

Stakeholder management in municipal housing: Deriving the company's target system from stakeholder demands



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Stephanie Heitel

Dr. Annette Kämpf-Dern

Prof. Dr. Andreas Pfnür

Stakeholder management in municipal housing



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Agenda

Background situation and motivation

**Research approach, case study and
qualitative data analysis**

Conclusion & outlook

Municipal housing companies challenged to address all sustainability dimensions

Background situation and motivation (I)



Structured approach to include stakeholder demands in company's target system missing

Background situation and motivation (II)

Challenges for management of municipal housing companies

- Multiple stakeholders with various and partly conflicting demands
- Any other than monetary outcome difficult to measure
- Lack of transparency concerning targeted and actual performance of activities

Existing concepts for housing

- E.g.:
- “urban return” ¹⁾
 - Corporate Social Responsibility (CSR) & Sustainability reports ²⁾ focused on measuring input or output of existing activities

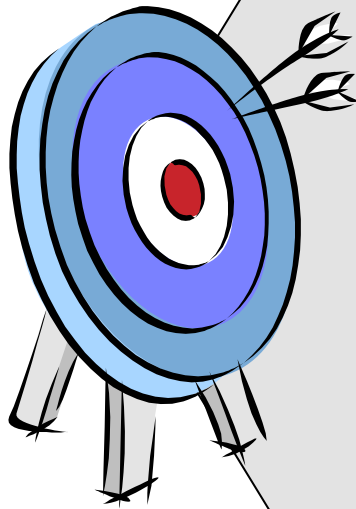
Missing approach

Systematically addressing the different stakeholder expectations within the company's target system

Sources: 1) Schwalbach et al. (2006), Spars/Heinze (2009) 2) EURHONET (2010)

Approach for sustainable stakeholder management to be developed

Aims of the study



Development of a structured approach for sustainable stakeholder management for housing companies with focus on

- Understanding stakeholders' needs and expectations towards the company
- Integration of stakeholders' expectations into the company's target system

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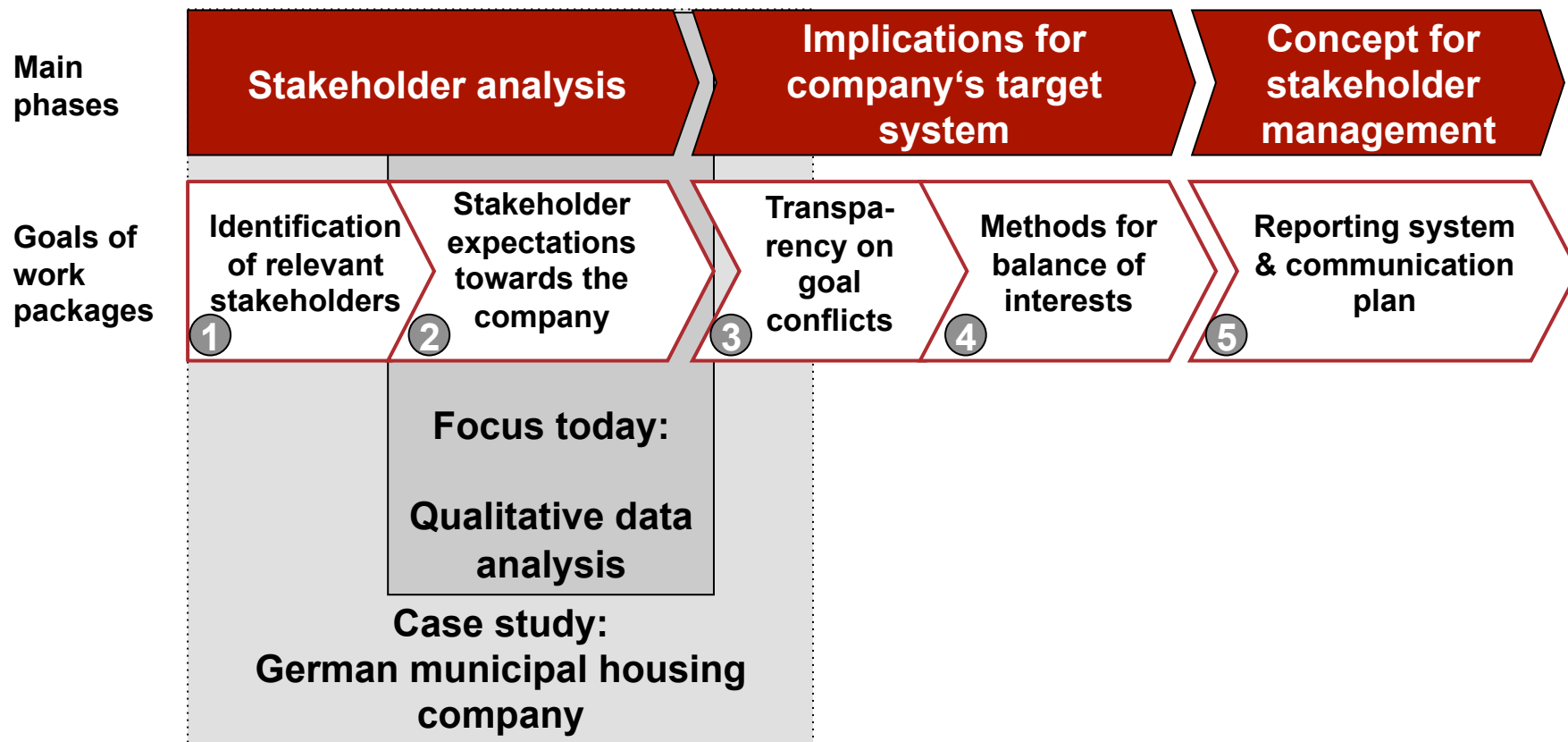
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Focus today: Stakeholder expectations via qualitative data analysis

