks, CA: Sage.

Wilmot, H. (1993) "Strength is ignorance: Managing culture in modern organizations", *Journal of Management Studies*, 30, (4), pp. 515-552.

White, J. (2001). Challenges and changes to PR in the Next 10 Years. [Lecture notes]. University of Stirling. November 08, 2001.

**Appendix 1: SPOG Community Affairs Process Maps**

The SPOG Management System (2002) information pack provides detailed Community Affairs process maps which were developed to provide a concrete and linear approach for the industry-community members to use when they had to deal with a complaint, new development, or informing and education procedure. The process maps were developed with the underlying assumption that if they were followed then they would ensure that SPOG vision statement became a reality.

1. Complaints Process Map

The SPOG complaints process map depicts the decision-making steps used to guide the SPOG industry-community members who are involved with the Community Affairs Working Group.
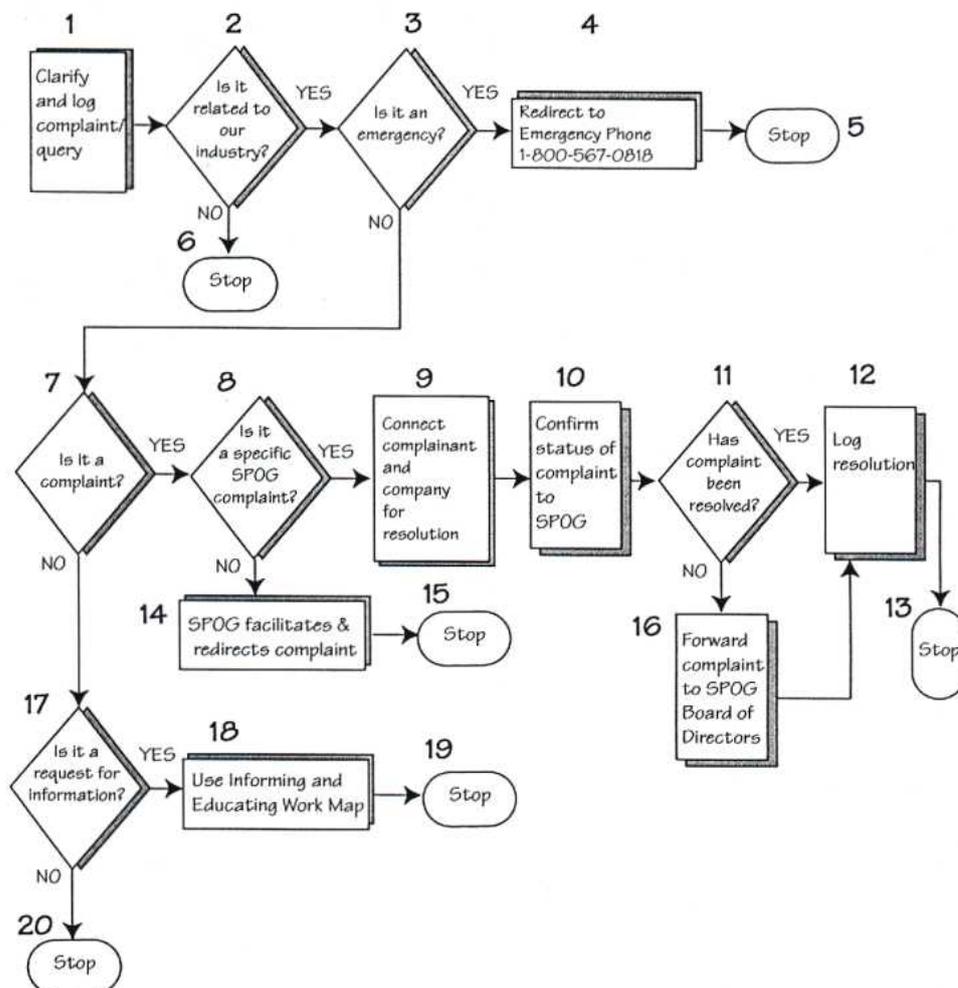


2. Informing and Educating Process Map

The SPOG Informing and Educating process map provides the steps which should
followed when information was requested or needed to be presented by the industry,
community or others.
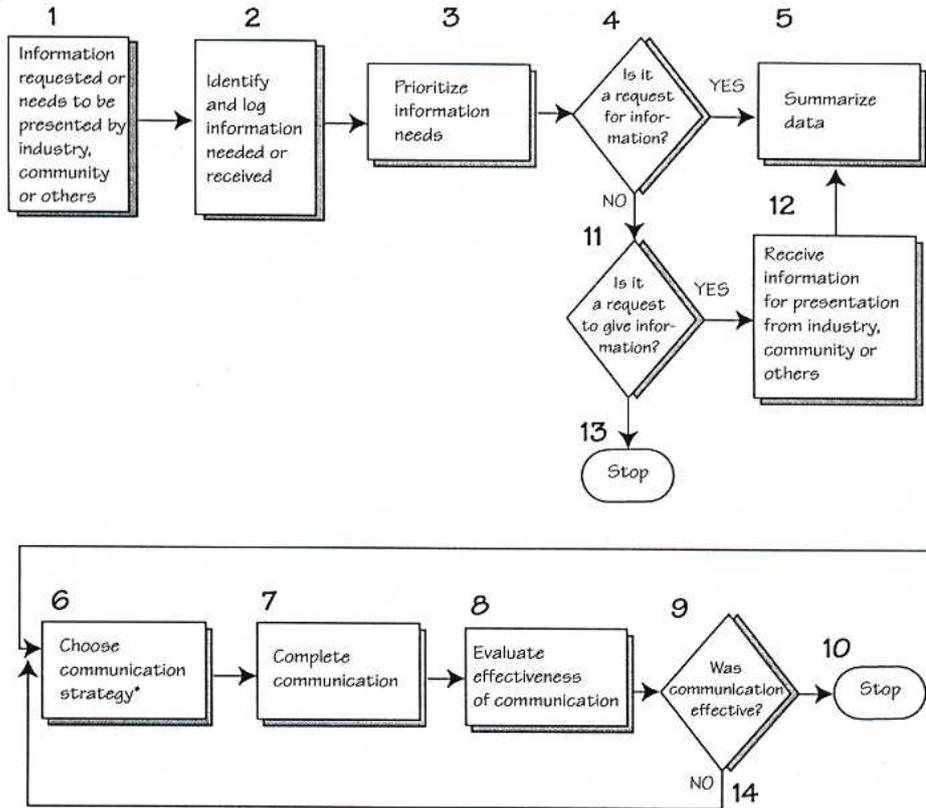
## 3. New Development Process Map

The SPOG New Development process map outlined the consultation process that SPOG industry members needed to follow when identifying operational activities that required public disclosure and input. The steps in this process map were followed when an industry member wanted to propose a new development and the community members were able to consider it and also propose performance measures.

**Sundre Petroleum Operating Group Development Process Map**



**1** Project or proposal received at Sundre SPOG office by Administrator

**2** Proposal logged & clarified (Company rep & Administrator)
- Q: all sections on form complete
- Q: all information is accurate
- Q: explain the new dev process
- Q: Target date for Comm Affairs presentation agreed with the company rep.
- Q: ND process holder reviews action log for progress
- T: done before sent to Comm Affairs
- T: send log to process holder monthly for progress review

**3** Is it related to our industry? YES / NO
- NO → **16** STOP

**4** Is it a member company? YES / NO
- NO → **17** SPOG membership recommended & membership package sent → **18**

**18** Is the company going to become a member? YES / NO
- YES → **5**
- NO → **20** Recommendation to board of directors that letter be sent to EUB & cc'd to company → **22** STOP

**5** Proposal documents (if any) sent out to Comm Affairs members by administrator and/or meeting scheduled and/or put on the agenda for the next pre-scheduled meeting.

**6** Meeting between company and Comm Affairs
- O: learn about the new dev proposal
- O: New Dev Process Holder reviews the process including generic meeting agenda and generic performance measures.
- O: AEUB reviews relevant guidelines
- O: decide what communities are directly affected
- O: decide general communication vs community specific consultation action items
- O: Planning: Company rep and community reps agree to plan the community specific consultation

**7** Company rep and Community rep(s) plan and schedule the consultation
- O: quality plan
- O: all necessary info identified for gathering
- O: all action items and responsibility matrix listed
- O: meetings to follow generic format
- T: meet schedule

**8** Implement agreed to consultation plans
- O: efficient meetings
- O: teach & Learn mindset - laymans language
- O: quality minutes
- O: document the agreed to items and the items requiring more info and items disagreed.
- O: roles of chairman, facilitator, AEUB, minute taker agreed to upfront
- O: SPOG vision used as the guide for behavior
- T: achieve the stated purpose in the plan within the time.

**9** Have all stake holders agreed on perf. mea.? YES / NO
- NO → **19** EUB notified of disagreement → **21** STOP
  - O: AEUB may request a meeting to discuss next steps
- YES → **10**

**10** EUB notified and project begins

**11** Stake holders audit for compliance to performance measures
- Q: results of audit documented and signed by participants
- T: meet schedule

**12** Is work being conducted according to perf. mea.? YES / NO
- NO → **21** Stake holders review performance measures for deficiencies & improvements
- YES → **13**

**13** Project competed

**14** Performance measures & learning's reviewed & documented for future projects
- Q: New dev Process Holder reviews the learnings and fills out a change mgmt form for changes to the process
- Q: Process Holder communicates the changes at the next regular scheduled Comm Affairs mtg for approval
- Q: Administrator files the learnings and change mgmt form.
- T: within 2 weeks after the approval of the comm affairs group.

**15** STOP

262

**Appendix 2: SPOG's Community Affairs Goals and Objectives**

SPOG's Community Affairs Working Group developed the following seven goals, and 19 objectives, which are still present today, that they decided were required to achieve the developed vision statement:

Goals:

"1. Show people some positive outcome of our actions.

  2. Have better rapport between industry and community.

  3. Get younger people involved.

  4. Have a way to bring issues to the table and deal with them.

  5. Inform the industry and public about the best technology available.

  6. Identify ways of getting information to stakeholders.

  7. Develop a mandate for the new SPOG Community Affairs committee."

(SPOG Management System, 2002, chapter 3 p.1)

In order to fulfil the goals listed above, the following objectives were developed and relate to the different Community Affairs subcommittees:

"1. Invite all industry members to join SPOG.

  2. Invite the community to join as SPOG CA members.

  3. Develop ways of liaising with others in industry.

  4. Organise press releases for media coverage of committee.

  5. Develop a SPOG publication.

  6. Organise communication training for new committee members.

  7. Outreach for community involvement.

  8. Involve the next generation – schools, young farmers, university and college students.

  9. Develop maps for handling New Development, Complaints / Queries, and Informing and Educating.

  10. Develop a two-way educational process for resolving problems.

  11. Share CAPP pubic involvement guidelines.

  12. Investigate an alternative for government involvement rather than hearings.

13. Develop a method of sharing information with the industry and the community regarding new and existing technology and process operations.

14. Develop a list of public interests and concerns to use as a reference for newsletter articles.

15. Solicit feedback on communication from stakeholders, ie., surveys, questionnaires in the newsletter.

16. Develop an annual plan and budget.

17. Ensure committee representatives inform their constituents of issues and committee activities.

18. Have steering committee work with subwork groups.

19. Develop/use the decision making process – Think Win/Win. "

(SPOG Management System, 2002, chapter 3, pp. 2-5)

**Appendix 3: List of Interviewees**

Alice Murray, Shell Canada
Dan Singleton, Editor / Journalist, *Sundre Roundup*
Dave Brown, Community Member
Deborah Eastlick, EUB
Diana Gilbert, Shell Canada
Doug Logan, PetroCanada
Esther Johnson, SPOG resident visitor programme
Frank Dabbs, Community Facilitator
Gerald Ingeveld, Community Member
Gerry Schalin, Provident Energy Trust
Jan Marr, Community Member
Jennifer Lutz, SPOG Co-ordinator
Jim Eckford, Community Member
Jim McAllister, Community Member
Judy Winter, Community Member
Keith Eslinger, Shell Canada
Les Swelin, Pembina Pipeline Corp
Reg Watson, Community Member

**Appendix 4: Interview Questions**

The following list of interview questions was used as a rough guide to keep the researcher focused, however as the interviews were in-depth and open the exact questions used changed depending upon the particular interviewee and their discussion and focus.

1. Can you tell me about SPOG and your involvement with it?
    a. Why did SPOG start?
2. Trust:
    a. How would you define trust?
    b. How important do you feel trust is for the SPOG industry-community relationship?
    c. Can you think of any occasions when you felt SPOG was untrustworthy?
    d. Do you trust SPOG industry members to tell the truth?
    e. Do you think SPOG industry members keep their promises?
    f. Do you think SPOG industry members treat the community fairly?
3. Satisfaction:
    a. How would you define satisfaction in this relationship?
    b. Are you satisfied with the current situation?
    c. Has the industry-community relationship improved since SPOG was set up? Has it changed?
    d. Do you think what the SPOG industry-community relationship is worth supporting and why?
    e. Is it worthwhile maintaining this relationship?
    f. How do you think you benefit from this relationship?
4. Control mutuality:
    a. How do feel power is negotiated in this relationship?
    b. Who do you think has the most decision-making influence in this relationship?
    c. Generally speaking are you satisfied with the decision-making processes?
    d. Do you think both industry and community agree on what they can expect from each other?
    e. Can you give me an example of when the decision-making process went well?
    f. Do the industry and community consider each others' interests? Examples?
    g. To what extent to do you think the industry has power over the community and vice versa?
5. Commitment:
    a. How would you define commitment?
    b. Do you think commitment is important in this relationship?
    c. Do you think the industry will be interacting with the community for the long-term?
    d. Do you want a long-term relationship?
    e. Are you committed to this relationship?
    f. When do you think you would terminate this relationship? Why would you do this?

g. Is your relationship always 'active' or are there times when it is dormant?
6. Dialogue:
    a. What do you perceive dialogue to be?
    b. Do you think it is important for the relationship?
    c. Has dialogue always been important?
    d. Can you give examples of when it was especially important? Unimportant?
    e. Have you experienced situations in the relationship where dialogue has broken down? What happened? How was the situation resolved?
    f. Who do you think keeps the dialogue going?
    g. Do you think dialogue is only for consultation purposes or participation? Can you give examples of this?
7. Transparency:
    a. What does transparency mean for you?
    b. Do you think it is important for this relationship?
    c. How transparent do you think SPOG is? Can you give an example of this?
    d. Can you think of any occasions when transparency was lacking? What happened? How did this affect you?
    e. Do you think the decision-making process is transparent? Can you give me an example?

**Appendix 5: Sample Interview Transcript, Memo, and Coded Interview Transcript**

**1. Sample Interview Transcript**

Interview with Alice Murray, Community Affairs, Shell Caroline, May 30<sup>th</sup> 2005, at Shell Caroline Complex.

JJ:
So I'm just going to talk about, ask you a few questions I'm interested in relationship SPOG and the community, elements such as trust, commitment, satisfaction, dialogue, transparency just to get an idea about them, general questions relating to SPOG but if you have more to say please do, I want to get your idea about them, it's your personal view, experience, I'm interested in. OK?

AM:
Uh huh, ok…

JJ:
First off how do you define trust, there's a lot of different definitions that get bandied about, people use trust everyday…

AM:
in relation to SPOG?

JJ:
Yes…

AM:
ahh, how do I say this, I had the flu all week so my brain isn't working really good and I, ah relationship with SPOG, well trust is the critical, it is really the critical value of SPOG because when we started SPOG there was no trust, and we went through an exercise of defining a perfect future like together with the community and trust was the main thing and so it was it was er creating a vision of working together with trust honesty and respect in dispensing the distrust and moving forward er in a way that we er were able to create actual trust, if that makes any sense, and er …

JJ:
…it does, it does, what happened emm in the past that there was no trust?

AM:
oh, lots of things, erm 50 years of oil and gas development that er, people had no way of complaining about things that upset them, er you know they had nobody to go to, you know the really big things they could go to the EUB but er someone leaves your gate open or whatever there was nobody to complain, to there was nobody to that er communicated that things were going bad when things were going well, there were things that people worried about that had been changed and fixed and done different that they didn't even know were being done different because nobody had told them, it hadn't been communicated to them, and erm and kinda the way you describe how things are going in England, that er people companies would decide and defend what

268

their projects were and er er so people didn't have an meaningful input into controlling the things that happened around them and er you know to begin with people, landowners and what not, got a little bit of money for the leases and what not so that looks like a good thing but over time the accumulative impact of all of that on everyone so the distrust, the trust was really eroded, and then accidents and bad environmental management and environmental standards were a lot different fifty years ago and er you know a lot of things were done in a way that damaged the environment and er and people didn't have any recourse, they didn't have anywhere to go to say you know I don't want this happening like this anymore, and er what I say to people is that SPOG succeeded because we did everything wrong first er you know we we er Shell moved into this area in er 1986 we we drilled a sour well and we were going to build a gas plant or process the gas somewhere or other and er so kind of from 1988 for a period of four years we engaged with the community on talking  how we were going to do that and er and we had a very large hearing, actually we had a community advisory board that was made up of representatives from the municipal government and the area and members at large  that er that actually worked really really well, but once the project was approved and built the advisory board disbanded there was no need for them anymore…actually there's a picture on my wall…and um er so then there was no vehicle for on going input communication with the community and ere r and I sat alone in my office dreaming up all sorts of wonderful communication techniques that er obviously weren't meeting the need of the community because it was all one way I you know did a newsletter, and people would phone me and complain about stuff and I would do something about people who complained but…

JJ:
So  it was more reactive…

AM:
 it was very very very reactive, and then ere r we did some things right off the bat that really upset the community when we first started up we a had flaring, the first two years we started up we had a lot of flaring incidents at the plant…

JJ:
 can you explain what flaring is?