Research approach

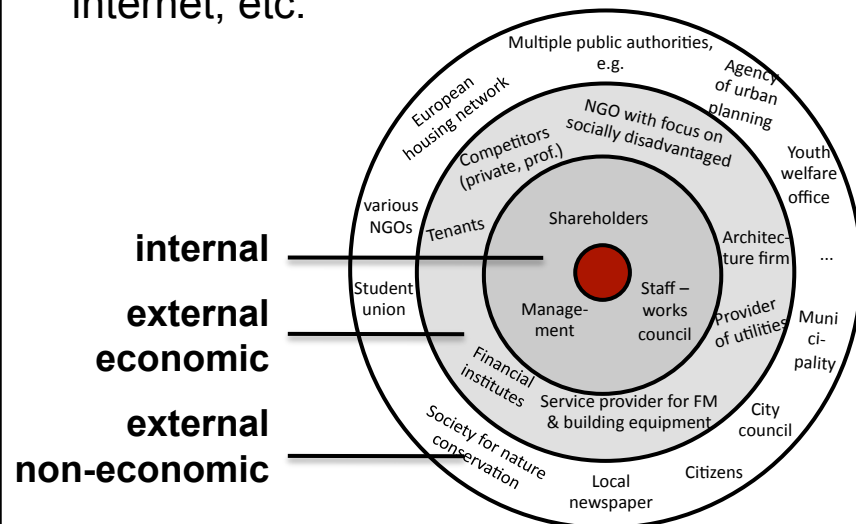


Stakeholders identified, interview candidates selected and prioritized

Stakeholder identification – case study

Stakeholder radar developed based on:

- Interview with company's management & project leader
- CSR-report & annual financial report
- Research in newspapers, journals, internet, etc.

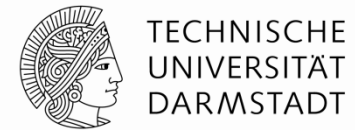


Selection of interview candidates and prioritization

Stakeholders		No. of interviews by category		
		A	B	C
Internal	Owners	2		
	Management	2		
	Staff	1		
	Tenants	3	1	
External economic	Suppliers & service providers		3	4
External non-economic	Politics	2	4	1
	Public authorities	3	3	
	NGOs			6
Total		13	11	11

35 semi-structured interviews conducted

Approach – Stakeholder interviews



Interview set-up

- 35 interviews
- 0,5 - 2,5 h per interview
- Semi-structured interview guideline
- Interviews recorded and transcribed

Major topics of open questions

- Interaction & influence
- Characteristics & motifs
- Expectations (today & future)
- Target conflicts
- Wishes towards the company

Evaluation of pre-defined categories

Quantitative evaluation of pre-defined categories¹⁾
on scale 1-6 to prioritize expectations

Categories

- Housing supply based on local demand
- Appropriate rent and running costs
- Promotion of the local economic system
- Promotion of social solidarity & support for tenants
- Protecting the environment
- Communication with tenants and tenant satisfaction
- Efficient management of property
- Promotion of transparency within a responsible corporate governance
- Promotion of job prospects, diversity & justice within personnel
- Promotion of dialogue and cooperation with authorities and associations

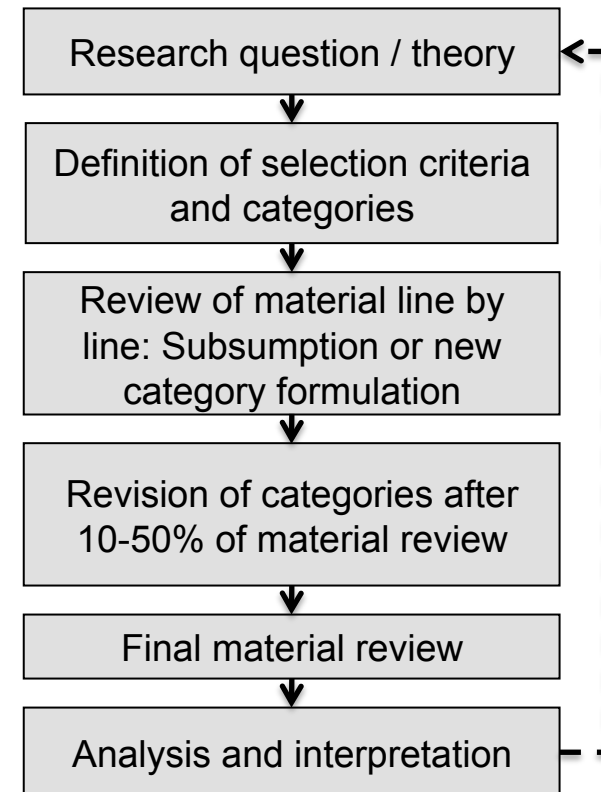
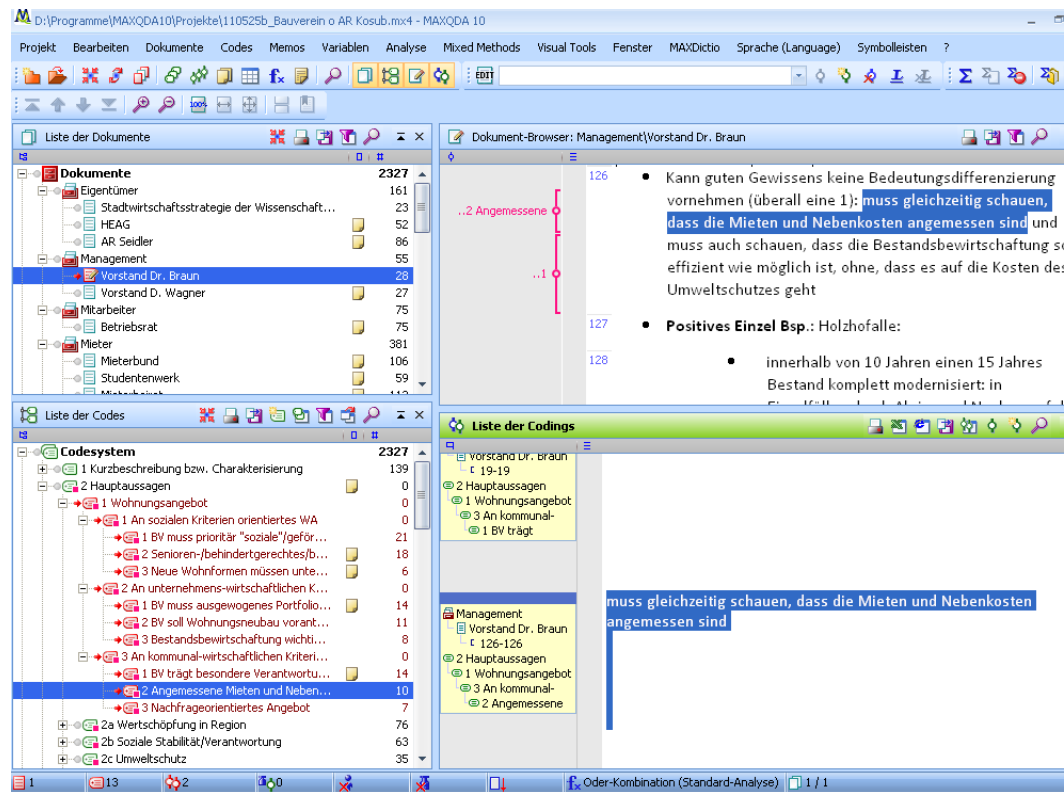
1) Categories according to the company's sustainability report