AM:
 well we had upsets in the process operation of the plant and so our plant would flare a big flare and what we had said to the community before we had built the plant was that we wouldn't be doing any flaring and er so to them that was a real breach of trust and er and then we had a pipeline leak about a year after we started up and it was a very small pipeline leak, er but it was still a pipeline leak and it er er really upset people,  we really a lot of people who had supported us felt they had lost face in their community by supporting us in the past and they felt that we er had said this wouldn't happen and it had happened er they felt unsafe, they were upset and so right on the tail of that we we de did after two years of operations we had a big turnaround and we fixed the things inside of the plant that were causing the trouble and there were some design things that had not been designed quite right and we fixed it and we couldn't have known until we started it up and ran it and then we fixed those things and the plant ran fine er er but after it was running fine we tested the plant and found that we

could actually put more gas through it than our license was for and so we er applied to increase the amount of gas coming through the plant, so that was an opportunity for er the community to come forward and say to the Energy and Utilities Board that they were really unhappy and er about 60 people turned out at the pre-hearing, the pre-hearing is when the board decides whether or not there is enough concern that is related to the actual application to have a hearing and so these people came forward and there was a whole litany of unhappiness er including things that dated back fifty years to all sorts of other companies that had operated in the area, and er just really a lot of unhappiness, and so the board er came out with their recommendation that er there would be a hearing on the throughput increase of the plant but that all of the issues that didn't pertain to the throughput increase would be handled through a different way which they called an Interrogatory Process and they hired a communication consultant who went around and interviewed about I think he interviewed about forty families and he put together an interrogatory report and that report was really tough reading because it said things in there that like you know Alice Murray does a really bad job ah ha, and it was a lot of unhappiness and the board said to SPOG you know you have to fix this and er you have to reply to this report and they gave it to SPOG because Shell wasn't the only company mentioned there were several companies mentioned and I guess in the meantime SPOG had started up at the same time we had started up our plant because er short while we were building our plant, the er Nova petrol station that sits up on the road that you drove by on your way here, had a huge explosion, had a huge pipeline explosion they had like you could see the fire from Calgary and then like sweet gas so no body was in any danger other than the guy who lived directly infront, but er it was spectacular and nobody knew who to call er you know it was mayham and er we had 1200 people working on the site building the plant and they had to evacuate them all to Caroline and er it was like four o'clock in the morning and we live fourteen miles across the country from here and our bedroom is on the other side of the house and you could have read a paper in our bedroom, but it was a huge spectacular fire, and I turned on the radio and it said a mushroom shaped cloud over the Caroline gas plant and I was thinking what could have possibly blown up there because we haven't built it yet, you know there is no actual gas there and so like there was no communication, no information, people didn't know if they should all get into their car and leave, people were very frightened, and we had a committee of community people that were helping us write the emergency response plan for the gas plant and what they said to us was er we want one number to call we don't want to have to figure out whose thing is blowing up and try to figure out which number to call, we want one number and so that is when SPOG was actually born and er it was based on we call it mutual aid, emergency response, and setting up a system of a call down matrix and we have it here and we're piloting it with emergency Alberta but it all started with the community and with that incident with Nova, it was June 6th 1992. Er January 6th 1992 because our pipeline leak happened two years later on January 6th 1994… oh…ours was just a little tiny leak but nobody it was very well the same thing…anyways, so because of that incident the community said we want one number so the industry had to cooperate we had to figure out who else operated here, how to get ahold of them and it was the first time that operating facilities had ever cooperated in that kind of manner because prior to that oil and gas companies er it was all a competitive thing and there is certainly is some competitive er especially in the exploration, drilling wells some information you need to keep to yourselves for competitive advantage but in operating facilities we really we can talk to each other

and our emergency response plans are all based on the government up stream plans so they're all very similar plans and and by working together we saw all sorts of ways that we could make that better for the public and er that we saw all sorts of ways that we could work together to do other things too so we set up Mutual Aid group er the Environment group and the Community Affairs group and we actually also had an Operations group to start with but we just didn't have enough manpower to go around to do those four groups so then we reduced it to the three…ah but basically what the Community Affairs group did at that time was just communicate about what what was going on with the other groups, so anyways we had this throughput hearing that was in 1996 and the interrogatory report went to SPOG and each company that had something that was individually mentioned had to responds to that individually, like why we flared for the first two years we had to you know publicly say this is why and what we did to fix it but the theme throughout the whole thing was er the lack of communication, People didn't know what was going on, who to complain to they didn't know that things were going good, they didn't even know that, they just didn't know so they just didn't know so communication was really something that needed to be fixed so in November 1996 we er had a communication workshop and we invited people that represented all the different communities erm geographical areas within side the SPOG boundary and the SPOG boundary was originally set by these companies that first got together and we overlapped our emergency planning zone and where the areas of biggest overlap was we drew a square around it and said look there's thirty of us overlapped here like and there really is a lot of oil and gas in this area, like you know I don't even know how many wells, I know at the time like the companies have all sold off and smaller pieces but one company had 600 oil wells in the SPOG area and we only have 15 sour gas wells but they're the most sour wells that are in a populated area and they are really big wells that produce a lot of gas so and this is a really big gas plant, so there is a lot of stuff in this area…now where was I going with that…

JJ:
 we were looking at trust and SPOG…

AM:
 right, the trust that was the original question, I really got off on a tangent there didn't I? Right, we had this communication workshop and er we had these forty different geographical areas represented and that's municipal er government and the area is set up in this unofficially er old school districts right and so they are little community halls now but they used to be school districts, so we invited each of these and some of these is really hard as some of this is hard as some of them don't have community associations some of them just have a ladies group that makes lunch if you rent the hall, but you know we tried to find someone from each of these groups and it was a half day session and it was a miracle, er because what we did there is is we had a facilitator and he took us through the process of creating a vision and talking about all of this stuff that happened over the last fifty years there's not a thing we can do about it but we can sure change how we can move forward and we know you don't trust us you know and you actually don't have any reason to trust us but you know what can we do next, what would a perfect future look like how would you like that to be and so that's where the vision of SPOG which is a long term relationship built on mutual trust honesty and respect by way of sharing pertinent information to er all issues for our stakeholders and it's a vision that isn't like there's a lot of different organisations

that a person belongs to that has a a vision or a motto or a something that you don't actually know and its not really something that's part of what they do but the vision for SPOG is really central to everything that we do and creating that trust honesty and respect is like that's paramount without that we have nothing! So that's a really long answer… I'll get faster…

JJ:
 no that's great…So when from your perspective how trustworthy would you now find SPOG to be?

AM:
 Well SPOG isn't trustworthy because SPOG is a process it's not a an entity it's a process and er and there's something in the Synergy Alberta thing that we try to make that  message loud and clear  that Synergy is isn't you know that you can't people say if  you know we have this stakeholder and that stakeholder but not that stakeholder are we still a Synergy group or this guy paid and that guy paid but are we still a Synergy group well you're a Synergy group if you use the process of collaboration so SPOG can't be trustworthy because it's not an entity it's a process but I do believe that there is a lot of trust in the member of SPOG based entirely on the fact that they have created a long term relationship and the relationship with Keith..

JJ:
 and have, do you think there have been because you come from industry where you were saying that industry distrust do you think erm that this process in being established, were there any hiccups along the way…?

AM:
 oh yeah! Lots of hiccups erm well I think the hiccups have been all the hiccups we've had have all be growing hiccups. If you had SPOG or you didn't have SPOG there would still be oil and gas. And er SPOG may not be perfect but you don't really have a lot of other options, like you can go through the regulatory process and er everybody loses so maybe it's not perfect so if it isn't working why isn't it working and what can we do to fix it. And we fix it. And er basically it is always a process thing that doesn't work, like you don't have a process and you're muddling about or you muddling about and forgot what your process was about or you have new people and they don't know you have a process…

JJ:
 so as an industry member of SPOG and SPOG being a process I'm curious as whether you think the communication coming out of SPOG is truthful do you think that er …

AM:
 well the vision is er a long term relationship based on trust honesty and respect by way of sharing pertinent information …

JJ:
 so everybody's signed up to that…

AM:

yes, so it's about sharing pertinent information it's not about interpreting information it's about sharing information

JJ:
 ok, we can move on to the next …

AM:
 Phew,…it's like put in your quarter and I'll tell you about SPOG!

JJ:
 So thinking about satisfaction er how would you define satisfaction in the SPOG context?

AM:
 my satisfaction or the community satisfaction?

JJ:
 as a member of SPOG

AM:
 well the analogy I like to use is the Caroline general store only has four aisles and I grew up in Caroline and it's a, I don't know if you've driven by it but it's a teeny tiny town the population is well its probably up to 500 now, so it's a little biddy town, so I grew up in the area here I know everybody, everybody knows me I'm never not working and er if and in that period of time when all we did was upset people and I've got my shopping cart in the Pioneer general store and I'm going with my eyes, trying not to make eye contact with anybody you know trying to er you know people were really upset and it didn't matter if I was at the arena or at church or wherever they were going to tell me what they thought and er you'd get up in the morning and it was like who who are we having a hearing with oh yeah, and which lawyers do we have to talk to and and like I really on a personal level I really hate working like that I mean I just hate that, and it's really bad for the community, hearings are so bad for the community like it divides the community so much cause some people think one thing some people think another sometimes in the same family, some people think some people are taking it too far some people think you're not doing enough, it tears the community apart, so on a personal level to get up in the morning to think so what proactive thing are we going to do today that are going to make people part of what we're doing and it's going to be proactive yeah that's way better, way better way to work…

JJ:
 instead of hiding in the aisles hoping people won't recognize you …right ok, so that's why you're satisfied with it…

AM:
 I am so satisfied with it! And it is really like like I'll give you another example, we had that pipeline leak you know we didn't have SPOG and we didn't have a relationship and it took us seven years to get over that, like the legal stuff the media stuff the depth of unhappiness in the community and it was a little, tiny tiny pipeline leak that nobody smelled and er and it took us seven years to get over that…

JJ:
and that was in ninety…

AM:
four. And in 2003 in March we had a leak, another little leak on our one of our aerial coolers at a compressor station. And the aerial coolers are like big radiators and they have great big fans and they have piping that the gas is in and the fans blow on the pipes to cool it down and they are pointed straight in the air and we had a little tiny crack in one of the aerial coolers but what happened is that it blew the stench for about 20 miles and er er we had the school on evacuation alert, we had we phoned 800 people three times and it took us four hours to figure out where it was coming from because it blew it so far away from where it was coming from we didn't we didn't know where it was coming from. All of that we got no media coverage, we got no unhappiness …

JJ:
what a difference…

AM:
yeah, and because we have a relationship, because people trust us and when you trust somebody you allow them to screw up and forgive them you don't trust them you…

JJ:
well you trust them to be honest…

AM:
exactly, and if you don't trust them, well good luck to ya!

JJ:
Erm this may seem like a silly question but I'd like to hear your response to it…do you feel it is worthwhile to maintain this relationship?

AM:
oh absolutely! Absolutely! I'll give you another example! We had a community meeting in one of these little local community halls, must have been a little over a year ago because the community said we want an update on what you're up to and there were three companies that were around in that area that were doing things so the three companies came and we were one of them and er there's about probably 150 community people and we stood up and said and we've been in the area a long time and we've been really active with SPOG because we have really sour gas we're required to do a lot of consultation on any new project so we talk so we talk to everybody all the time so we're very very very very well known so we stood up and said yeah well we might have to redrill this 36% sour well that is right over here by your hall, and they were like oh yeah, and this petrol station here well we've got to make some modifications to it and we hoping it's not going to make it any noisier so we're going to check it before and after and we're hoping it's not going to make it any noisier and we're going to build this forty kilometer sour gas pipeline from our plant. And they say, oh ok, thanks for sharing. So the next company gets up and they're a little newer in the area but they had done a pretty good job of er you know of really

working with the community and they stood up and they said we're going to drill two sour gas wells over here, they're not very sour, they I think were only sour only 2%, a but a thousand parts per million can kill you so ah like 2% can kill you and 36% can really kill you, and they said you know we're going to drill these two sour wells here and then we're going to build this sour gas pipeline all the way across your community to where we're going to hook it in. And then they had a few questions and they're like oh ok, thanks for sharing. And then the next company stood up. They were a new company to the area they hadn't, they were a sweet gas operator and they had made no effort whatsoever to meet the people around their facilities and they were very reluctant members of SPOG like they only participated in what they thought they absolutely had to

JJ:
 so just paid their membership…

AM:
 yeah, and made a lot of fuss about everything, more or less, and they stood up and said er we've got these three sweet gas, sweet gas can't hurt you, these three sweet gas compressor stations which are really loud and we're going to take them away and we're going to put one quiet one in over here and they just about had a riot. So it wasn't the message it was the messenger. And based on the relationship.

JJ:
 exactly they were unhappy with the relationship

AM:
 exactly and the fact that they were just announcing it they were going to…

JJ:
 there had been no consultation, no discussion…?

AM:
 no.

JJ:
Ok, er do you see Shell benefiting from the relationship it has with SPOG and being a member of SPOG?

AM:
 oh absolutely, and I got an example of that!

JJ:
 Great!

AM:
 I am full of examples…we have in SPOG, one of our SPOG has identified it has three key key work areas [end of tape 1 side A / start of tape 1 side B] that we have set process for one of them is information sharing one of them is complaint handling and one of them is new development. What the new development process is that any work that goes on that isn't normal everyday operating of the facility you tell SPOG and

they have it on a list it's on the website and people can if they see oh look service right there what are they doing you can look it up on the website people can see exactly what it is, like if extra trucks are going by your place so they can see but sometimes there's bigger projects than just well you got normal operating then you've got kinda different things and then you've got really different…things. You know things like druck drilling you know 50% sour wells or er and we've got oh I don't know I think we've got four new developments processes going on right now in the SPOG area er anything that's kinda different from normal. So last year we er big complication on a pipeline that we built from our plant 40 kilometers out west and er the thing about sour gas is that people don't notice it unless it actually comes to their back yard you know we're in the area, you can see us from just about anywhere but unless you're in our emergency planning zone and we talk to you all the time lots of people are kinda oblivious to it and I know for a fact I would be. You know there's enough stuff going on in life you don't need to notice everything. But this pipeline is over new terrain new people different planning zone and er six kilometers so it's like twelve kilometers of people so we had six hundred people to talk to a lot of which had not had anything to do with us before so they were new people, new people in there kinda were a little anxious about the 36% sour gas anyways we set up this new development committee under SPOG using their process which you identify the stakeholders in the area you bring them all together you work through the whole process right from the beginning you talk about what kind of things you want to talk about and you work and you bring the experts out on each of those things and you work through each piece of the thing and it took us from erm April until October to work through that process but what what we did was we we filed that pipeline with the EUB as a routine application and in the Board they have like two application streams er I think they had 35 thousand applications for last year and like anything that is sweet gas or anything that nobody objects to goes in as er a routine application and it goes through the Board much quicker if it goes comes in and it's a critical sour well or er if you have people objecting against it it goes on a very slow track and er there could quite likely be a hearing, the outcome of people objecting to it. So six hundred new people and we put it in routine. So like it was through the board in a matter of weeks …

JJ:
 And so er it saves a lot of time and money…

AM:
 oh money, exactly like it saves a huge amount of money like it is a competitive advantage for Shell to have

JJ:
 …good relationships…

AM:
 exactly! To have processes like this new development process.

JJ:
 I don't suppose you could give me a rough figure for how much money is saved?

AM:

well it's a hard number to give cause a hearing costs more than a million dollars and then there's the I mean if you put it off for a year if you're wrangling it over for a year that could be you know fifteen million dollars worth of production …

JJ:
 huge costs!

AM:
 Yeah, they're huge costs so it's a huge competitive advantage! And Shell, er I'm very happy I get to work with a company like Shell that er recognizes that and er well we've it's been a learning experience in some places but er but er understanding but I know now we certainly understand the competitive advantage of having that.

JJ:
 I like your example…

AM:
 another example is er er you can probably look this up on the internet er is the outside of the SPOG area in er 2002 we applied to drill a sour well and we didn't have a relationship we didn't have a Synergy group we didn't have SPOG and not only did that go to a hearing but David Suzuki …

JJ:
 oh yeah…

AM:
 yeah, came out and gave us a lickin'. Yeah he er did a show about it called 'worst case scenario' and we lost …

JJ:
 of course…up against David Suzuki…

AM:
 yeah I mean when David Suzuki gives you a lickin' you know you've had one and and that was a huge cost to the company both in the cost of the hearing the fact that well will never be produced and reputation, huge cost in reputation.

JJ:
 And I guess that Shell would have bought the license for…

AM:
 Oh yeah…

JJ:
 so that's money that's just gone…

AM; oh yeah, and that was the least of our worries…

JJ:
 there was a backlash?

AM:
 a huge backlash.

JJ:
 so this was outside the SPOG area, did you find that that affected the SPOG area at all?

AM:
 well people in the SPOG area were going 'what the heck!? Is going on', so what we do anywhere in this region for sure, where I have some input we er use the process even if it is outside of SPOG, so consequently we have the task advisory group which is for development we have going on out west and we have the two river advisory committee which is for another development going on outside Rocky Mountain House, so you use the same process just move it …

JJ:
 Ok I'll just move on to another what is identified identified academically as another core element of a relationship and that is power...

AM:
 Power is very interesting one because how it is perceived…its not real and the less trust you have the more important power …

JJ:
 So, er how much so how would you define power in the relationship…

AM:
 hummm how would I define power? Hmmm like the thing that jumps out at me is the er what people outside of SPOG criticize SPOG about is the fact that they think it must be industry run because industry pays the bills er because they're outside of SPOG and don't see how it works so they perceive just by paying the bills that we have some sort of power but er the way I think about it and er I think the way I don't know how other people think about it but the way I think about it is that er if we weren't here doing what there wouldn't need to be any SPOG, there wouldn't need to be a cattle study there wouldn't need to be a mutual aid group there wouldn't need to be an office with Jennifer in and there wouldn't need to be all those things, so yeah, then no one would have to pay but its our fault we're here we're doing this it is to our benefit I mean we get to produce the oil and gas so to me it only makes sense that we pay the bills and er kinda like the least we can do and er the budget is something that is set up with the community's input and their the ones who say well these are the things you need to do and er what the industry is argue over paying how much…

JJ:
 yeah, how much involvement…

AM:
 well not so much involvement, they just argue how much each company pays and we have a formula for that based on medium big small and we still argue about it and we're getting to argue less about it but that's where the argument is, how we're

chopping it up not er whether the community is right or wrong and their assessment of what you should have done …

JJ:
 do you think that power at all has a role in the relationship with SPOG and the community and the operators in the community …

AM:
 I think that trust has subplanted that, it's funny, I really think it's funny cause er I've like done this job for 18 years and for the first er I don't know how I did this job that I know all the people I grew up with and my family and all these people that live around here are great people and they are very distrustful and er you know scared of the oil and gas companies whereas the oil and gas people you know they have such er you know they have such decent people and they want so much to do the right thing and you know the people I work with in other companies and the people I work with in Shell and they're so scared of the community people, you know if you guys would just talk to each other…

JJ:
 isn't that interesting. Why are they scared of the community people…because they're misunderstood…?

AM:
 yeah…of being yelled at, people don't like being yelled at and er know and you know there are really you know the community sees itself without power but really they actually have a lot of power because er er you know they can get hearings and things that we really don't want to happen you know  so so a lot of fear and misunderstanding on both sides and I always see my job as facilitating that conversation and SPOG is just a way that makes that so much easier…

JJ:
 interesting how one side sees the other…funny…

AM:
 yeah…hilarious…

JJ:
 and again that boils down to communication, consultation is there much of that in decision-making? Generally speaking er in the relationship who has most of the decision-making power…

AM:
 well in SPOG our decision-making process isn't really well like I've been in other groups where we argue for months how we're going to make a decision long before we ever get to a decision but in SPOG it's very much our decision-making outcome is a win-win thing, like nobody is actually making a decision you know…

JJ:
 more of a say collaborative or collective approach…

AM:
 yeah you talk about what's the best way…how can we do this

JJ:
 very collaborative…

AM:
 yeah, and there are you know some things we can't decide on and then you have to let other people decide like I mean then the board still has er processes for doing that but mostly we try really hard to get to somewhere where we can make a decision together about something…

JJ:
 so if you I mean if you could describe the decision-making process who would be involved? Industry members and community members?

AM:
 it would depend on what you were talking about

JJ:
 say something that needed a decision made on er an issue…

AM:
 yeah the community I mean Jennifer puts out the notices about the meeting and whoever wants to goes and

JJ:
 so that's open to whoever wants to go…

AM:
 yeah, there's no secret meetings or that kind of stuff it is like one community person said once 'the world is ran by the people who show up' and that is really what happens…we do some wrangling over some things it goes on

JJ:
 back and forth…

AM:
 yeah but it's not not even, well some of the new development processes where you know companies are proposing something and people don't want a lot more back and forth, but a lot of the other kinds of decisions we make it's a lot more like I would say it's not a community person against an industry person, its just people, some of them are industry people some of them are community people some of the community people don't agree with each other some of the industry people don't agree with each other so

JJ:
 it's a process of finding the common ground…?

AM:

exactly! And we don't actually make a lot of decisions because what we're about it sharing pertinent information so because of that we don't really make a lot of decisions. Like the decision around 'what is our vision?' that was a decision we made, 'what are our processes?' that was a decision we made and then all the rest of the time it's how many newsletters are we putting out and the new development committee it's more about sharing the pertinent information about whatever the thing is and coming up with we call them performance measures, coming up with er negotiating er things that are above regulation, er something I like to say is that SPOG fills that gap between regulation and expectation that regulations are minimum and that expectations are often different from that and the board can only regulate to the regulations but nothing stops us from negotiating above that…

JJ:
 yeah…

AM:
 exactly. And an example I use for people is that there is no regulation that you can't move a drilling rig any old time you feel like but you can sit down with the community and agree not to move it during school hours, agree to not move it on the weekend er you know agree to move it in a convoy agree to move it not in a convoy agree to put you know there are regulations for the county about how much dust you can make but you can agree to do more dust control er you know so all of those things are up for discussion…

JJ:
 as an operating member do you feel you have control over the SPOG process like you and other than just having worked with them to basically come together to create SPOG with the other operators do you feel you have certain control or do you feel it has moved on from that and has its own life…

AM:
 Yeah, it's a process you either do it or you don't do it. Some do some don't. The one's that don't the community pushes a little harder on…

JJ:
 Is the community able to distinguish between the different operators?

AM:
 oh yeah!

JJ:
 I was curious about that whether they could distinguish between operators or whether the just lump operators into one group

AM:
 they do paint industry with one brush but it's SPOG that builds individual relationships and they can see 'ah you're from…'…

JJ:
 right so they do see differences…

AM:
 yeah…

JJ:
 Moving on to commitment…So how would you define commitment? You've talked about it being a long term relationship…

AM:
 that's a tricky thing because in er 19…1996 er the result of that communication workshop was er that we asked community people to join our community affairs groups so then the community was a part of SPOG too. So like for the first five years of SPOGs existence it was just industry…

JJ:
 ok…

AM:
 …and then the community joined after we had that communication workshop er which was Dave Brown's idea, which was a brilliant idea, I hope you talk to him, er what was the question about …again? Commitment…

JJ:
 about commitment, long term …

AM:
 ok, so yeah I was just trying to figure out how many years we had been with everyone. Well since1992 when it was all just the company of the 30 companies in the area all of them all of the facilities have changed hands at least once and some of them several times since 1992, except for the Shell facility so we're the only original one. So we have actually this year, our board of directors have er  said you know what something we have to do is some sort of er orientation for new members, that is more than just handing them our binder, did you see a copy of our binder? Er just giving them a copy of the binder. They need tosit down with the community people and hear from community people why SPOG is er important and why their participation in SPOG is important.

JJ:
 do you think you'd ever terminate this relationship?

AM:
 Absolutely not! That would be business suicide.

JJ:
 Do people ever do that? Do organisations do…?

AM:
 well we have had companies that have quit SPOG erm but the one's that have quit have been  ones that are really tiny little ones or ones that are partners of ones in the area but they don't actually own something or operate in the area. A good person for

you to talk to is Gerry Schalin… he could just see how much benefit to his small company the support he got from the other companies in the mutual aid stuff and the just the learning that we share with each other, the environment committee, the relationship – it's very difficult for a small company to with a small number of people to build with, like with a big company it's a given that it's a good thing for us to be a part  it but for a small company there's really some advantage for them too.

JJ:
 erh tell me about dialogue, how do you see dialogue…

AM:
 erm that is certainly part of the sharing of pertinent information, is er getting out on the table what everybody cares about and why they care about it, er and it happens in a lot of different ways in SPOG er I don't know if you've chatted with Jennifer about the monster that SPOG is we have about sixty meetings a year and …

JJ:
 can you attend all those meetings?

AM:
 I sure try to …it's a lot of meetings and er Jennifer just does an outstanding job I don't know how she does it, keeps on top of everything er but so there's a lot of opportunities in a lot of different ways for people to be involved and er you know there are things all the way like we have an annual event called Neighbours' Day that er we get over 1000 people come to and we need a whole people, a lot of volunteers to help us do it so people who are just happy they don't have any burning you know they just want to be involved like a lot of those people we get a hundred people out to help us to do that, you know community people er yeah and the new development committee, that a company proposed something and people are really unhappy about and are participating for the very first time in any kind of SPOG thing and they're unhappy and there's that, so there's like really a range of different ways that people can er participate in SPOG and talk about what's important to them and how it's important to them. The new development committee is a really, they're really key and they're not all like we had er like Hunter Oil still has one called B Pool cause they're developing another sour pool in this area that's more sour than our pool and their gas is coming into our plant, and they they really did the groundwork for er setting up how these meetings work. A fellow named Frank Dabs in Calgary was very instrumental in getting all that organized. And then Shell had used that for a couple of our projects the area well and the pipeline and now there's a waste a waste company that wants to put in a landfill and a waste disposal facility that are new to the area and have no relationship and this is a new kind of thing to the community and er so really unhappy people. Their new development committee is working through the stuff but I actually don't see them I see them having a really rocky road starting with no relationship coming in fresh and definitely kinda announcing what they were going to do ok,  tricky…and it's really a very tricky, and…I don't know if you've read any of Peter Sandman he er did quite a bit on risk communication you know the er not in my back yard type of thing and how like the regulators I don't know that's the last argument that matters to them because they're regulating on behalf of all of like an individual that's not a nice thing and they really don't want it in their backyard… and a lot of the time people are kind of erm they just can't you know they just don't want

it in their backyard and if it was in your backyard you really wouldn't want that in your backyard either it's a really hard thing because they come to SPOG for a while and they put up performance measures like what's important to you? 'Well the track's important', well what can we do on the track? Well we can do this and we can do that ok and that might help that and well the flaring's important. Well what can you do around the flaring? Well at the end of the day 'I just don't want it in my backyard' well you know there's not anything, there's not a performance measure you can put around that! So but you've got to honour that too because that's er as it's I mean it's really real and the people say you know I'm feeling really bad because I don't want this in my backyard but I don't want it put in someone else's backyard either. I don't want to say just move it two miles and put it in somebody else's backyard cause how is that fair, you know so like they're seeing both sides of that, like it is very like there are just some issues that you need a regulator to to say ok this is what's going to happen because you can't you can agree on all sorts of things and you can work out all sorts of problems but at the end of the day you just can't say you know I really want this here, you can't say that you know…

JJ:
 but a regulator can solve that…?

AM:
 yeah exactly…exactly, but Peter Sandman has has some good stuff about that on the net too about I found a paper he wrote about er locating er waste management facilities but he really articulated the not in my backyard thing really well…and you may put up with er you know the regulator regulates for the Province of Alberta and they have to they have to do that and er the Province of Alberta gets the benefit from whatever it is you do, but really the people who er put with it in their backyard they do have the impact and they don't get any more benefit than anyone else in Alberta but they get  more impact so it is a very real, it's tricky…

JJ:
 erm with dialogue is the core?...

AM:
 oh yeah, absolutely and it's the difference and yeah the difference is that er if we didn't have a Synergy group and a new development process what we do is we would go to each person's house because the regulations say we have to and we would go to each person's house, or mail something out to them but hopefully we would go to their house and say to them this is what we're doing, and person X can say well I want you to do this different and then person Y says well I want you to do this different and person Z says we want you to do this different and the impact of each of those things can impact somebody else  er so having a dialogue with everybody there in the room then people understand well that's how they understand well not in my backyard doesn't mean I want it in your backyard and like where I see this actually the very best is er in this other group called the Panther Advisory Group, because like I we have a farm so I understand farming, and it's my community I grew up here I sometimes have to remind myself that I work for Shell, right, so I can see both sides of it really easily, so this Panther Advisory Group we have trappers and outfitters and tourism tour and you know ecotourism operators I have never trapped anything in my life and I never will and I have never hunted and er I'm not an ecotourism operator

and those are things that are very foreign to me and if we just went and talked to the rafters and said ok we want to do this pipeline or whatever and he said to us well you know if you didn't do it during the summertime, that's my busy time, if you did it in January that would be great and then we went and talked to the trapper and the trapper said well January is my busy time if you just did it in the summer that would be great er you know you're left with no decision that works for anybody so if you have them all at the table and you say we want to build this pipeline when can we do it and the rafters can say well summer is my busy time and the trappers can say well winter is my busy time so they can say what will be the actual impact of doing it are you going to cross the river are you affecting the road, oh well so if you did in the summer it wouldn't be a big deal or if you did it in the winter…so they can hear each others issues so it's not us representing their issue to someone else it's them representing their issue so that's what happens in the dialogue and in the Synergy group, they all get to represent themselves…[end of tape 1 side B; start tape 2 side A]

JJ:
So can you think of any situations where it doesn't work?

AM:
well this land fill thing well it's really tested us …

JJ:
and is it at the end stage now…

AM:
no I think it's a couple months in I think it's kinda getting more sorted out but er well I'm not sure they're not going to be able to proceed without a hearing, I think they may get a hearing anyways but I think that through the process they are going to build a relationship but then they might be able to do it,  they kinda started off on the wrong foot and really I even think that just because they're not in the area and nobody knew them from a whole in the ground, there's no waste disposal facility in the SPOG area and  …

JJ:
yeah, it's new, not familiar…

AM:
yeah, you know waste disposal …

JJ:
doesn't sound good…

AM:
yeah, the people got pretty emotional about it really quickly …

JJ:
and without the relationship there, without the trust…

AM:

exactly, so they had to really start at the ground working through the issues and building trust at the same time and I think they've making some progress, I really do but…

JJ:
 it's a big thing and they're learning about the process, going through it themselves by making mistakes…

AM:
 Yeah, it's not nearly as easy as having relationships and even when you know people, having the relationship, saying to people you know people dial them up and say hey we're thinking of doing this and we know you care about that you want to come and join the committee and we have a track record and so it's been a tricky one…

JJ:
 who do you think keeps the dialogue going?

AM:
 I'd say absolutely the community. I think that er well SPOG keeps it on their behalf but er that er I think that even if we wanted to stop SPOG, you know say ah, that's it we're done! That er there's no way they'd let us stop, like I said whether we're here or not there is still oil and gas development so what are you going to do? What are you're other options? A hearing – that's your other option? Be oblivious and have a hearing, be oblivious and have a hearing! That's no fun, we did that …

JJ:
 and my understanding of dialogue er from you is not just telling what we're doing but consensus and coming together…

AM:
 oh yes

JJ:
 ok we'll move on to transparency, so what does transparency mean to you?

AM:
 that there's no secrets, no secret agendas, there's no er and I think our again our new development process er our information sharing process and our complaint process all help the transparency that er if people want to know something they know where to go and er like there aren't secret meetings there aren't like it's all up front we have an office and people can walk right in and bang on Jennifer's desk if they don't think they're getting something…we do a survey every year and er one of the questions we ask what do you know about SPOG and we've done the survey in a whole lot of different ways, because er  we've mailed it out and not gotten a really good response, we've mailed it out with a prize, we've mailed it out with a contest we've put it in our newsletter, we've had people fill out at neighbours' day but what we've found out what works best which kinda scews the answer about what do you know about SPOG is having our resident visit people take it out while they're doing resident visits and after they've done the spiel on the residents' visit they go ok let's just go through the survey and fill it out, but it definitely shows that SPOG has increased and er

JJ:
 Do you think compared to how things are going that accountability is important?

AM:
 Yeah!

JJ:
 Why?

AM:
 well that's kind of a no brainer, cause people can't trust you if they think you're …

JJ:
 it's the accountability?

AM:
 yeah, exactly yeah, exactly. There've been some other things that have happened in the SPOG area, like another Synergy group called the Parkland Airshed Management Zone

JJ:
 ah yeah, I've read about their air quality report…

AM:
 yeah, and all there's stuff's up on the internet and er actually some of the people that have the strongest issues about air quality in the area are on that group so that like they own the data and they can't say er it's not true as it's their data and er you know when we first started up like we monitored before and after for a while before we started up and so our monitoring showed that the air quality in the area was improving not because of anything that we were doing but that the regulations had improved the other plants that had less sulphur recovery and what not and shut down or amalgamated with other plants or you know just a whole lot of better practice and technology going on so the air quality was improving but it was our data so they didn't believe that…so …

JJ:
 so third party…

AM:
 yeah…

JJ:
 so you think that the whole SPOG is transparent…

AM:
 yeah, I can't think of anything that people don't know about or can't know about…nothing at all!

JJ:

and because of the way you mention the decision-making process comes together with the dialogue happening and all of it open and transparent accountable, ok…

AM:
 yeah!...

End of interview.


## 2. Memo

**Name:** Alice Murray

**Description:** Observations and notes taken during the interview with Alice Murray

I met Alice Murray the same day I first met with Diana Gilbert at the Shell Caroline Gas Complex. Diana asked Alice if she had time then for me to interview her and she said yes she time that afternoon.

Alice is Shell's community affairs manager in Sundre / Caroline region of Alberta. She's worked for Shell for more than 17 years and started with them when she was quite young, getting promoted and recognised for the work she does. Alice is from the Caroline area which has about 100 families, so it small and everyone knows each other well. It is a farming community which has had to live with oil and gas development alongside the agricultural activity.

Alice got married young, has two grown-up boys who are currently living in Prague. One is very 'artsy' and studied fine art at college and university. This son used to wear make-up and for a summer or so worked in the SPOG office. Jennifer told me a story about Alice and this son - apparently Sundre has annual parades and companies and organisations have floats that are driven down the main drag. Well one year for the SPOG float Jennifer and the other SPOG employees and volunteers agreed to 'man' the float which they prepared. Alice was going to drive the truck that was going to tow the float. Well on the day of the parade the six float volunteers didn't show up and it was only Jennifer and Alice's son who were on the float waving with Alice driving slowly through the town. Well, Alice's son was dressed rather alternatively and 'artsy' and had his makeup on which for Sundre is 'far out' and so as the float went by the bystanders started booing and calling names and throwing stuff at them so Jennifer started yelling at Alice to get her to speed up, but 'Alice being Alice' only rolled up her window and carried on at the same pace - apparently Alice hates conflict and avoids it and so she just shut out the noise and carried on...Jennifer told the story very well over dinner after we had all volunteered with the emissions testing ...

Alice is very well thought of by both the community and industry. She's passionate about having a strong community and industry relationship. She cares very much about her community - these are her friends and family members who she has grown up with, lives with, and works with. Alice, like many others, has learned a lot from Keith Eslinger who really pushed through changes regarding how industry worked with community.

Alice has been working on her undergraduate degree via distance from Royal Roads University in applied communication / public relations. She goes to Victoria for about 4 weeks each year for the residential phase and she is able to draw upon her work experience for her studies which is a good fit for her. Shell supports her with this professional development.

Alice is very keen to improve how she works and what she does. She believes in the work she does and it is very clear this work is close to her heart. She loves her community and wants to do a good job and takes it very personally when relationships aren't good.

When Alice gave me the background context to SPOG from her perspective it was very clear that when the community was unhappy she dreaded doing her work and that it had very big impact on her personally. When she told the anecdote of her being in the grocery store and hiding in the aisles so that her neighbours wouldn't see her because they were angry with Shell the sense of how much this bothered her came through very clearly. She didn't want to make eye contact with her neighbours and she felt responsible, shame and guilt and targeted. And all the while she was doing her best to think up ways she could communicate to the community about the good things Shell was doing.

The Interrogatory Report was personally a hard read for Alice - she said it was very explicit in that the consultant interviewed many, many people and in the report it said things like 'Alice Murray does a bad job...' and this criticism affected her deeply. Alice takes things very personally and she really had thought she was doing her job well - 'dreaming up all sorts of wonderful ways to communicate' but only one-way...so the report was a rude awakening for all the industry in the area, not just Shell as there was a 'litany of unhappiness' from the past 50 years which had built up.

Alice discussed trust as being a critical value for relationship building and that it was part of the SPOG value / mission statement - 'creating a vision of trust, honesty and respect'. The industry and community had to move away from distrust.

The community didn't have a way to complain or a complaint type of process where they could log a complaint and know that it would be taken seriously and be dealt with by the correct person. There are so many different operators that it is also confusing and difficult for people to know which operator to address the complaint to.

There was a lack of communication. Most industry communication was one-way - just telling the community what they were doing and how they were going to do it. Companies simply announced their plans and defended them.

This situation led to the erosion of trust and with band environmental management the community became very, very upset and angry with the industry.

Alice believes that SPOG has succeeded because "we" (Shell) did everything wrong. In 1986 Shell became active in the Sundre area. In 1988 Shell did engage with the community but only for the short-term. There was one-way communication and reactive communication when there were complaints.

When Shell built the new Caroline Gas Complex they assured the community that there would be no flaring so when there was flaring the community felt let down, and the community members that had supported the development of the Caroline Complex lost face within the community. The flaring was occuring because there were some problems with the plant that only became noticable when it was operational. But knowing this didn't make the community happy.

Shell also had a small pipeline leak and people felt let down, unsafe and were really upset. After the leak the plant was fixed. And after the plant had been operational for a while Shell realised that it could process a lot more gas than the permit it had applied for. So Shell applied to the EUB for an increase in the licence they had to process sour gas. There was a pre-hearing and the community was invited. Sixty residents attendended the pre-hearing and they were extremely unhappy. So many greivences were raised that the EUB ordered an Interrogatory Process in order to evaluate what the situation was to be carried out by a consultant. The reason behind having the interrogatory process was that the greivances mentioned related to numerous companies and not just Shell. It was as if the top had blown off a pressure cooker.

It was this consultant's report that was tough reading for Alice.
In January 1992 Nova had a blow out one night. The Nova station was close to where the Caroline plant was being built (but wasn't finished) and so Alice received a phone call from the media asking for her comment on the massive fire. Alice had no idea what this was about and only knew it couldn't be Shell's crisis because the plant hadn't been built yet but even though she lived approximatel 14km away from the plant her bedroom was lit as if it were daylight outside instead of being pitch black. This crisis led to the birth of SPOG which essentially was set up with three working groups: community affairs, which initially just communicated what was going on with other working groups.

The interrogatory report was given to SPOG so that they could fix the situation. The theme throughout was the lact of communication. So in November 1996 Shell organised communication workshops and invited the community members to co-create a vision for SPOG. They were all given the task to think about what a perfect future would look like. The resulting vision of SPOG is central to what they do and how they do it.