Traceability ensured with QDA – from codings back to original text

Screen-shot of MaxQDA-software and flow chart

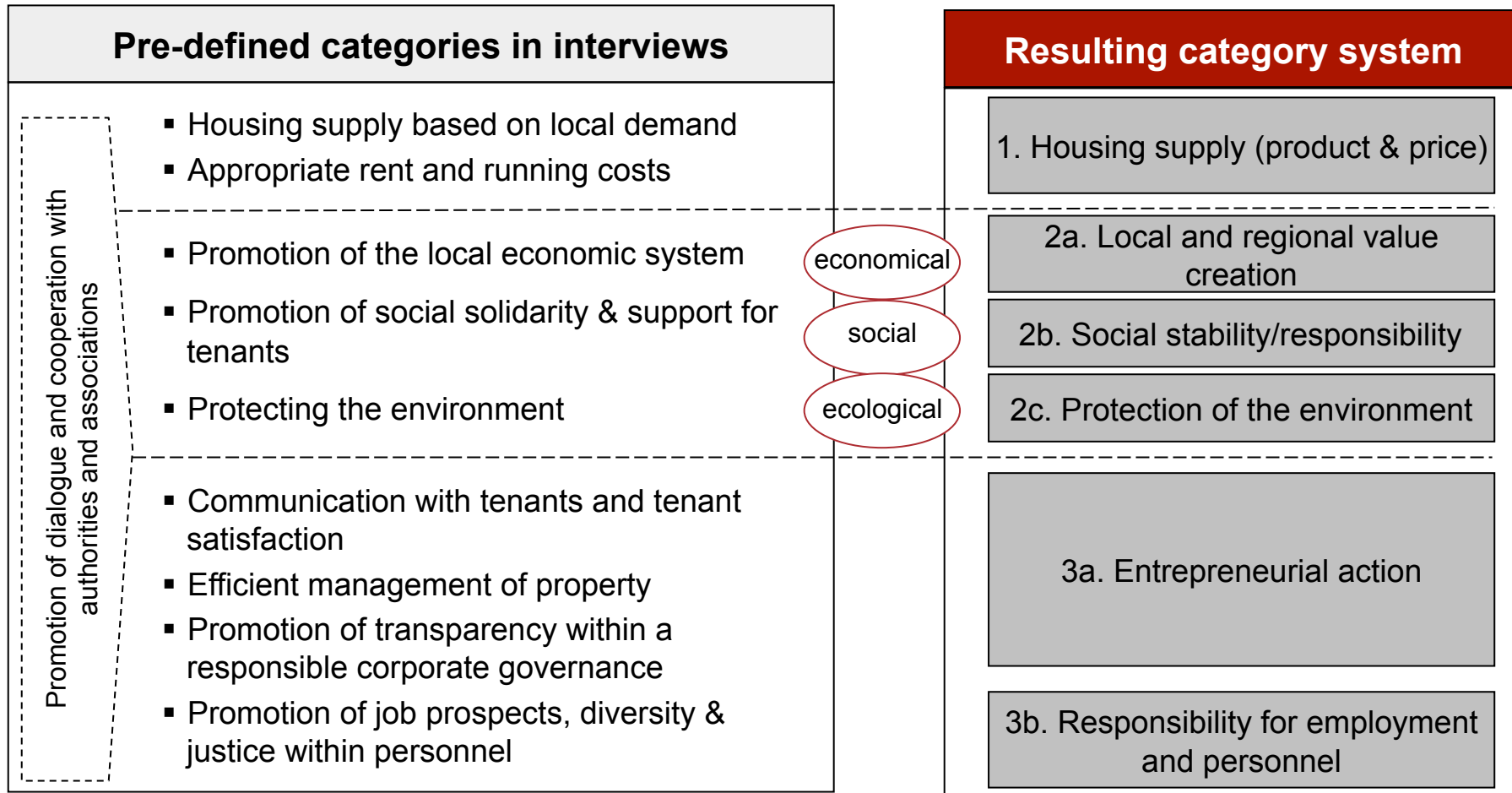


Qualitative Data Analysis (QDA)



Category system re-elaborated during analysis

Category system before and after QDA



276 codes and 2.327 codings available as basis for analysis

Statistics concerning QDA-analysis and analysis options

276 codes

	Interviews	Codings	
in total	35	2327	
by stakeholder group	Owners	2	161
	Management	2	55
	Staff	1	75
	Tenants	4	381
	Suppliers & service providers	6	218
	Politics	7	604
	Public authorities	7	553
	NGOs	6	280
by priority	A		914
	B		975
	C		438

Analysis options

- By stakeholder group (8)
- By priority (3)

- Expectations by weight
- Expectations as formulated messages

Different expectations of stakeholder groups visible based on weighting of categories

Average weighting for new categories (ca. 1.330 codings)



Appropriate rents most important – hugest differences in evaluation concern employment topics

Category	A	B	C	in total
1. Housing supply (product & price)	1,8	2,1	1,6	1,9
2a. Local and regional value creation	3,1	2,8	3,1	2,9
2b. Social stability/responsibility	2,8	2,3	2,5	2,5
2c. Protection of the environment	2,3	2,1	2,7	2,2
3a. Entrepreneurial action	1,7	2,0	2,3	1,9
3b. Responsibility for employment and personnel	1,9	1,9	3,0	2,1
in total	2,3	2,2	2,4	2,3

Sub-categories further elaborated to distinguish specific interpretations



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Example for sub-categories: Local and regional value creation

**Involvement in urban development and conversion areas appreciated
– however, denial for any other project developments**