When asked about SPOG Alice explains that it is a process, so in itself it isn't trustworthy but the relationship is. Synergy is using the process of collaboration. There is a lot of trust for SPOG members (both industry and community).

Alice thinks the level of satisfaction is really good. The pipeline leak took Shell 7 years to recover from the media and community. In 2003 Shell had another tiny leak however the community reacted really supportively towards Shell and defended Shell to the media. The level of trust that Shell would fix the leak as soon as possible was high. For Alice this illustrates the difference - the leak before SPOG and the leak after SPOG. Similar leak but completely different community reaction.

So for Shell SPOG is absolutely worthwhile to continue with.  Shell is benefiting from SPOG. It doesn't have the hearings it used to and each hearing costs at least $1

million! SPOG's three areas are information sharing, complaints and new developments and between these the community is served well.

Regarding power, Alice thinks that the community perceive the operators to have the power. But trust has now subplanted power issues. Community is empowered and fear and misunderstandings on both sides has been radically reduced if not gone. The decision-making process is based upon Covey's win-win approach and is very collaborative. They are not happy until they reach the win-win solution.

Alice told me to talk to Dave Brown who was one of the initial community members together with Keith Eslinger from Shell to establish the 'new' SPOG that had both industry and community members.

Alice also told me to talk to Gerry Schalin in Olds.

Alice thinks that dialogue like trust is critical for SPOG. It is part of the vision statement - 'sharing of pertinent information' this is not one-way communication but instead is sharing, which goes both ways. This is what everyone cares about. There are roughly 60 community affairs SPOG meetings per year and there are a lot of opportunities for people to get involved and a range of ways for people to participate. The New Developments committee is currently dealing with a waste management company (CCS) and the facilitation process is going along...CCS is new to the region so there is no relationship with them but they are trying.

Alice mentioned I should talk to Frank Dabbs in Calgary about Hunt Oil as Frank was the facilitator for B Pool which was to do with Hunt Oil). Alice recommends Peter Sandman's work on risk communication and the NIMBY phenomenon - not in my back yard...as this is very much the issue with CCS.

Dialogue for Alice is core and makes the difference! The landfill / CCS issue may end up in a hearing but the community is keeping the dialogue going.

Transparency for Alice is simply having no secrets and no secret agenda. The information sharing process is clear and there are no secret meetings. The SPOG office is open and there is easy access to everything from minutes, plans, proposals, etc.

Alice thinks transparency is important as it shows accountability and that helps develop trust.


## 3. Coded Interview Transcript

**Interview with Gerald Ingeveld, Sundre, Alberta, June 2005**

JJ:
 can you tell me a little bit about SPOG and your involvement in it, the history of it…

GI:

Probably if you were talking to Dave and Keith they were there with SPOG at the beginning[1], so you might have little more of the background. My involvement started in 1998, I was a municipal counselor, and er SPOG was seeking er in order to get everyone every stakeholder at the table they felt that er government should be part of that as well, so that's why I was asked to join. And then I didn't really, hadn't paid much attention to SPOG well too much, well I knew it was there but didn't have to much to do with it and er so then when I joined in 1998 then, then I got the 'full meal deal' that's a Cdn expression[2], means lots of stuff, but there was   one of the things that was very valuable was training that came with it, that was one of the first things that SPOG did was training, train the members

JJ:
 What kind of training was it?

GI:
 One was er something called the 7 habits of highly[3]…

JJ:
 Right, Stephen Covey?

GI:
 yes, that was one training, getting to yes was another, er and the other I can't remember er Alice would remember, er oh smart skills it was called, so really between those three going from the smart skills talks about dealing with other people, other personalities, other ways of doing things and how do you get along with other people that might be a little irritating but just because they are different types of people than you are, er the getting to yes was a course about negotiation, mediation and those sorts of things and the Steven Covey stuff which is very American but ok, but it really er comes together in synergy, really defining the word synergy.

JJ:
 What do you mean by synergy?

GI:
 Ah, good one, Synergy erm is the process of taking say two parties who disagree and separating them from the problem, so in other words identify the problem and then getting both parties on the same side to attack the problem instead of each other[4].

JJ:
 so de-personalising…

GI:
 yeah, the third line. At the end of the day if that's done honestly and fairly and people set their personal agendas aside and really attack the problems so often that problem that solutions are found to that problem that were never thought of before. 1 + 1 can equal 3. If you go into a situation saying there has to be a win-win here. If you come onto my land,  lets say I'm a landowner. You come to my land and you say you want to do something on my land and if I just say no go away what have I won? I haven't won anything I'm just back where I started from right, and obviously the company

292

that wants to do something they haven't won either and even though I might be selfish and say I don't care if you win or not it has nothing to do with me if we can at least look at the situation, look at the proposal there might be something that comes from this that can benefit me as well. And so it was just a better way of thinking, a way of approaching problems er with mediation, arbitration or whatever but finding a win-win and not being satisfied with a win-lose or a and only satisfied with a win-win and I think that's what synergy becomes that's when all the values are represented er at the table with an element of trust er and erm so you don't feel I'm just trying to beat you out of something, and we're coming together and working together to find a solution to a problem. And really that's what SPOG is trying to aim at…[5]

How did it get there? That's a good one…It's hard to put your finger on that. I think the thing that began, that started it was the Energy and Utility Board, and the Engery Utilities Board if you're familiar with them really to summarize their role is to find that balance, scale their the scale, and they need to find the balance between a profitable oil and gas industry, the profitability and the tolerance I guess of the general public, be they landowners, environmentalists whatever they might be, and that balance is constantly changing. There was a point when people had a very high tolerance for oil companies to do whatever they liked.
[6]
JJ:
 would that have been before it became less intensive?

GI:
 Yeah, yeah. Like anything as it becomes more and more intensive and as people er I think things like Greenpeace in the 70s really got a whole generation thinking about environmental concerns. Erm, landowners, we've been called stewards now rather than landowners, you know, we're not there to er to just harvest the land we're stewards of the land, so we pay a little more attention. I think that the little guy versus big business the little guy has won a lot of challenges since the 70s so that bar gets raised, so the EUB in trying to find that balance has put more er pressure on the oil and gas industry, not enough to you know to destroy a company financially to ruin them but enough to really get them to put the pressure on them, to challenge them.
[7]So when SPOG was formed late 80s early 90s these things were starting to happen for two reasons, maybe three but two specifically:  one environmentally we were becoming more and more concerned. A project that would normally have one or two dissenters would now have one or two hundred dissenters. People were starting to communicate, people from different areas were coming together and starting to get some power . The second thing was that the oil and gas industry went through some trying times in the 80s and really what was stripped from most companies in North America was middle management.  And when middle management began to disappear then the people in the field, the guys, ordinary joes working in the field were having a lot more to do with running of the companies, and er companies started to, Shell is a fine example, had to cut a lot of jobs while they were expanding oil and gas, so how do you do that? So instead of saying well here's the board, here's middle management and here's the rest of us, and management listens to the board and shoots the orders downs to the field. Well middle management disappeared that was downsizing, get rid of middle management. So the people in the field had to start becoming team leaders and so when it was time for companies as they do now and

again, to sit down and revisit the direction, redo the business plan, and start to say what are the values of the company, er the values of middle management was whatever the boss would say that's what we do, that's our value,  what the workers were saying was we live in this community, we work here, our children are here, so we are concerned, WE are concerned about the environment, we're concerned about doing something valuable for the community, we're concerned about not fighting with our neighbors because I work for the dark side and that sort of thing…you'll hear that from people like Alice who was born and raised in Caroline and now she works for an oil company and it's her against her own neighbors, so how do you deal with that? How do you deal with that?[8]

And so the first thing that I found with SPOG is er to er become familiar with one another and er to get to know the people from the other side of the situation as a friend and as a neighbor. And to get as many people like that. And so I can get to know you well enough that I know you're not trying to pull something, you're not just in it for yourself, I know that you live here, you work here. And that's why at SPOG with the community affairs it's the public members that live here and mostly the industry members are also people that live here, they are the fieldmen they're  PR men, so I'm sitting there around that table talking with my neighbours about how things should be. The people who find it the most uncomfortable I think in community affairs are the companies that have a PR man that lives in Calgary and they come out to these meetings and often they are struggling to accept some performance measure, it's the other companies that are going to put the pressure on them, the peer pressure on them[9]. Because they regulate them, er. Let me tell you one example one thing we're working to now if you can get ahold of I think Jennifer you've been down to the SPOG office right? She's got a nice binder, very light reading of our manual, the SPOG manual, and that's given to every new operator in the area and it lays out the history and the expectations, and one of the things it lays out is our our processes and it lays them out laid very visually so in this square you go here or you go there, and then so then you can work through the processes and a good example of how community works on a new development process and I'm working with a group now starting with a company that wants to put a little plant in here they take contaminated material they separate the water, the oil, the soil and then they can put the oil back into the pipeline and they can put the water into a hole and they can landfill the dirt, that's what they do, ok and it's going into an area that is really busy and there's lots of stuff there, and the community just went no, we're not having anything to do with this, we'll fight to the death, and er, so we've been working since October and we told the company when they came here to start looking around, we have, I don't know, a dozen or so facilities around the province they came here to look for a good spot because there is so much oil and gas activity it's a good idea to have one of those facilities nearby,

[10]JJ:
 instead of shipping it off…

GL: right, they want it on a main road they want it close to existing pipelines, er you know, you need to have a disposal well and different things to get rid of the excess water they might produce water they might not, so they found a location that they thought would suit them quite well, and er as er SPOG then told them  it would be a

294

good idea to join SPOG, start coming to the meetings, get to know the people that you're going to have to deal with…

11

JJ:
 going to have a relationship with…

GL: exactly, so they were here for six months before they even let anyone know that they wanted to do something, and then when they did say we're going to do something then the community said no listen we can't do this we can't take this on, and so we began to go through the process and the first thing and I took a leading role as a sort of SPOG mentor, we formed a new development committee and some people reluctantly er went on the committee, so initially it was a hall full of people mad cause they want to come and do this and we're not

JJ:
 how many people?

GL: at the open house we had about seventy people, and more people that would have come you know it was during the day and so they weren't able to get out of work and so there were a lot of concerned people in that area, so the first one was just yell and snap at each other there wasn't really much point in really having a meeting other than say this is what we want to do and then listen to them go, er the next meeting was the same thing on a smaller level, maybe there was forty people attending and we actually invited them to join the new development committee, and a lot of reluctance to join that as well, at that meeting however we had representatives from the EUB, some representatives from government, myself from SPOG, there were no company members from the CCS company and er so we facilitated that to the point where we actually got a committee and the committee is usually the people who are the most vocal, and it took about six or seven meetings before the people started to actually speak to the company in a civil way, it took a tour of other facilities, it took er the company really did well, they gave all the information they were asked, they held nothing back even though they were accused of all these horrible things er finally and we lost a few members off the committee the ones that were just were totally unwilling to take a step, I began talking about 'win-win' right from the beginning and was quite insulted by a couple of fellows, I was out of my mind, I was naïve, I was all of these things, why should we even try to have a win-win, and the last meeting was the most creative meeting we that we had where we finally went through we broke it into three steps: what information do you need as a community to understand what these people want to build in your community, and the second one was what are the concerns that the community are already expressing and there were millions of concerns everything from elk herds to you know, you can't imagine, the third step was what are the performance measures that could be put in place that would beneficial to the community. And they wouldn't even look at that, forget that we had six or seven meetings before…we worked the first one obviously they agreed they needed information, the second one they worked through what are the concerns of the community we finally squeezed that down to taking some tours from all the information they have for environmental studies and everything they've done and then finally at that last meeting we finally took a look at that third step, what are the performance measures and we nailed every single performance measure. The big concern is there is too much traffic, the corners are unsafe, boom the company is

willing to spend 200,000 dollars to put in passing lanes, turning lanes, erm it's going to be noisy there's jake breaks on their trucks, well any trucks coming to our facility will not be allowed to use jake breaks, er there's going to be dust cause they'll be ducking around the other road – any truck that comes to our facility will not be allowed to use that road, and on and on and on. There'll be smell, ok any smelly loads will have to be treated for smell before they leave their home site before they can come to us, every single thing, er your lights you're going to light up the sky, ok all our lights will be directional they'll be pointed down onto the ground and one thing after another until the community pretty much exhausted their concerns and now the people that have worked through that process, that have developed a trust for myself as a facilitator and for the company that has been forthright erm they're prepared to this group now is prepared to go back to the community and have an open house and share with their neighbors what they've worked through, and there still might be problems but at least we've got to the point that I can say there's the potential now of at least a vision of win-win. [12]

JJ:
 so that's come a long way…

GI:
 yes it has, it has, now for me to be able to led them to that we needed to have some things in place I needed to have a partner a helper and a good helper for me was Jennifer from the SPOG office who volunteered to take notes, to nobody likes to take notes at a meeting so she does and she's a one worth and if I come up with something that I'd like them to do and if it seems like too big of a step she can stop her note taking and say you know that's not a bad idea that's done over here and there and then people go well, there's someone else that thinks it's ok so maybe we'll go…so for myself  to be able to lead them through that because I've got no degree in communication er all I know how to do is yack  but with some of the training that I've had and some of the courses that I've taken in mediation in communication skills er I was able to I could see oh they're not going there yet so let's work on this over here well now they're ready, so that was helpful er you can bring in a facilitator but how long but then there's another person that you have to build trust for coming in from elsewhere, yeah, that answers your first question, I hope…

JJ:
 it does, so talking about well a lot of these meetings involve trust basically getting to know the other person…

GI:
 er yeah, more like 90% is building trust and I think it's 10%  having a process[13] because we had that in black and white and we gave to all the people in the community and many of them went aah, but some of them said you know this actually makes sense and throughout the meetings we would say ok we're working through this process and here we are, now this process had a point that pointed down that said stop too because if it gets to a point that the community is unwilling to go into performance measures and we have to stop and just say well it will have to go before a board, a hearing er and it still might go before a hearing but the people part of it is getting it so that they understand the EUB process and even if it goes to a hearing if

you've already agreed on performance measures then those go to the hearing too, so a person can say I don't want them because I don't want them, but a board won't listen to that er if they say I don't want them because that's a dangerous corner well they've agreed to change the corner…

14

JJ:

so they'll only look at real issues…

GI:

yeah that's right, well what else can they do you know they can't make purely political decisions that's why there is a board and it's not decided by the Minister for Energy. So trust is maybe more than 90% I don't know how high you can go…erm it's very important to separate positions from say issues let's say. The position everyone came with is we don't want you. But what was the icebreak thing? You can see the top of the iceberg but what is the iceberg sitting on? 15

JJ:

so problem analysis…people say oh this is the problem but it's not you have to dig down…

GI:

That's right yeah, so by finding out what is that position built upon then we're able to start to identifying issues and start dealing with issues. The company was agreeing and solving the issues, so at the last meeting it was the first real feeling of synergy that we had at that meeting as the company was agreeing ok here's a problem there's too much traffic so the company would say well we could do this and a person would say well you could do that and someone else would say maybe we could do this they looked at it and come up with something that was actually workable and to me that's synergy began to work, I'm no longer fighting with you now we are wrestling with the problem 16. Having sufficient information is very valuable so after these meetings getting the EUB representatives there er getting someone who understands roads there so our current county counselor would have been nice to have there, he was at some of the meetings but wasn't terribly helpful er well yeah er er and er you know having someone from the company from the company there who actually knows actually it was good when they had three people there they had the PR person, the finance person, the person who knows the money end of things, they had the environmental specialist there and they had an engineer, so when somebody asks about a technical question the engineer's got it, when someone asks about water or something the environment guy is there, if someone asks why couldn't you use this well over here the finance person can go well that's an extra million dollars so you know, they were able to shoot those questions very well so that was valuable to have as many people around the table to have as many values represented as possible…

17JJ:

that must be valuable for other companies to tap into as well…

GI:

for most companies SPOG has become their PR network and so SPOG is doing their resident visits for them and saving companies a lot of money by going and looking

after six or seven companies at once.[18] And for CCS they really had never run into this level of opposition before they've started in the north and the northern parts of Alberta, less population, crown land and as they're moving south they're running into more people and more resistant and they were a little resistant too because the first few meetings all they did was sit there and get snapped at in a rather vicious way, yeah and you want to respond and you and er I try to deflect that as much as possible and people knew I was a volunteer and I had nothing to gain either way and so I was able to get between them a little bit and be able to deflect a lot of that and now probably I don't have to attend meetings from now on…
[19]

JJ:
 so you think it's at the point that they can resolve things and are respectful…

GI:
 and you see some of the people from the community defending some of the company reps too there was still one fellow who decided he wanted to take a strip of someone and another community person took a step to get between them and said how's that going to help you know we're trying to settle something here [20]so you know they've picked up some of the process they've agreed to start separating again the issues from the position and identifying what really is the problems so er you know my role at the last meeting was more of a meeting facilitator rather than a problem facilitator, so I was just trying to keep them on track and so there was very little of being the referee

JJ:
 so that's the ideal situation…

GI:
 absolutely to be able to step up, the facilitator has done his job when he doesn't have to be there facilitating all the time they've picked up enough points they've created some trust, and so with the general with the SPOG community affairs there's always new people coming in and because we've got an infrastructure in place, because we've got some experienced people there anyone new sometimes they can be a little embarrassed initially because some people will not exactly follow appropriate guidelines because they haven't been exposed to the guidelines but they pick it up very quickly and er it isn't long before someone gets into a position on a community affairs committee and get the hang of it…

JJ:
 do you so they way SPOGs working with having industry representatives and having members from both sides do you sense a satisfaction level with how it's working?

GI:
 individual companies will have different levels of it, companies like Shell for example that have huge investments in this area are the strongest supporters of SPOG and there may be companies that have only a few wells in this area and they maybe resent the amount of time they have to invest in SPOG for the small investment they might have, there are some companies that have totally different erm realities you might say in their business plan than we would erm we've seen companies that er employees and are very much involved in SPOG and advocating many activities and

being quite prepared to underwrite and be involved in community activities and endorse certain things now bought out by another company that says don't get er don't be endorsing things, don't do anything that might embarrass our company or put us er and you see them step back and get a little defensive…

JJ:
 that's a shame…

GI:
 yeah but you have to be you have to do what your company says but on the other hand we're seeing that the fact Shell, someone in England knows what SPOG is up to it's something that we can almost be like missionaries by sharing what's working here to other parts of the world so, we've had contingents from Australia, from er China that have come to see what are you doing here that works and that is good, and it's escaping this area…

JJ:
 yeah things do catch on…and it must be nice to see that

GI:
 I really think I should have been in England visiting you instead of you coming out here!

JJ:
 well if you do come over let me know, we've got wind farm issues…

GI:
 now are you putting up the monster wind farms like the huge ones?

JJ:
 yeah right in the Lake District which is very beautiful and there are a lot of tourism issues there's not much community participation looking at these issues…

GI:
 yeah, …yeah,  they're having a lot of the same issues in Australia where they're finding sour gas for the first time and they're anticipating a lot of fear, well we've seen the same thing here just to the East of us, coalbed methane is something new to Canada, the coalbed methane has a long history in the United States, and it is a terrible history. Before there wasn't enough regulation and they were releasing processed water into the atmosphere and poisoning land and people and it was very nasty.

JJ:
 so created a lot of fear..

GI:
 exactly, so Canada is approaching coalbed methane much more carefully they want to go into the fields that are dry to begin with so they don't have to deal with processed water but there's a lot of fear and unknowing in the community so a company, Apache, a company that works in the SPOG area er is going in just on the

Eastern side of SPOG actually just outside the SPOG boundaries want to do some coalbed methane so there was a lot of fear and concern there, so a couple of people from the SPOG group er went there and helped them set up a synergy group and so they er they've saved them a couple of years of torment trying to set up their own group. And they'll have their own character, their process well be different from ours

JJ:
but they have a blueprint now…

GI:
yes, that's right, so immediately they're doing they're sending out information, that's number one, people need to know what the process is, and number two we need to get to know the people that'll be working in our area. And so they're doing that information session, there's a lot of open houses, and questions and answers…and it was valuable that you could take a couple of people from SPOG and say ok, we're just here on our own to help, we're landowners just like you this is what we found in our area that worked, it may work for you.[21] And so the people actually they own that committee, no one is telling them you must do this or they must do that but the other thing it's opened up is a lot of information because there are 60 or 70 groups in, I don't what the number is, it fluctuates, in Alberta alone that are considered well you can call them synergy groups but some of them aren't, some of them are strictly landowner groups…

JJ:
so more activist groups?

GI:
that's right, more activist groups but they're networked now so that er if there's some information needed they can go onto one website and er probably hook into somebody that can help. SPOG has been the hub of that for 10 years probably. New groups starting up the EUB will say well go talk to someone at SPOG. But there's other groups that have sprung up that do do things differently and they're having successes as well. So we can learn from them as well.[22]

One of the things we did with the CCS thing was that we contacted other synergy groups that are around where the other facilities are and asked for their, how are you doing there? We found most of them were doing fine, we found one group that was a little upset because they erm didn't feel that the EUB listened to their concerns in a strong enough fashion. So we did a little more research there and we found out that they had dealt that this group was a landowner group and they had dealt directly with the EUB and hadn't dealt with the company to develop those performance measures. So er well they missed an opportunity.[23]

JJ:
so the next area in relationships is the issue of power and influence how does that play out in SPOG

GI:

Well, yeah, obviously there is a power structure because, and it comes down to money because they need to operate a budget, so obviously the people putting in the money have more of a say than the rest of us and so it because a balance between these are the companies that are putting the money in to operate so they sit on the board and they make the big decisions but on the other hand if the public members walk then they'd have no group so they have to do that balancing act between funding er what gives us the ability to have more say because of funding as opposed to what's going to drive the public members out...

24
JJ:
 so keeping the balance and participation…

GI:
 That's right, and I can't think of any obvious altercations because of that, I would like to see SPOG more involved as a community group they do encourage fundraising for some activities now and again, I would like to see them endorse some things more, more heartily you know, but that's just me it can be the public and I don't know what goes on in each company if somebody's going to get in trouble for endorsing something that may come back to bite them someday. I don't have a problem there is a stigma to er community groups other groups that are so called Synergy groups er that absolutely will not take a penny from an oil company because they don't want to seem as though they've been bought.

25
JJ:
 So how do they fund themselves?

GI:
 Out of their own pocket. Well let me answer it this way, not well. So they are limited to the kind of courses that they can take, they are limited to the resources they can access, er they may have a volunteer coordinator and they may be spending a lot of their own money to deal with a situation that they didn't cause, you know, and er I and any group that I've erm encouraged at conferences that we've been to that there is nothing wrong in taking some money from the companies that are here causing the problems the issues and why not, I mean an oil company is er terrible, there's an oil company you know the oil companies are here to make money and this is the cost of doing business to fund a Synergy group and most oil companies will will fund because they know that a Synergy group is a good thing …

26 JJ:
 yeah, it helps them … you guys are finding solutions…

GI:
 And in your area it is important to have funding figured out ahead of time, you know government is going to put in this much, business is going to put in this much maybe the local politics, counsels will put money in as well but make sure you have the funding in place before you begin because after you don't want your group to have to concentrate on fundraising to operate because it takes away the core function…

JJ:

Erm when you think about SPOG how would you rate commitment…is it high?

GI:
I think so, er I think it's pretty high. We have about a bank of around 100 volunteers and we find it best to assign a volunteer to do a particular job and then let them go. There's a handful of people like myself that just like to be involved regularly and I like to go to meetings and like I'm taking time off now to be here cause it's something it's like a tithe of my time and it's a good project so so I do that, it's tough for a lot of people but most people prefer well I'll come and help you with such and such a thing…
27

JJ:
give them a timeframe and a specific project…

GI:
that's right so to have your directory of people so that when Jennifer, our coordinator says I need five people to help me to this she's got her list of people who are willing to do that sort of thing, she can make a couple calls and boom..
Good relationships with the schools and college and those sorts of things, education committee…

JJ:
and with er I guess the whole process is encouraging dialogue and it's a transparent process…

GI:
And again you have to have that trust level or nobody wants to be naked in front of someone you don't know, well no, and so and you are like I'm mad because you want to do this and I don't think it's the right thing to do and I have to be vulnerable before we can have that trust[28], people that aren't vulnerable I can't trust someone that has no chinks in their armor…

JJ:
it's that exchange…

GI:
exactly, nothing better than everybody go on a retreat somewhere and go fishing and all come down to the same level and build the trust…

JJ:
how much potential influence do you think the SPOG process has in resolving issues?

GI:
I'd say very close I'm using the CCS as an example, just the number of hearings that we haven't had in the past 10 years, this is a busy area, there are twenty-nine petroleum operators within our boundaries and our and that's a lot of activity happening and yet we seem to be able to resolve most of what happens.

JJ:

erm how much influence do you think that the community has on the industry members when it comes to stuff…

GI:
 Well quite a lot, yeah…

JJ:
 Thinking about friendly or unfriendly how respectful do you think the industry is toward the community?

GI:
 oh I would put that high they're pretty respectful…

JJ:
 and the other way the community towards the industry?

GI:
 it's getting there, if the provincial average is 50% then we'd be around 70%, I don't think you can get to 100%, that would be scary…

JJ:
 as a community member do you think industry only cares about their own agenda?

GI:
 oh it's way beyond that, the people that's the thing we have our annual neighbors day because that's the thing we are neighbors and in a rural community like this neighborhood is important and it reduces hostility …most of the good ideas come from industry and I see these companies coming up with good ideas and sharing, and there is the best practices where 29 companies can sit down and share and network and they wouldn't have the opportunities for the people in the field to network, the people doing the nuts and bolts, the senior board networks everybody plays golf but for the people in the field it's really good…

29JJ:
 and the reverse, is the community only interested in what it can get out of the industry or is it altruistic…

GI:
 I think it's moving forward, I think it's far more – we might have been much lower at one point but in my lifetime I've seen it move and again it'll never get to 100% as no one is altruistic and again in this area it's higher because of the trust level, you don't have to be as selfish if you're not alone, and no one here is alone anymore, there's the community…

JJ:
 how close do you think the levels of agreement are between the industry and community are at the end of an issue?

GI:

at the end of the industry I'd say very close, you'll always have someone there'll always be a company saying we're spending more money than we should be here and there'll always be a community person who will say you're not quite er…that's probably it on most issues…

JJ:
and do you think that the community is able to predict industry's response?

GI:
I think we're getting that down to a science, we're getting that down really close. Again for a company that comes in from the outside, an American company maybe that's not used to how we do things here, getting the orders from Houston lets say they'll be thrown through a loop, most companies are very predictable in how they'll work this through because companies aren't stupid they'll follow a system that works and they'll make the decision whether we can afford to do it this way knowing that if I'm going to do it in the SPOG area this is the way we're going to have to go, can we afford to do it or not, if we can't afford to do it we're not going to go in and fight it through…so very predictable probably around an eight…

Here's a story about Hunt petroleum, an American company comes up by the Hunt that's the tomato people they buy an oil company here and jump into everything and now after a couple of years of getting ready to go now they're stepping back saying I don't think we can afford this, and so now they have to go away and decide do we throw away everything or do we carry on?

JJ:
Do you think that industry views are getting closer to the community?

GI:
it's getting closer, as long as new companies are coming in it'll never be perfect, because the profit motivation you can't ignore that.

JJ:
ok that's it, thank you very much…

GI:
so if you feel like coming out for a look around the ranch and meet the family, you can talk to my wife as she has an outsider view…

JJ:
Thanks a lot…


## Annotations

[1] Dave and Keith are seen as key founders of SPOG (when it opened up to community membership).

[2] 'full meal deal' is a Canadian expression - linked to fast food (ie McDonald's - and their 'full meal deals') - means you get the whole thing (not just a bit)...

[3] Stephen Covey's 7 habits is mentioned - others mentioned it too (Keith Eslinger, Dave, etc - others also refered to the communication workshops which were the Covey ones).

[4] Gerald's synergy definition.

[5] Gerald explains the collaborative / cooperative approach to working with industry in order to find solutions that satisfy all parties.

[6] The balance between community and industry interests shifts over time. This ties in with the background context that others have mentioned.

[7] The changing context and balancing act...

[8] Changes in the external environment had an impact on the oil industry - people started talking / communicating more (knew their rights) and oil companies downsized their middle management so there were just the guys in the field and the head office. The fieldworkers were part of the local community and the stress of conflict with their neighbours was motivation for change.

[9] The relationship developed as community people and industry people got to know each other and understand their perspectives and where they were 'coming from'. The local industry workers became far more comfortable and trusted because they lived in the community. Those industry members that live outside of the community (ie Calgary) still struggle...

[10] This is the CCS example pretty much everyone has mentioned. Gerald is the SPOG community member facilitator.

[11] CCS were advised to join SPOG and get involved and get to know the community and start developing a relationship with them...

[12] Over time the community was able to have an open dialogue with CCS - a lot of the relationship building rested on developing performance indicators that the community trusted would be kept by CCS. Once the performance indicators were agreed upon then tensions decreased and the community became helpful.

[13] relationship building is trust building

[14] SPOG helps facilitate conflicting interests so the best result happens. Everyone realises industry is a pain but it isn't going away, so the next best thing is to ensure performance measures are formulated that lessen the direct impact industry operations have on the community.

[15] sounds like Covey's perspective on conflict resolution...

[16] The moment when the fighting stops and the community and industry member are instead working together to find a solution - a 'Synergy' moment.

[17] experts attend the meetings in order to help answer questions and discuss options

[18] SPOG's network is a real benefit for companies...

[19] CCS hadn't had to deal with populated communities as all their other waste disposal sites are in areas that have very few people living in

[20] Community members do at times defend industry members when a community member is out of line...

[21] SPOG community members spread the word to other 'synergy' groups...

[22] Synergy Alberta is growing. EUB recommends the SPOG model but other varieties exist and are doing well and groups learn from each other...

[23] An example of SPOG community members tapping into the Synergy Alberta resource to find out how CCS operated in other areas - like getting references!

[24] Power and influence balance - the industry members provide the budget but without the community members there is no SPOG, no community relationship...

[25] Gerald doesn't remember any major issues or hiccups regarding SPOG and industry members creating friction. But it seems he doesn't really view community groups that don't have industry members as 'real synergy' groups - 'so called synergy groups'. This is similar to what Dave Brown said.

[26] This view is repeated by Judy Winters as well as others - the oil and gas operators have caused the problems / impact on community therefore they should fund the community groups because this is the only way to live with each other...

[27] There is a lot of community support and commitment evidenced by the volunteers who give up their time to support activities. For the Environment Canada / SPOG emissions testing there are quite a few community and industry volunteers that ran the day in Sundre and in Caroline with the two Environment Canada officers.

[28] transparency is required for trust - certain level of vulnerability

[29] Industry commitment to the community is high and is perceived to really care about the community - they are neighbours and all live in the same area...field workers are community members, so the division is very blurred

**Appendix 6: Thematic Clusters**

| Theme | Sources | References |
|---|---|---|
| Accountability | 6 | 25 |
| Background history | 18 | 108 |
| Benefits | 13 | 104 |
| Coercive behaviour | 16 | 35 |
| Collaboration | 16 | 73 |
| Commitment | 16 | 96 |
| Complaint Process | 10 | 14 |
| Cooperation | 15 | 82 |
| Covey Language | 11 | 42 |
| Decision-Making | 13 | 50 |
| Dialogue | 17 | 104 |
| Fear | 6 | 16 |
| History of distrust | 11 | 47 |
| Honesty | 10 | 17 |
| Industry Induction | 10 | 41 |
| Influence | 15 | 48 |
| Knowledge Transfer | 12 | 52 |
| Leadership | 11 | 56 |
| Networking | 7 | 34 |
| Power | 14 | 43 |
| Processes | 14 | 96 |
| Rebuilding Trust | 14 | 49 |
| Relationship building | 18 | 340 |
| Relationship Termination | 10 | 25 |
| Respect | 14 | 62 |
| Satisfaction | 16 | 98 |
| Synergy | 14 | 60 |
| Threats | 6 | 30 |
| Transparency | 15 | 42 |
| Trust | 18 | 79 |

**Appendix 7: Paraphrased Interview Transcript**

Interview Summary – Gerald Ingeveld

Gerald's involvement with SPOG started in 1998 when he was a municipal counsellor and SPOG was trying to get every stakeholder to come to the table. When he started participating in SPOG he got the 'full meal deal' and received a lot of valuable training such as Covey's 7 Habits of Highly Effective People, smart skills, getting to yes – all to do with resolving conflict and negotiation and developing synergy.

Gerald defined synergy as the process of taking two parties who disagree and separating them from the problem, so in other words identifying the problem and then getting both parties on the same side to attack the problem instead of each other. Sort of the third way approach. Gerald felt that if people could set aside their personal agendas and really attack the problems then they'd come up with solutions that they had never considered before but with a collaborative approach they become possible. Gerald feels that the win-win approach is what is important and that is what synergy is when all the values are represented at the table and there is trust that no one is ripping anyone off.

Gerald gave some of the historical background that led to the development of SPOG as an industry-community group. He explained that the EUB's role was to find the balance between a profitable oil and gas industry and the tolerance of the public / landowners. This balance is always changing and previously there had been a time when the community had a very high tolerance for the industry which could do whatever it liked. However society changed and the environmental movement developed in the 1970s, and the petroleum activities in the area intensified and this caused tension. So the EUB had to find a way to put more pressure on the companies without financially ruining them, but still enough pressure on them to encourage them to change the way they operated. The community unhappiness grew and people started to communicate more with each other and became empowered. He also thought that during the early 1980s oil companies were struggling and so they down-sized their middle management which meant that the field workers had more say and over time their values made it into the board room. The field workers were part of the community as they lived in it whereas the previous middle management lived far away and were not involved in community life. The field workers shared the same concerns as the landowners and did not want to be fighting with their neighbours.

The first meeting Gerald had with SPOG was really about getting to know other people in the community and industry and developing interpersonal relationships and building up trust levels. He thought that the industry members that felt uncomfortable were those that didn't live in the area so they don't have the same relationship or understanding of the personal issues and emotions involved.

Gerald has been recently facilitating a new development committee regarding a proposal that CCS would like to submit for setting up a plant that processes contaminated material. CCS would like to locate the plant in an area that is really quite busy and the community was very unhappy about this. SPOG has worked with CCS to get them to understand how they need to work within the SPOG region and develop a dialogue with the community by listening to their concerns. Gerald formed

the new development committee that would be made up of community members who would meet, gather information on what CCS wanted to do, the options CCS had, and take a look at some of CCS' other plants. The approach was 'win-win' even when the community was really upset. But after several meetings and having CCS participate with the community the personal agendas were dropped and a collaborative approach took its place. The community members expressed their concerns and developed performance measures that would remove these concerns and were accepted by CCS. CCS had to develop trust as it was a 'new' company to the SPOG region and so the community didn't know it or have a relationship with it.

Gerald explained that if the community felt they couldn't accept the CCS proposal then they would have to have an EUB hearing. But even if this were to happen by going through the SPOG process many of the concerns would have been dealt with by developing acceptable performance measures. So personal dislikes would not be accepted by the board only issues concerning safety would be which most likely would have already been addressed by the company.

Gerald thought the SPOG industry-community relationship and SPOG processes were about finding the cause of the problem and identifying what the position the community or industry has got toward the problem then they can work on identifying the issues and start dealing with them. For CCS this process worked well as it became clear there were a lot of fears that could be addressed quite easily.

Gerald mentioned that the SPOG industry-community relationship is a big benefit for the industry and has become its PR network. SPOG looks after the resident visits so people are not visited by numerous industry representatives which was a previous nuisance but was an EUB requirement for emergency response plans.

Gerald thinks there is a high level of respect between the industry and community members and that the community members will defend the industry members if they feel a community person has gone too far and been rude. The SPOG values are important for reminding people what they care about and how they should behave toward each other.

Gerald mentioned that there are always new people moving into the community but because they have the SPOG infrastructure in place as well as experienced community and industry members new comers are inducted into the SPOG approaches. He perceived that industry members are satisfied with the relationship and that some industry members such as Shell are very strong supporters of SPOG which made sense as they had a lot invested in the area. Some of the smaller operators might not be as supportive because they don't have as much to gain but overall the industry is very supportive of the activities and community.

Gerald mentioned that they could act as missionaries and spread the word by sharing what is working for them in the SPOG region. As it is SPOG does support new community groups and other synergy groups to become established. SPOG is very much a blueprint which can be adapted. Information is shared online via websites and links so there is a lot of learning via the experiences of others.

Gerald said there was a power structure visible in SPOG because for him it was obvious that the industry members putting in the money would have more of a say. However he thought it was a balance because the relationship would end if the community wasn't happy. He also thought there wasn't any stigma attached to SPOG being funded by the industry because oil companies are terrible and exit to make money and the cost of developing a community relationship is just a cost of business. Without the community's support there would be no relationship and the cost would be much higher for all the industry. He thinks that the industry is very much aware that a synergy group is a good thing.

Commitment for the SPOG industry-community relationship is very high. There are over 100 community volunteers who help out with events and activities as well as the core group of volunteers that actively participate in the SPOG committees and organization and who represent the different communities with the Sundre region.

The SPOG industry-community relationship encourages dialogue but first you need to have trust and involves being open and transparent as you have to be naked and vulnerable for people to be willing to trust you. Gerald views the SPOG processes as being very effective and influential in resolving issues. He sees the evidence of this as being the fact that they've not had a hearing in the area for the past 10 years, since the industry-community relationship was developed and during this time the level of industry activity has really increased, but issues are resolved properly.

Gerald thinks the industry is very respectful towards the community and the community in the Sundre region is much more respectful towards the industry than elsewhere in the province as they have a good relationship and can see the benefits of working collaboratively.

The SPOG industry-community relationship has meant that the industry and community know each other and are able to predict how they'll react to an issue and are therefore better able to resolve it.