Sub-catgory I	Sub-category II	A	B	C	total
1a Cooperation concerning urban development	1 Support and cooperation in development of conversion areas	1,0	1,6		1,5
	2 Cooperation with related public authorities in the context of urban development	1,6	2,0		1,8
	3 Support of key projects/ conversion areas	2,4	1,8		2,1
	4 Support of key projects	5,3	5,8		5,7
...	...				
2a Contracts with regional companies/ service providers		2,5	1,2		1,5
...	...				
3a Realization of a monetary contribution for the municipal budget		3,0	2,8		2,8
...	...				

Main messages countable – citations emphasize findings

Example for main messages: Local and regional value creation



Sub-category I	Sub-category II	No. in total
1 Involvement in urban development / key projects	1 Development of conversion areas is a chance for the company	20
	2 No more project developments / key projects!	15
	3 Continue with involvement in key projects	2
	4 No involvement in development of conversion areas	1
2 General local and regional cooperation & synergies	1 Company should engage in particular local/regional companies ...	14 ...

Stakeholder	Citations
Politics	"Tasks of core business are more important"
Public authorities	"Yes for conversion areas, no for conference center"
Tenants	"Yes for conversion areas - this is about additional housing space."
Owner	"Conversion areas are important to increase housing space as available area is quite limited"

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New insights in addition to confirmation of already known or pre-assumed expectations

Summary of results



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Social aspects more important than assumed – including intensified communication