**Appendix 8: Overall Clustered Themes**

The thematic clusters were reduced to the following overall clustered themes:

1. Transparency
   a. Transparency
   b. Openness
   c. Accountability
   d. Collaboration
   e. Cooperation
2. Dialogue
   a. Dialogue
   b. Communication
3. Trust
   a. Trust
   b. Rebuilding trust
   c. History of distrust
   d. Honesty
   e. Respect
4. Power
   a. Power
   b. Control
   c. Influence
   d. Peer pressure
   e. Coercive behaviour
   f. Processes
   g. Decision-making
   h. Complaint process
   i. Industry induction
5. Commitment
   a. Commitment
   b. Relationship termination
6. Satisfaction
7. Relationship building
   a. Relationship building
   b. Threats
   c. Background history
   d. Fear
8. Covey language
   a. Covey language
   b. Synergy

**Appendix 9: Participant observation guidelines**

The following participant observation guidelines were adapted from LeCompte and Preissle (cited in Cohen et al., 2000, p.312):

1. Setting
   - Where does the event occur?

2. Actors
   - Who participates / is involved in the event?
   - How many participants are involved?
   - Describe the participants.
   - How do participants interact with each other?
   - What are the roles and status of the participants?
   - Relationship between the industry members and the community members
     - How is the relationship between the participants characterized?
     - How are their roles and status defined?
     - How is power within the relationship expressed?

3. Event
   - What activity is observed?
   - How is the activity being described, justified, explained, organised, and labelled by the participants?
   - How is the time used in the event?
   - How do the industry members want to be perceived by the community members? How do the community members perceive the industry members? Vice versa?
   - What meanings are the participants attributing to what is happening?
   - Could be the activity described as formal or informal?
   - It is possible to develop personal relationships during and after the activity?
   - What other activities formal or informal occur before the event?
   - What other activities formal or informal occur during the event?
   - What other activities formal or informal occur after the event?
   - What unexpected activities occur and how have they changed the context?

4. Message
   - How is the message framed? How often is name of the organisation mentioned?
   - Does the message reply to the publics' issues rather than promotion of the organisation?
   - How are the messages about the organisation framed: favourable information or neutral information?
   - What is the style of communication? Where is the dialogue placed within the communication exchange – is it at the end when there are questions or during the event?
   - How is the message contextualized, for example references to previous meetings, references to other SPOG activities, etc?

- What is being discussed frequently/infrequently? What appears to be the significant issues that are being discussed?
- What is of most interest for the community members regarding the message?
- How is the language used?
- How are the roles of the participants influencing the message frames?

5. Researcher
- What is the place of the researcher in the setting?
- What are her feelings?
- What are the limitations of the observation?
- How does the researcher confront the cultural barriers?
- How does the researcher interact with the participants?
- What are the ethical issues raised during the fieldwork?
- What are the tensions, problems and dilemmas and possible points of clarification?

The following items were used to guide the observation and were sourced from the research literature, the interview questions, and the co-orientational questionnaires.

*1) Context / environmental aspects:*
- cultural limitations
- language limitations


*2.) Relational elements:*
- trust building
- transparent processes – is it open?
- dialogue – is communication two way?
- how does control mutuality appear? Do both parties influence the discussion?

**Appendix 10: Sample observation record**

**SPOG Community Affairs, Neighbour's Day Committee Meeting**
**June 9th, 2005**

| Start and end times of the meeting: 09:00 – 11:35 | |
|---|---|
| Descriptive Notes | Reflective/Interpretive Notes |
| The meeting took place at the SPOG office. Industry and community members arrived before 9am and helped themselves to coffee and donuts. At 9am people start to sit down around the big board table. There were nine participants who attended this committee meeting, three community members, four industry members, and the SPOG Co-ordinator. | The SPOG office is open so anyone could come in. The meeting's purpose was for planning the next Neighbour's Day in September 2005 but before the discussion on Neighbour's Day, the participants shared their opinions on the previous night's event to do with coal bed methane held in Olds. |
| The SPOG office is open planned except for the SPOG co-ordinator's office, which is off to the side. The meeting area is in the centre of the open plan area, so it is very open. | There was evidence of personal relationship building. The meeting setting was favourable for dialogue. |
| The SPOG logo is painted on the wall and clearly visible. | No visible difference in status of industry and community members. Informal discussion over coffee and donuts. There was also coke and other soft drinks if anyone didn't want coffee. |
| At the start of the meeting everyone introduces themselves for my benefit and I introduce my self for those who don't already know me. | Ideas regarding the Neighbour's Day were bounced around and the atmosphere was friendly and lighthearted. The participants knew each other really well and what was going on in their personal lives as well. |
| Jennifer and the others started talking about the coal bed methane meeting (CMAG – a new group that is developing just outside of the SPOG region) and how it went. They identified the factors that they thought had made it work well: | |
| | The meeting was informal but still minuted. |
| • The facilitator Barbara McNeill was really good. | There was a high level of cooperation between the members – both industry and community. If I didn't know who was who I |
| • Opportunity for people to talk face-to-face and 1-to-1. | would have had difficulty figuring out who was an industry member vs community |
| • Balance regarding the presentations and | member as it felt like the roles were not |

perspectives: petroleum industry, Pembina Institute (environmental think tank), and Surface Rights (activist group).

Apache (oil company) was very nervous the coal bed methane meeting because this was a new type of activity which was very sensitive due to horror stories from the US. It was felt that at the beginning of this meeting there was little trust but by the end of the meeting there was dialogue, and trust as community members were getting answers and learning from the industry and surface rights group.

It was also thought that the CMAG meeting was really about relationships and developing them and Jennifer felt the onus was on SPOG to help this new group (CMAG) and Apache in figuring out how to develop and build their relationship. They thought that the increase in face-to-face interaction really helped rather than just emails.

After this reflection on the CMAG meeting they discussed the theme for this year's Neighbour's Day – history theme. Ideas included antique cars – 'show and shine'; horse and buggy; antique oil equipment, representative artifacts from the pioneer days.

At the end of the meeting we all went for lunch in a restaurant across the road.

defined as they were in the Community Affairs meeting where everyone had name cards and the industry members reported on their activities, etc. This was just like community members working together with some who happened to be industry members and this only really showed when they mentioned what resources they could get from their companies.

The meeting was relaxed and friendly. Ideas were generated and supported. Members thought about how they could operationalize ideas and who they'd liaise with to make them happen.

There was a lot of laughter and respect for members and the wealth of expertise was visible as some of the community members had extensive contact lists and also had the community history which was important considering the historical theme of the event.

The decision-making regarding the event was collaborative – items were discussed and agreed upon there were no disagreements. Each suggestion was discussed and considered. One of the ideas was a family tree regarding the oil and gas companies going back to the Hudson Bay Trading Company times. Another suggestion was to produce a timeline of the oil and gas industry in Alberta. And another suggestion was for a mural to be painted on some canvas and hung on the side of a building as a backdrop.

| | |
|---|---|
| | Members spoke in turn and didn't interrupt each other. |

**Appendix 11: Sample of Co-orientational Questionnaire**

**For the following questions please circle the appropriate response:**

1.  How much potential influence do you think that SPOG industry members have on the community? (**1 = very low influence and 9 = very high influence**)

    1   2   3   4   5   6   7   8   9

2.  How much potential influence do you think that the community has on the SPOG industry members? (**1 = very low influence and 9 = very high influence**)

    1   2   3   4   5   6   7   8   9

3.  How respectful or disrespectful do you think SPOG industry members are? (**1 = very disrespectful and 9 = very respectful**)

    1   2   3   4   5   6   7   8   9

4.  How respectful or disrespectful do you think the community is towards SPOG industry members? (**1 = very disrespectful and 9=very respectful**)

    1   2   3   4   5   6   7   8   9

5.  Do you think SPOG industry members only care about their own needs or do you think they care about the community and the area? (**1 = SPOG industry members care only about its own needs; 9 = SPOG industry members care very much about the community**)

    1   2   3   4   5   6   7   8   9

6.  Do you think the community is only interested in what it can get from the petroleum operators (ie personal goals) or do you think the community is really interested in the greater good for everyone in the area? (**1 = the community only cares about what it can get out of the petroleum operators;  9 = the community cares about the greater good of everyone and the area**)

    1   2   3   4   5   6   7   8   9

For Community Members only:

1.  How close do you think that levels of agreement between SPOG industry members and the community are? (**1 = very far apart; 9 = very close in agreement**)

1   2   3   4   5   6   7   8   9

2.  How well do you think you are able to predict the SPOG industry members'
    position on an issue? (**1 = very badly; 9 = very well**)

    1   2   3   4   5   6   7   8   9

3.  Do you think that SPOG's industry members' views match the community's
    views? (**1 = not at all; 9 = yes, absolutely**)

    1   2   3   4   5   6   7   8   9

For Industry Members only:

1.  How close do you think that levels of agreement between the community and
    SPOG industry members are? (**1 = very far apart; 9 = very close in
    agreement**)

    1   2   3   4   5   6   7   8   9

2.  How well do you think you are able to predict the community's position on an
    issue? (**1 = very badly; 9 = very well**)

    1   2   3   4   5   6   7   8   9

3.  Do you think that the community's views match the SPOG industry members'
    views? (**1 = not at all; 9 = yes, absolutely**)

    1   2   3   4   5   6   7   8   9

**Appendix 12: Co-Orientational Questionnaire Analysis**

**In total 25 co-orientation questionnaires were completed.**

**Community member responses: 14**
**Industry member responses: 11**

1.How much potential influence do you think that SPOG industry members have on the community? (**1 = very low influence and 9 = very high influence**)

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 25 |  |  |  | 2 | 3 | 5 | 7 | 4 | 4 |
|  |  |  |  |  |  |  |  |  |  |

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Community responses (14) |  |  |  | 2 | 1 | 4 | 4 | 2 | 1 |
| Percentage |  |  |  | 14% | 7% | 29% | 29% | 14% | 7% |

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Industry responses (11) |  |  |  |  | 2 | 1 | 3 | 2 | 3 |
|  |  |  |  |  |  |  |  |  |  |

2. How much potential influence do you think that the community has on the SPOG industry members? (**1 = very low influence and 9 = very high influence**)

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 25 |  |  |  | 2 | 4 | 6 | 8 | 5 |  |
|  |  |  |  |  |  |  |  |  |  |

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Community responses (14) |  |  |  | 2 | 3 | 5 | 3 | 1 |  |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Industry responses (11) | | | | | 1 | 1 | 5 | 4 | |

3. How respectful or disrespectful do you think SPOG industry members are? (**1 = very disrespectful and 9 = very respectful**)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 25 | | | | | 2 | 7 | 7 | 7 | 2 |
| | | | | | | | | | |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Community responses (14) | | | | | 2 | 4 | 3 | 5 | |
| | | | | | | | | | |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Industry responses (11) | | | | | | 2 | 4 | 3 | 2 |
| | | | | | | | | | |

4. How respectful or disrespectful do you think the community is towards SPOG industry members? (**1 = very disrespectful and 9=very respectful**)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 25 | | | | 2 | 8 | 7 | 6 | 2 | |
| | | | | | | | | | |

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Community responses (14) |  |  |  | 2 | 5 | 4 | 3 |  |  |

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Industry responses (11) |  |  |  |  | 3 | 3 | 3 | 2 |  |
|  |  |  |  |  |  |  |  |  |  |

5. Do you think SPOG industry members only care about their own needs or do you think they care about the community and the area? (**1 = SPOG industry members care only about its own needs; 9 = SPOG industry members care very much about the community**)

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 25 |  |  |  |  | 1 | 7 | 7 | 7 | 3 |
|  |  |  |  |  |  |  |  |  |  |

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Community responses (14) |  |  |  |  | 1 | 4 | 4 | 4 | 1 |
|  |  |  |  |  |  |  |  |  |  |

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Industry responses (11) |  |  |  |  |  | 3 | 3 | 3 | 2 |
|  |  |  |  |  |  |  |  |  |  |

6. Do you think the community is only interested in what it can get from the petroleum operators (ie personal goals) or do you think the community is really interested in the greater good for everyone in the area? (**1 = the community only cares about what it can get out of the petroleum operators; 9 = the community cares about the greater good of everyone and the area**)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 25 | | | | | | 7 | 7 | 6 | 5 |
| | | | | | | | | | |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Community responses (14) | | | | | | 4 | 4 | 4 | 2 |
| | | | | | | | | | |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Industry responses (11) | | | | | | 3 | 3 | 2 | 3 |
| | | | | | | | | | |

**For Community Members only:**

7. How close do you think that levels of agreement between SPOG industry members and the community are? (**1 = very far apart; 9 = very close in agreement**)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 14 | | | | 1 | 2 | 4 | 5 | 2 | |
| | | | | | | | | | |

8. How well do you think you are able to predict the SPOG industry members' position on an issue? (**1 = very badly; 9 = very well**)

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses of total out of 14 | | | 1 | | | 4 | 5 | 4 | |
| | | | | | | | | | |

9. Do you think that SPOG's industry members' views match the community's views? (**1 = not at all; 9 = yes, absolutely**)

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 14 | | | 1 | | 2 | 6 | 5 | | |
| | | | | | | | | | |

**For Industry Members only:**

10. How close do you think that levels of agreement between the community and SPOG industry members are? (**1 = very far apart; 9 = very close in agreement**)

|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 11 | | | | | | 3 | 5 | 3 | |
| | | | | | | | | | |

11. How well do you think you are able to predict the community's position on an issue? (**1 = very badly; 9 = very well**)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 11 | | | | | 3 | 2 | 2 | 2 | 2 |
| | | | | | | | | | |

12. Do you think that the community's views match the SPOG industry members' views? (**1 = not at all; 9 = yes, absolutely**)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|
| Number of responses out of 11 | | | | 1 | 2 | 2 | 3 | 2 | 1 |
| | | | | | | | | | |

**Appendix 13: SPOG Name Card Sample**

At the SPOG Community Affairs meetings everyone had a SPOG name card in front of them. The side facing away and towards the others indicated the individual's name with the SPOG vision written underneath. On the opposite side facing the individual was the following list of SPOG values:

1. **Integrity**: is the value we place on ourselves. It's our ability to make and keep commitments to ourselves, to "walk our talk". Integrity means avoiding any communication that is deceptive, full of duplicity or beneath the dignity of people. **And looks like:**
   a. Being loyal to those who are not present
   b. Living up to commitments.

2. **Respect**: is the genuine courtesy and appreciation for people and for their other point of view. Consideration for the feelings, thoughts and opinions of others. **And looks like**:
   a. Not attacking others
   b. Treating people the way you would like to be treated.

3. **Communication**: is seeking first to understand then to be understood. Communication isn't defensive or protective or angry or manipulative; it is honest, genuine and respectful. **And looks like**:
   a. Giving people your full attention
   b. Remaining open to others' opinions

4. **Trust**: is the glue of life. And trust grows out of trustworthiness is based on character, what you are as a person and competence, what you can do. The key to communication is trust, and the key to trust is trustworthiness. **And looks like**:
   a. Confidence and belief in each other's abilities
   b. Earned by actions

5. **Reliability**: is doing what we said we would do. Being able to be counted on as one who does what one says they will do. **And looks like**:
   a. Actions=words
   b. Dependable

6. **Honesty**: is telling the truth – in other words, conforming our words to reality. Being straight forward and up-front. The greatest single barrier to rich, honest communication is the tendency to criticize and judge. **And looks like**:
   a. Telling the truth respectfully
   b. Not having a hidden agenda

**Appendix 14: SPOG Community Affairs Minutes Example**

**Community Affairs Meeting**
**March 14, 2007**

Meeting called to order at: 9:05

**Introductions:**
**Sharpen the saw**: with Alice Murray
Imagine a world without poverty. How can you change a situation where
you have frustration yet you have some influence ie. in your work place. Give an
example. Individuals thought of an example and shared their example among
those around them and then people shared incidents with the large group.

**Review Minutes**: Additions or Deletions
MVC pg. 4 Municipal Development Plan at end. Bergen and Bearberry Plans.

**Action Items:**
    Janet – Portable Signs on trailer are worth $5,000.00
    4x8 free standing sign by Bold Signs Calgary, not on portable base.
Sign is worth $375.00 lettering is worth $422.00 total = $797.00 +
GST $47.82 = $844.82.
Gerald Q: Is it a metal sign, Home Depot has trailer worth approx. $1000
and if it is a metal sign then it could be welded to the trailer base. Janet
would check it out.

**Complaint Log:**
Janet read log and re-introduced membership to Complaint/Inquiry
Process Map. EUB Kitchen talks needs to be directed to regulator. If a
company is not a member in the past SPOG has gone to them and let
them know that there is an issue.

**Company Activity Log Reports:**

**Apache**: Kyle Marfleet, Starting pipeline abandonment's.

**Petro Canada**: Doug Logan:
5-18-32-6 pipeline project complete well on stream
Adding dome facilities to our 7-9-33-7 W5 site ie. Compressor.

**Bonavista Petroleum**: BU Have a pipeline project at 9-4 site. New people
involved with company.

**BP** Don Alexander: Eagle Hill 10-23-34-4 working last two weeks. Starting
construction 16-32-42

**TransCanada** Pipelines Irvin: BU

**Hunt Oil**: Norm Ganes, Have installed condensate unit will be operational 16-23-
36-5 well resident meetings are going on.

**Prime West** : Dave Berg, Surveying a few locations west of town

**Penn West**: Darcy Loy, BU

**Compton** : Tracey McCrimmon,
   15-32-34-6W5 Hope to start construction before the w/e; rig & pipe etc are racked at 16-30;
   Will obtain required permits from County and discuss what measures they want from Compton where our traffic will be on the County roads that may be frequented by residents as well; we leave the James River rd. in sec 16 & get onto mostly industry roads from there;
   We hope to be drilling during breakup. Some well completions are delayed by road bans.
   Completed drilling a well @ 14-18-36-5 1 mile East of Caroline and racked this rig for 15-32.
   Completions in final stages @ 9-2-38-6W5) acquired by Regal and transferred to Compton).
   Our 1st pipeline will be 6-16 (5-16 BH) to 5-15-35-6W5 but still in acquisition so will be post-break-up construction.

**ConocoPhillips** : Paula Seidlitz, Frances: 3rd party tie in with one of their lines. Activity- ERP exercise either south or north of highway 54.

**Read Controls:** Troy Fee, BU

**NAL:** Mike Pipeline suspensions

**Shell:**
   Alice Murray, Caroline 8,-1 well reached critical zone Saturday March 10, 20007. The well site will be running formation evaluation logs and the intermediate casing over the next week. Shell will be proceeding with all critical sour well commitments and requirements, as per their site specific Emergency Response Plan. Next Saturday, March 17, 2007 shell will commence drilling ahead in the Swan Hills formation. Drilling will take approx. 13 days, followed by running the down hole tubing which will take 7 days approx. All public have been personally contacted in the modified/reduced emergency Planning Zone.
   Shell Caroline turn around starting April 28, There should be less activity in area, turn around will run around 9 days.
   Shell is sponsoring the economics of staying in school for Gr. 9 students. Need 50 volunteers to deliver the program for Tuesday May 15, 2007.
   Shell 22 re. Burnt Timber – 9-25-30-9 W5M ( bottom hole location) 1-36-30-9 W5M (surface location) For your information/awareness, drilling o perations have concluded on Shell's Burnt Timber 22 well (subject). The rig will commence moving off the well site on Monday, March 12, 2007. The rig will be transported out of the area via the Forestry Truck Road headed northwest to Shell's Burnt Timber 23 well lease site where the rig will be set up and stored. Further updates will be provided prior to well completion operations commencing.

**Enerchem**: contractor received a minor burn on Monday, turn around will commence in June.

**Letter from Chinooks Edge School Division**:
Chinooks Edge School bus drivers are stating that service company trucks are being a risk on the road. Communications committee meeting will be held today at the SPOG office 1:30 re. advertising, get the message out re. safe driving. Some companies have contractors working for them and they have policies that govern how service companies drive and operate in this area. Letter has been sent to provincial sheriffs office.

**Community Reports:**
**Mountain View County:** Liz Ag. Fieldan is here.
    Open house tomorrow night March 15th at Hainstock at 7 pm. Division 6.
    Inter-municipal development plan is completed.
    Still working on Memorandum of Agreement.
    Road plan has been adopted.
    Councilors very busy with meetings and are taking the 7 Habits Course.
    Area structure plans for Bergen and Bearberry under review.
    300 new homes in the county, county is short staffed, development permits are back logged.
    Land use by-law under review. Chariman selected terms of references reviewed, and adopted. A consultant has hired to look after the Land Use By-law.
    March 19-21 Alberta Association of Municipal Districts and Counties meeting.

**James River**: Judy Bysterveld attended Olds Gala. April 15 2-7pm. beef supper at Elks hall need items to be donated for silent auction. March 22 annual meeting at James River community hall 7:00 pm.

**EUB** : Video has been released as salute to the people of the EUB. Revised directive 19. added a few frequently asked questions. Directive 38, Noise control, needed some up dating on permissible sound levels in remote areas. Requirements are now enforceable. Low frequency noise component has been added. Ryan will take names and have copies sent out.

**New Development Committee**: Working on the 8-1 well. Bringing up to date all the noise study that has been done in the past. Bill Starling is going to initiate.

**Crammond**: Everything is good in the community

**Town of Sundre:** Official population 2518. increase of 10% since the last census. There is a new subdivision proposed on the east side of 22 and north side of 27, property was bought by a company out of Vancouver. 2 Creeks are going through this property. Anything from town houses to single family dwellings and a camp ground going into area. We anticipate an increase of population of about 1,000 people. Nurses shortage, council has met with members of the community to discuss this. Acquaplex is doing well, annual meeting is on

29th.7:30pm at WCC.

**County of Clear Water:** Quite for the last month. Road bans are in effect now most are now at 75%. Water trucks hauling information sheet is available.

**McDougal Flats:** 6' culvert along driveway was blocked and flooding. Ryan is working on caveats,

**Eagle Hill**: Applications have gone in for government and county grants. Hope to start construction on hall as soon as frost is out of ground.

**PAMZ, CHAMP:** program is still on hold in area. Might not go ahead this year, monitoring period was supposed to go on in the winter so the program will proceed next year. A presentation was going to be at next meeting, that has been postponed. Members asked the residents be contacted regarding the postponement of program.

**CMAG**: next meeting will be held at the Hainstock hall on April 19 at the county office.

**Bergen: No representation.**

**Committee Reports:**

**Resident visit**: Program is doing well. We will be doing interviews this month to hire 4 students and one permanent/part-time person. We are waiting for some of the final touches to be completed on the data base.

**Environment**: The Learn at Lunch for flaring was cancelled and may be rescheduled some time in June. On May 2nd there will be a Learn at Lunch held at the WCC in regards to pipelines. Participants are asked to register with the SPOG office a head of time.

**SPOG Review Committee**: Renew rejuvenate refocus. SPOG is undertaking a huge initiative which will include many members of the community and industry. We will be putting on a "World Café" event. Hopes are to look at the past, present and to determine the future direction of SPOG. Kerry Brown has been hired to manage the program and devise the event(s) she and another person will be contacting a few individuals and will be conducting interviews with them. SPOG members will be receiving a questionnaire to fill out through email. Please return them as quickly as possible. It is our hopes to have Premier Ed Stelmach attend a portion of the meeting, At this time we are waiting to confirm whether or not Premier Stelmach will be able to attend and we will determine the date based on his scheduling.

**Livestock Study**: New Co-Chair Dr. Terry Hunt. Producers very busy at this time.

**Rural Crime Watch meeting**: held last night at SPOG office. Didsbury and Olds have active crime watch groups. Gerald working with a group to establish a group here. There has been an increase in crime within the oil patch in the last while. The Olds crime watch has agreed to take on this area as a zone. We can sign on to their call down system. Crime watch committee determined that SPOG should purchase a membership in the Olds Rural Crime Watch. Panther has signed up with a $1500 donation. Individuals (families) $25 for 5 year membership. Judy Schlichenmyer 507-5647.

**New Mountain View County Road Use Agreement:**
Within Davidson Park, water loading is no longer permitted. There is a New Road Use Agreement for companies to look over. Please see SPOG information for road use.

**Alberta Environment re. Road Permits: Todd Aasen**
What happens when a TDL (temporary diversion license)permit is issued;

1. If it is a large volume of water they suggest that the county be contacted. It is important that the company is on board to work in agreement with groups like SPOG.
2. Schedule 3 has been changed, dugouts are exempt for permits, green areas are also. Truckers will need consent from forestry. Mountain View County area is handled out of Calgary, County of Clear Water is handled out of Red Deer.

**Other information re. Minutes.**
Included again within the minutes was a county map, so that companies could converse with the county to determine the most appropriate locations for water trucks to dray water.
(See SPOG website attachment re Alberta Environment District offices)

**Alberta Environment: Brad McManus is interim Board chair.**
**Weed Control: Sustainable Resources – Marian Jones**
**Sustainable Resources Rig Street – was not in attendance however a map of the Rig Street area was included in the minutes.**

**Jeff Holmes MVC spoke to the problem of weeds throughout the county.**

During weed season, the tall yellow buttercup is a problem. You can contact the county if you come across a large amount. There is a booklet available through county $2.00 ea. County will rebate $2.00 per acre. Sprayers are available through county free of charge, contact county for booking, they are available for all noxious weeds. No round-up type of products should be used. The earlier the better

before pedals are dropped. MVC has three year rotation policy, they spray roads every three years. Any infestation area they will go out a treat this. They are working with Alberta Highways and have set up the program with them. The other program being initiated is the "Reverse Highway Program".

They can only go so close to fence line and don't spray on private land. Mile stone product and 24D is being used. Mile stone is the new product. Garlan (sp?) 4 is used on trees.
Special thanks to Jeff for providing this information.

**Next Meeting – Special Note: Will be held on Tuesday April 17, 2 007 instead of the 2 n d Wednesday.**

**Lunch was served special thanks to Jose Erickson and her staff.**

**Alberta Environment District Offices.**

Alberta Environment, Northern
Region
Peace River District
Bag 900-5, Provincial Bldg
Peace River, Alberta T8S 1T4
Telephone: (780) 624-6167
Fax: (780) 624-6335

Alberta Environment, Northern
Region
Edmonton District
111,4999—98 Avenue
Edmonton, Alberta T6B 2X3
Telephone: (780) 427-5296
Fax: (780) 427 – 7824

Alberta Environment, Central Region
Spruce Grove District
Suite 1, 250 Diamond Avenue
Spruce Grove, Alberta T7X 4C7
Telephone: (780) 960-8600
Fax: (780) 960-8605
Email:
waterapprovals. spruce gro ve©gov.
ab. ca

Alberta Environment, Central Region
Red Deer District
3rd Floor, 4920 - 51 Street
Red Deer, Alberta T4N 6K8
Telephone: (403) 340-7052
Fax: (403) 340-5022

Email:
waterapprovals. reddeer©gov. ab. ca

Alberta Environment, Southern Region
Calgary District
2938 — 11 Street NE
Calgary, Alberta T2E 7L7
Telephone: (403) 297-6582
Fax: (403) 297-2749

Alberta Environment, Southern Region
Lethbridge District
200 — 5 Ave South, Provincial Bldg
Lethbridge, Alberta TIJ 4L1
Telephone: (403) 382-4254
Fax: (403) 381-5337

January 23rd 2007

Mr. Louis Auger, SPOG Chair
Shell Canada Ltd.
P0 Box 100, Station M
Calgary, AB T4P 2H5

Dear Mr. Auger;

Reports at a recent Board Meeting from our Transportation Department indicated numerous examples provided by our bus drivers where Oil and Gas industry contractor vehicles had passed school buses in an unsafe manner when the lights were flashing. Bus drivers also reported numerous incidences of oil field trucks judged to be travelling significantly above the speed limit on secondary roads. Several of these incidences have been reported to RCMP and County Police but the identification of the rear licence plate of a speeding truck is most difficult. Our school bus drivers also clarified that vehicles with the oil company identification and logo are driven in a very safe and courteous manner. Chinook's Edge is the largest rural school division in the province and we bus 5,800 students daily in areas reaching from west of Sylvan Lake and west of Cremona to east of Delbume and East of Carstairs. With an increase in oil and gas exploration, drilling, and pipelining activity, we note more oilfield contract vehicles are traveling our secondary roads. We understand that these drivers may not me your employees but we request that you bring to the attention of contractors our concerns regarding student safety through your network of contacts.

I would be pleased to meet with you at any time to discuss this issue. I can be reached at jgibbons,chinooksedge.ab.ca or at (403) 227-7070.
cc Alberta Solicitor General and Public Security Red Deer County
Mountain View County 4904-50 Street, Innisfail, Alberta T4G 1W4 Phone: (403) 227-7070 Fax: (403) 227-3652
www.chinooksedge.ab.ca
CHLC. EDGE SCHOOL DIVISION

Where Students Come First!
Sincerely,
Superintendent of Schools/CEO
JG/mrw

**Complaints/Queries**
This reactive process was designed to ensure the establishment of "a long-term relationship based on mutual trust, honesty and respect, by way of sharing pertinent information and resolving issues to benefit all stakeholders."
It provides the steps to follow when receiving a complaint or query.

**RIG STREET WEED CONTROL MAP**
Co-operative Weed Control Plans for 2007
Co-operative Weed Management involves all stakeholders within the boundaries of a large infestation doing control work in the same season. A co-operative weed control project has been ongoing in the Rig St. area for the last 2 years. Last year the treatment area was bounded by the Clearwater and James Rivers and went as far east as the boundary between ranges 5 and 6. In 2007 control work will take place in Townships 34-06 & 35-06 within the Green Area of Clearwater County. Much of this area is comprised of Head Tax Grazing allotments. The primary weeds are Wild Caraway & Tall Buttercup. Control work will need to take place before the cattle are turned out due to the grazing restrictions required by some herbicides. In the coming months all stakeholders will be contacted to coordinate treatment. Marian Jones, Invasive Plant Management Co-ordinator from the Sundre Ranger Station will attend SPOG's Community Affairs Meeting in March to talk about this project. For more information or to ask questions please contact Marian at 638-3805.
**Marian Jones** Invasive Plant Management Coordinator Clearwater & Southern Rockies Forest Areas Box 519 Sundre Ab T0M 1X0 Tel: (403) 638-3805

**Appendix 15: B Pool Performance Measures**

SUNDRE PETROLEUM OPERATORS GROUP

COMMUNITY AFFAIRS COMMITTEE

CAROLINE – BEAVERHILL LAKE B POOL ADVISORY COMMITTEE

PERFORMANCE MEASURES

This is a living document

<u>SPOG Vision</u>

A long-term relationship based on mutual trust, honesty and respect,
**by way of sharing pertinent information and resolving issues
to benefit all stakeholders.**

*Updated: March 1, 2003*

## 1. *Performance Measures Overview*

- The B Pool Advisory Group (Advisory Group) has developed the following performance measures to evaluate drilling and development operations in the Caroline -- Beaverhill Lake Sour Gas B Pool (B Pool).

- The first principle of these measures is the Sundre Petroleum Operators Group (SPOG) community affairs vision, and the values and goals it implies. The vision is: "A long-term relationship based on mutual trust, honesty and respect, by way of sharing pertinent information and resolving issues to benefit all stakeholders."

- The resident and community members of the Advisory Group are prepared to help implement these requests, recommendations and suggestions.

- The records of Advisory Group meetings at which these Performance Measures were discussed and developed contain helpful elaboration and clarification and are available as an appendix to this document.

- The *Common Facilities Proposal* of January 16, 1999 contains a helpful presentation of resident and community expectations. While not formally endorsed by the Advisory Group, many elements will be reflected in the joint Hunt Oil Company of Canada development plan for their lands in the Pool.

- The Area Development Plan developed by Hunt Oil Company of Canada at the request of the Alberta Energy and Utilities Board (AEUB) is an important companion to this document.

- These performance measures represent the expectations of the community for operators in the B Pool. It is the objective of the Advisory Group that these, and similar, measures be accepted and adopted, through an orderly process, for application to all drilling and development in the SPOG area.

- Hunt Oil Company of Canada (Hunt Oil) has agreed to use its best efforts, within the limits of technology and the desire of surface rights owners from whom they acquire rights, to meet these measures in B Pool operations, and when they cannot be met, to provide an explanation.

- This is a living document and the measures will be refined and revised on the basis of well-by-well and facility-by-facility experience.

- These measures will be communicated to the SPOG community affairs committee and the board to encourage application on a level playing field.

- The members of the community caucus will take the initiative to communicate these performance measures to landowners, land users and members of the community who would be affected by activities.

- The Chairman is instructed to circulate these performance measures to local authorities and community bodies with an interest in B Pool activities.


2. **GENERAL MEASURES**

- The Advisory Group operates as a synergy group with Operator, Community and EUB represented at the table.

- These performance measures are separate and apart from regulatory and legal guidelines for development.

-  Hunt Oil has an Area Development Plan for the project. It includes a Public Involvement Plan that expresses principles and values to guide the operators' relationship with the affected community. The Public Involvement Plan includes the work of the Advisory Group and also sets out procedures and processes consistent with these Performance Measures for relationships with affected stakeholders outside the SPOG area and Advisory Group.

- The EUB's *Guide 56* and *Guide 60, the* Canadian Association of Petroleum Producers *CAPP Guidelines for Effective Public Involvement* and the *CAPP – IPAC Guidelines for the Preparation of Emergency Response Plans for Sour Gas Drilling Completion and Servicing*, the *Public Safety and Sour Gas* report and the SPOG *Fair Play* booklet provide additional context for the Performance Measures.

- Hunt Oil should hire its B Pool contractors carefully: evaluate their sense of responsibility and keep them advised of community sensitivities.

- Honesty, safety and respect are top priorities throughout the operation.

- Membership in the Advisory Group should be extended south of the Red Deer River to include stakeholders affected by Phase 2 operations who may be located outside the SPOG south boundary.

- Hunt Oil leadership and the SPOG community leadership should endorse and embrace values of honesty, integrity and respect through regular communication with one another, and by example.

- Hunt Oil and the SPOG community should deal fairly, openly and honestly.

- Hunt Oil should follow and exceed industry guidelines, laws and regulations.

- Hunt Oil should honor existing and future commitments to the community and the community should honor existing and future commitments to Hunt Oil.


3. Community Relations

- The B Pool Advisory process is one part of the community relations program the operators will undertake. The performance measures are separate and apart from regulatory and legal guidelines for development.

- The Hunt Oil has an Area Development Plan for the project. It includes a Public Involvement Plan that expresses principles and values to guide the operators' relationship with affected communities outside SPOG boundaries.

- The Public Involvement Plan includes the Advisory Group and sets out procedures and processes consistent with the Performance Measures for relationships with stakeholders outside the SPOG area and Advisory Group.

- Some B Pool development operations have an impact on communities outside the SPOG boundary, and some mitigating measures, such as flaring and emissions reductions in the three inline well tests in 2000, convey a benefit beyond the SPOG boundaries. The Advisory Group cannot speak for landowners, land users and residents outside the boundaries.

- Members of the Advisory Group should share the benefits gained through these Performance Measures and help implement them outside the boundaries in adjacent communities when requested.

- Open Houses should be held for each significant step in Phase 2 development to provide early public notification and to ensure that all affected stakeholders are part of the advisory and performance measures processes.

- B Pool Open Houses are open to all interested parties in Alberta, and the B Pool Advisory Group should encourage SPOG to continue to invite all interested parties to its Neighbours Day and open houses.

- **The reconciliation of land use conflicts is a primary concern, of equal weight to emissions, plant proliferation and public safety. All land users and future land uses need to be evaluated, including recreation, forestry, residential, gravel pits, municipal growth, road expansions and transportation facilities.**

## 4. LOCAL BENEFITS

- Hunt Oil should provide local employment opportunities when possible.

- Hunt Oil should make contributions to local events and initiatives.

- Hunt Oil should compensate landowners fairly for their land, and for accidents and spills that may occur.


## 5. PHASE TWO DEVELOPMENT OVERVIEW

- With respect to Phase Two development, south of the James River, the community's primary concerns are air and noise emissions from production facilities (compressors, dehydrators, etc.), impacts of activities and facilities on surface and aquifer water systems, a pipeline crossing of the James River, location of gathering system and pipeline, plant and facilities proliferation.

- Population and land use densities are higher on the southern end of the B Pool reef, and drilling and testing operations face a correspondingly higher challenge with respect to public and residential safety and impacts on cattle operations, municipal development including light industrial and commercial facilities, recreation, and other community activities and interests.


## 6. EMERGENCY RESPONSE PLANS

- The Emergency Response Plan (ERP) for B Pool operations should meet or exceed regulatory requirements and industry standards, and should incorporate input provided by surface rights owners, neighbors, the Advisory Group and the public.

- It has been the practice of the Energy and Utilities Board and the operator that B pool wells have an Emergency Planning Zone (EPZ) of between 4 km and 4.2 km, calculated using dispersion models. The community opposes further reductions, and with reference to well locations on McDougal Flats, stipulates that the ERP should incorporate measures for the Town of Sundre.

- It is noted that resident and community members of the Advisory Group believe that one radius for ERP planning – approximately 4 km to 4.2 km - should apply to all sour wells, level one and above.

- The EPZs should be flexibly mapped, taking into account the impact of topography (air drainage) and wind direction on the dispersion of emissions. It

should also take into account the location of egress and exit roads for residents whose homes may be outside the zone but must cross it to get in and out of their area.

- Notification measures should include residents who live on a property some of which is inside the zone, but whose actual homes and buildings are outside. Community members will assist operators identify families with special concerns.

- Contact all persons who could have evacuation problems during a release or loss of well control, some of whom may live outside the radius.

- Knowledgeable local residents are willing to help the operator in fine-tuning its ERP address resident and community concerns.

- In the event of an uncontrolled release, there should be monitoring of impacts on human and animal health. There are many unresolved issues on this matter including payment of the costs of such monitoring.

- The measurement of impacts is an active and evolving area of research, and incident-monitoring methods should take into account currently available results. The data collected from air monitoring during the incident should be preserved for future reference.

- Use cell phones or other measures to contact farmers in the field during rapidly developing emergency incidents.

- There is a general concern about the preparedness of Sundre, Caroline and other population concentrations for major incidents and evacuations.

- ERPs and EPZs for critical-zone well servicing and incidents involving production and gathering systems should be reviewed and discussed by the B Pool Advisory Group.

- Hunt Oil will communicate effectively with all EPZ residents in the event of an emergency.

- The effectiveness of the ERP will be evaluated through regular drills.

- Hunt Oil will maintain a 24-hour emergency telephone line at 1-877-797-9717.

7. **COMPENSATION**

- Compensation is a major issue – key to the building of trust and respect. The community is anxious to avoid litigious situations. It does not endorse frivolous

attempts to extract money. It recognizes that there are differences of opinion on impacts. It wants to find the best way to deal with compensation.

- Parties to a compensation dispute should be forthright with one another.

- Parties to a compensation dispute should admit to accidents.

- Parties to a compensation dispute should be prepared to compensate promptly for losses when they do occur.

- The Energy and Utilities Board Informational Letter *IL 89-20* represents the regulatory standard, and is a useful reference.

- Impacts and disturbances of oil and gas related land uses might be complex and therefore difficult to assess. Often they may not be resolved in a single meeting between the landowner and the operator's agent.

- Resolving compensation for land use may require the opinion of professional advisors with special expertise.

## 8. GENERAL OPERATIONS

- Hunt Oil is asked to make a courtesy call to immediate neighbors prior to key stages of activity (i.e.: rig moves, spudding, entering critical zones, fracing, testing, abandonment, tie-in, construction of field facilities).

- Hunt Oil is asked to advise immediate neighbors upon termination of operations.

- Hunt Oil is asked to mark all vehicles with company and contractor names.

## 9. PRE-SPUD MEASURES

- In addition to the contacts required by the EUB and surface rights acquisition regulations, the Advisory Group recommends pre-spud and pre-operation contact and meetings with residents and businesses within the 4.2 km ERP radius, to discuss operations, safety issues and advise the community on best practices and procedures during an emergency.

- The most important notification with relation to the B Pool and sour gas wells is notification shortly prior to entering critical $H_2S$ zones.

- The sites of access roads, rigs, tie-in lines, sumps and other field facilities should take into account waterways, domestic water supply, drainage patterns and other sensitive areas (farm facilities, bogs, timber, habitat).

## 10. DRILLING OPERATIONS

- Hunt Oil is asked to find ways to minimize the nuisance factors.

- Hunt Oil is asked to evaluate the use of signs for safety, to check on signs and repair or replace them as necessary.

- Hunt Oil is asked to take care in the siting of mufflers – pointing away not toward neighbours.

- Hunt Oil is asked to control dust near residences.

- Hunt Oil is asked to control litter.

- Hunt Oil is asked to keep roads clear of "divots", especially during major traffic movements.

- Hunt Oil is asked to have a weed control plan.

- Hunt Oil is asked to- notify neighbors prior to entering critical zones.

- Hunt Oil is asked to conduct air monitoring with suitably sited monitors.

- If there is a commitment not to flare but flaring becomes necessary, Hunt Oil is asked to for prior notification and an explanation of why the plan changed.

- Notwithstanding EIB standards, the experience of some farming operations in the SPOG area is that land farming of drill cuttings has a negative impact on soil productivity and is regarded by some as a poor oil field practice.

## 11. Well Completion

- Hunt Oil and the Advisory Group will discuss testing and well completion in more detail in the context of an overall development plan for the B Pool.

- The community members of the Advisory Group seek a firm commitment to no flaring; no testing to atmosphere; an industry-wide search for alternatives for cleaning up the hole prior to testing, and for solution gas flares. The community recognizes the limits of technology, but expects a best practices, best-efforts commitment to avoid flaring wherever there is an alternative.

- For the B Pool, Hunt Oil has made best efforts, best practices undertaking to avoid flaring where there is an alternative (such as in-line testing).

- When flaring is unavoidable, Hunt Oil is asked for prior notification to the neighbors (unless an emergency) and a follow-up individual contact or meeting to explain why flaring was undertaken.

## 12. Well Testing

- Public safety and the mitigation of impacts are the primary concern of all advisory group members including the community, the operator, and the EUB.

- The impacts of well testing to be mitigated by the operator include air emissions, noise, water use, traffic and the disruption of immediately adjacent residents during night operations.

- When possible, in line sour gas well testing is preferred by the community.

- It is recognized that during an inline test some flaring is required at certain operating stages, for the safety of the crew and the public and in emergencies.

- Where inline testing is not possible incineration, reinjection or other alternatives to flaring should be investigated and the findings and options discussed with the Advisory Group.

- During flaring, air monitoring should be conducted as part of the safety procedure.

- During drilling of a well, prior to completion and testing, the Advisory Group should discuss impacts and mitigation at a regular meeting.

- Equipment and procedures used during testing of the critical sour gas zone should meet or where there is available, proven technology, exceed regulatory guidelines and industry best practices.

- Hunt Oil is asked to conduct an onsite meeting, open to all residents and land uses within the ERP zone and other stakeholders ,about two weeks prior to the commencement of testing operations.

- The agenda should include introduction of key personnel and explanations of testing procedures, mitigation of impacts, safety measures such as blowout prevention, air monitoring and evacuation, and the proposed testing schedule. The agenda should also include an explanation by the operator of measures to mitigate the impacts of the operation.

- The meeting should address outstanding issues and concerns of the operator and the stakeholder.

- The Advisory Group should appoint representatives from the immediate area who can visit the wellsite, while following appropriate safety procedures, to discuss concerns arising.

- When an incident results in a significant change in schedule, mitigation measures or in a breach of regulatory standards, the operator or affected stakeholders should advise the Chair of the Advisory Group.

- The Chair will be responsible to gather the facts, communicate the facts to the other advisory group members and call meetings to deal with issues arising.

- Following completion of the well, the operator and immediately affected stakeholders should discuss their issues and concerns, including a report from the operator on the test including an emissions log, the success of mitigation, and appraisals of incidents.

### 13. WELL TIE-INS, FIELD FACILITIES TRANSMISSION LINES AND PROCESSING

- Hunt Oil will participate with the Advisory Group in detailed discussions of tie-ins, field facilities and processing, in the context of the area development plan for the B Pool.

- Hunt Oil is asked to use best practices to eliminate emissions into air, soil and water from wellsites, field plants, batteries and pipeline operations.

- The community does not want construction of a new sour gas processing plant in this area.

- As a matter of principal, this community prefers existing plants processing large new volumes of sour gas from the B Pool and other discoveries in the area. When new capacity is directed to-called "grandfathered" plants, they should be upgraded to meet the EUB's highest sulphur capture standard.

- With respect to flaring and processing issues, the B Pool Advisory Group takes cognizance of the work of the Clean Air Strategic Alliance and the Parklands Airshed Management Zone. These groups, similar to this Advisory Group, are community-based multi-stakeholder, initiatives to find cooperative solutions to the impacts of resource development.

- The above-mentioned two groups may play an important role in influencing public policy and corporate decisions and their programs may have a bearing on future oil and natural gas development in the region including and surrounding the B Pool.

- Hunt Oil is asked to use existing pipeline corridors and river crossings wherever possible, to eliminate unnecessary duplication.

- The B Pool Advisory Group advocates a coordinated or common SPOG-area emergency response plan that shares common elements including maps, resident information, marshalling locations.

- Hunt Oil is asked to drill B Pool wells in a north to south sequence.

- Hunt Oil is asked to end the use of portable compressors.

- Where practical, Hunt Oil is asked to explore the use of shared facilities.

- The EUB and Alberta Environmental Protection are asked to provide adequate inspection and enforcement personnel.

- The Advisory Group advocates combining current and future Caroline A Pool drilling and development programs in the B Pool advisory process.

- The Advisory Group advocates a combined area land use planning process and performance measures for all resource activities that generate cumulative community and resident impacts.

- **Pipeline completion should include: (a) restoration of land to its original following construction (including weed control, preventing compacting and quality seed); (b) preventing or controlling impact of heat on vegetation; (c) better pipeline monitoring and detection.**
- Hunt Oil and the B Pool Advisory Group will discuss pipeline completion in more detail in the context of the area development plan.

## 14. SOUR GAS GATHERING SYSTEMS

- The community recognizes that measures to reduce well site flaring to the minimum possible within present technological capability (as the first step to eliminating flaring) require the construction of sour gas gathering systems for in line testing, re-injection and other alternatives to flaring.
- Rights-of-way selected for gathering systems should include evaluation of arable soil, surface water and forestation impacts and avoid or mitigate impacts that negatively affect land productivity and other land users such as farm operations.
- The Advisory Group and other members of the community should defer to the wishes of directly affected landowners on right of way selection.
- Sour service pipeline failure is the primary concern of the community with respect to gathering systems.
- Corrosion is the primary threat to the integrity of sour gas gathering systems and the community expects operators to utilize aggressive corrosion mitigation programs, including constant monitoring, evaluation and adjustment from day one of operation.
- The community expects operators to remain current on all aspects of metallurgy and other engineering and technology with respect to materials selection. Operators are expected to meet and exceed engineering standards for pipe wall materials, thickness and all other aspects of pipeline integrity.
- The community expects operators to meet and exceed pipeline construction best practices.
- In the event of a pipeline failure, the community expects prompt and complete disclosure of the incident, and of all operations with respect to containment, repair and future mitigation.

- 3<sup>rd</sup> party incidents accounted for 8% of pipeline failures in Alberta from 1980 to 1997. While data collected by and presented to the Advisory Group was inconclusive, there is an unresolved question with respect to burial depths that the Advisory Group will continue to review.

## 15. FACILITIES' SAFETY

- Hunt Oil Company of Canada is asked to conduct hazard assessments during facilities design.
- Hunt Oil should investigate and the best available operating equipment for B Pool facilities.
- Hunt Oil is asked to implement a comprehensive preventive maintenance program.
- Hunt Oil is asked to maintain a rigorous corrosion mitigation program.
- Hunt Oil is asked to conduct scheduled tests of control equipment, including regular ESD devices and pipeline block valves.
- Hunt Oil should regularly review Best Available Control Technology and regulatory requirements.

## 16. TRAFFIC

- Hunt Oil is asked to evaluate the use of road signs on a site specific basis.
- Hunt Oil is asked to employ the appropriate means of dust control on roads.
- Hunt Oil is asked to review risks associated with speed and reckless driving with employees and contractors at safety meetings.
- Hunt Oil is asked to develop an enforcement policy to address traffic safety related concerns with employees and contractors.
- Traffic management should take into account special measures that may be required on school bus routes.
- The Advisory Group notes that the community supports random drug and alcohol testing for motor vehicle operators in oil and gas operations.

## 17. NOISE

- The AEUB Guide 38 Noise Control Directive will be used as the guideline and reference to mitigate noise disturbances.

- Unless there is an overriding environmental impact reason, such as frost management, construction activity should be limited to the hours between 7 AM and 10 PM.

- Nearby residents will be advised of significant noise-causing activities, and these will be scheduled to create the least-possible disturbance to neighbors.

- All internal combustion engines will be fitted with appropriate muffler systems.

## 18. WATER USE, SURFACE AND GROUNDWATER IMPACTS

- Operators and their contractors are expected to obtain permits for water well required for drilling and facilities operations.

- Placement of access roads, drilling rigs, tie-in lines, sumps and other field facilities should take into account waterways, domestic water supply, drainage patterns and other sensitive areas such as farm facilities, bogs, timber and natural habitat.

- Sumps should be avoided when appropriate and containment berms for tanks should be appropriately designed and sited to protect susceptible areas.

- Operators and their contractors are expected to obtain the requisite Alberta Environment permits for the drilling and abandonment of wells.

- All abandoned water wells should be properly abandoned and preferably left cased from surface to prevent contamination of potable water sources.

- All potable water wells within 400 metres of a proposed well location will be tested prior to construction.

- Water for large-scale operations such as processing and waterflood should not be extracted from aquifers that are in use for farm and residential operations. Where possible, such water requirements should be met from saltwater aquifers.

- Hunt Oil is asked to fresh water sparingly and to mitigate waste.

- Water trucks require access to streams and lakes: care should be taken to keep those accesses clear and to keep the trucks clean and free of weeds.

## 19. Air

- An air-monitoring program that includes the collection of baseline data, good documentation and the suitable placement of air monitoring stations will be

implemented before entering the critical sour gas zone during drilling operations.

- Hunt Oil is asked to make every attempt to minimize flaring and venting.
- Hunt Oil is asked to meet or exceed the Red Deer Policy for the AEUB Flaring Guide 60.

### 20. VEGETATION AND SOIL DISTURBANCE

- Hunt Oil is asked to take care to conserve topsoil and practice good land conservation and reclamation techniques on its surface leases.
- Hunt Oil is asked to share or use common access and rights-of-way wherever possible.
- Hunt Oil is asked to have a program for planning well site locations that minimizes the number of locations needed to produce the reservoir.
- The amount of disturbed area required for all facilities should be as small as practical.
- Minimum disturbance techniques should be used on exploration wells sites to prevent topsoil removal and promote re-vegetation and restoration.
- Reclamation and restoration of well sites should involve the initiation of vegetation recovery similar to adjacent cover within one year following abandonment of an activity.

### 21. GAS PROCESSING

- The Community's primary concerns with respect to the processing of gas from the B Pool are facilities proliferation and flaring.
- The Community expects the operators to review all gas processing options without a pre-commitment. The options include review of all existing plants in the region and expansion of existing plants utilizing no-flare options such as the addition of amine units.
- The Community recommends against the construction of a new stand-alone (green field) plant.
- The Community expects that existing plants processing new gas from the B Pool would be de-grandfathered with respect to $H^2S$ emission standards.

- The B Pool Advisory Group will review all aspects – economic, environmental, and technological, etc. – with respect to all options and give consideration to fair and reasonable proposals before making its recommendations.

## 22. INCINERATION

- In locations where the testing of sour gas wells cannot be achieved through in-line testing because of distance from plant, the incompatibility of the raw gas stream or other such practical logistical factors, the community storing urges the use of other flaring reduction and prevention measures such as reservoir re-injection and incineration.

- The community acknowledges the limitations of current incineration equipment, including limits as to volume capacity and flare stack height relative to desired dispersion, and urges aggressive measures to advance technological capability.

- The community notes the current incineration experience of operators in the SPOG has encountered undesirable side effects such as noise, and urges aggressive measures to advance technological capability.

- The community expects the operators to put safety first for the crews operating incineration equipment.

## 17. Public and Animal Health

- Hunt Oil will avoid flaring and venting where there is an appropriate alternative.
- Hunt Oil will meet, at a minimum, the Red Deer Solution Gas Flaring Policy pursuant to Guide 60 Flaring Guide Requirements.
- Hunt Oil will employ best available flaring technology.
- Hunt Oil will notify directly affected residents and stakeholders in flaring becomes necessary during drilling or other planned events
- Hunt Oil will conduct in-line testing of sour gas wells if the infrastructure is available.
- Hunt Oil will engage in industry, government and community initiatives that address flaring impacts and technology.
- Hunt Oil Company and the community members of the B Pool Advisory Group will support the implementation of the Provincial Public Safety and Sour Gas Advisory Committee's recommendations on public and animal health.

- Hunt Oil Company and the community members of the B Pool Advisory Group will support the Caroline Livestock Study and its decisions, findings and future.

## 18. PROCESS

- This is a living document and the Advisory Group will continuously improve it.

- This version of the performance measures is dated March 1, 2003 and there is substantial agreement between members of the B Pool Advisory Group including resident and community members, EUB staff and Hunt Oil Company of Canada on its application to drilling and development of the B Pool.

- These measures will be tested, revised and improved through the practical experience of their application to the development of the Caroline – Beaver Hill B Pool, and the implementation of the area development plan.

- The application of these measures is not a matter of law or regulation; however, Hunt Oil and the community will make their best effort to meet the measures, within the limits of available technology.

- The forum for discussion and improvement of these measures will be at the regular meetings of the Advisory Group, which are open.

- Members of the Advisory Group will urge other operators who engaged in exploration and drilling of the B Pool join the process, endeavor to meet the measures and submit their development plans to the Advisory Group for discussion and endorsement.

- The Advisory Group is responsible for communications to educate the community and other operators about these performance measures and to solicit participation in the process by other operators in the B Pool.

## Appendix 16: Application of the COPR Approach

| Consensus-Oriented Public Relations (COPR) Questions for Planning and Evaluation | | | | |
|---|---|---|---|---|
| Dimensions of understanding / COPR steps | | **WHAT** | **WHO** | **WHY** |
| Information | P | Relevant facts presented? | Who is involved? | Interest / Aims / Targets? |
| | E | The SPOG new development process meant CCS had to provide information to the public. | CCS and the local residents | Set up a non-hazardous toxic waste facility |
| Discussion | P | Has a discussion been organized? | CCS and the local residents | To understand the perspectives of the local residents and CCS. |
| | E | The SPOG new developments process meant a committee was set up to organize the discussion. | CCS was questioned and its proposal was examined by the local residents who developed performance measures for CCS to adopt. | Justifications for why the non-hazardous toxic waste facility were accepted, but the location was questioned. |
| Discourse | P | Were the fact-based arguments presented as proof of truth? | Was the trustworthiness of CCS questioned? | Were value-based arguments presented as proof of legitimacy? |
| | E | The arguments pertaining to the proposed location of the facility were questioned as CCS had not done any soil testing yet, | The local residents (Dave Brown) knew the geology of the proposed location was not suitable for the facility and | The local residents questioned the value-based arguments. |

| | | | |
|---|---|---|---|
| | which damaged their credibility (Dave Brown, Community Member). | therefore did not trust that CCS had done soil testing. | |
| Definition of the situation | To what extent has consent been achieved concerning facts and fact-based judgments? | To what extent has consent been achieved concerning the trustworthiness of CCS? | To what extent has consent been achieved concerning project goals? |
| | The local residents performance measures result however was proposed location was toxic waste facility as residents had expressed with the local geology was available they process and developed CCS. | gave consent to the that were agreed that CCS' soil samples indeed unsuitable for the water table was this as a concern as however until this worked through the a level of trust and | proposal by setting upon by CCS. The indicated that the the non-hazardous too high. The local they were familiar factual information new development understanding for |

Adapted from Burkart (2007, p.253).

In this example the SPOG new development process was implemented. Gerald Ingeveld (Community Member) led the new development committee which comprised local residents and CCS. CCS had to provide factual information to the community members and explain the rationale for the proposed non-hazardous toxic waste facility that it wanted to locate in the area. Gerald explained that initially the community was upset and concerned about this development but that after a dialogue was established between CCS and the local residents they were able to develop and agree upon performance indicators that resolved the community's concerns. CCS had decided to discuss its proposal for the waste facility before it had conducted soil and water tests. Community members Jim Eckford and Dave Brown advised CCS that the proposed location was not suitable not because of the NIMBY phenomenon, but on the grounds that the geological topography of the area did not meet the EUB's regulatory requirements relating to the proximity of ground water. CCS' soil and water testing corroborated what Jim and Dave had advised and so the proposal did not go ahead.