Main
expectations
today and in
the future

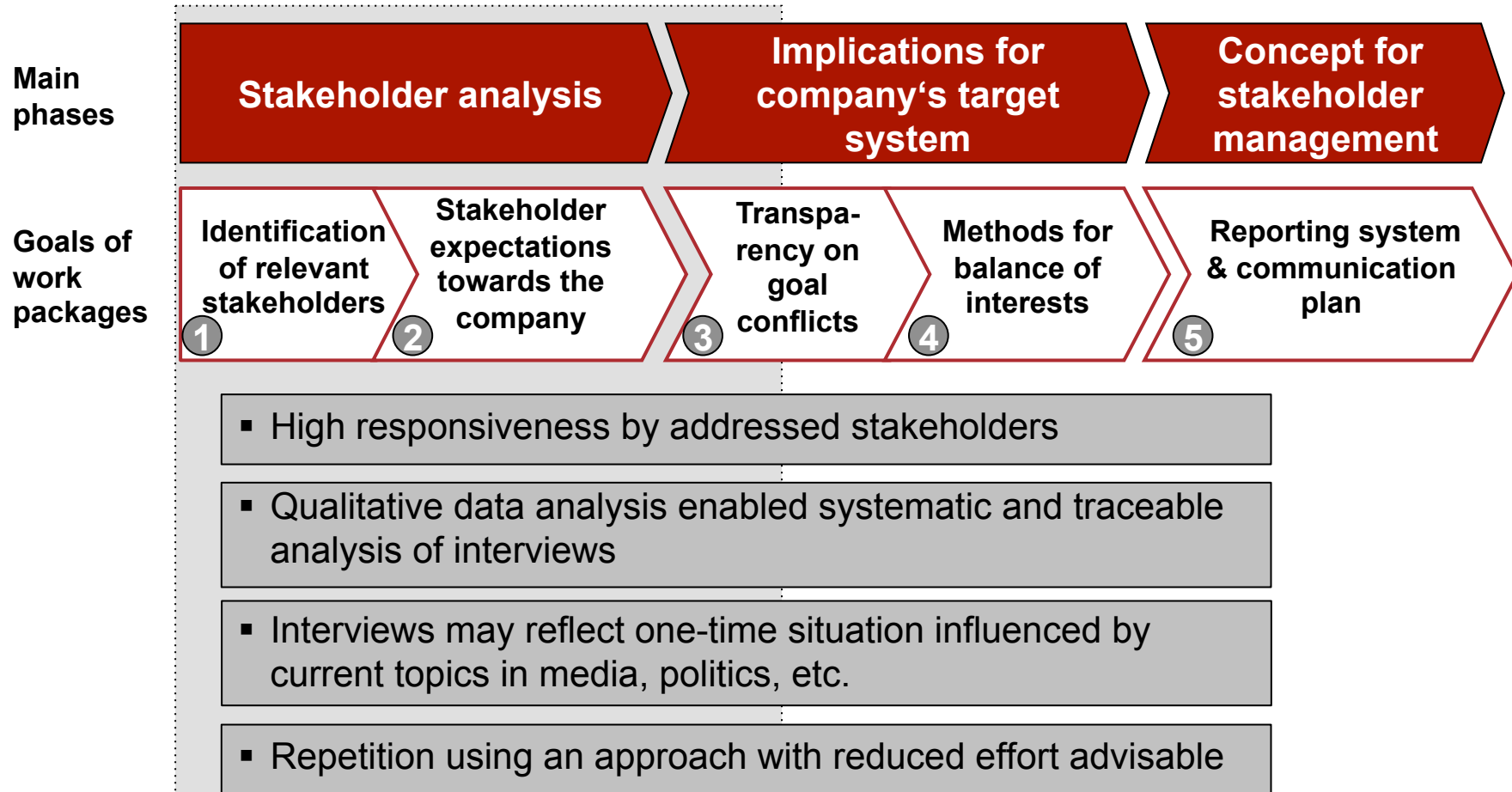
- Supply of inexpensive, „social“ housing
- Exchange and communication with stakeholders instead of written information or difficult availability
- Focus on housing-related core competency
- Balance between social, economic and ecological aspects
- Qualified, committed personnel
- Role as an intermediary instead of internal provision of services
- Energy-efficient renovation only if compatible with other goals

Main target
conflicts

- Cheap housing supply vs. energy-efficient renovation
- Return on investment vs. municipal responsibility
- Return on investment vs. cheap housing supply

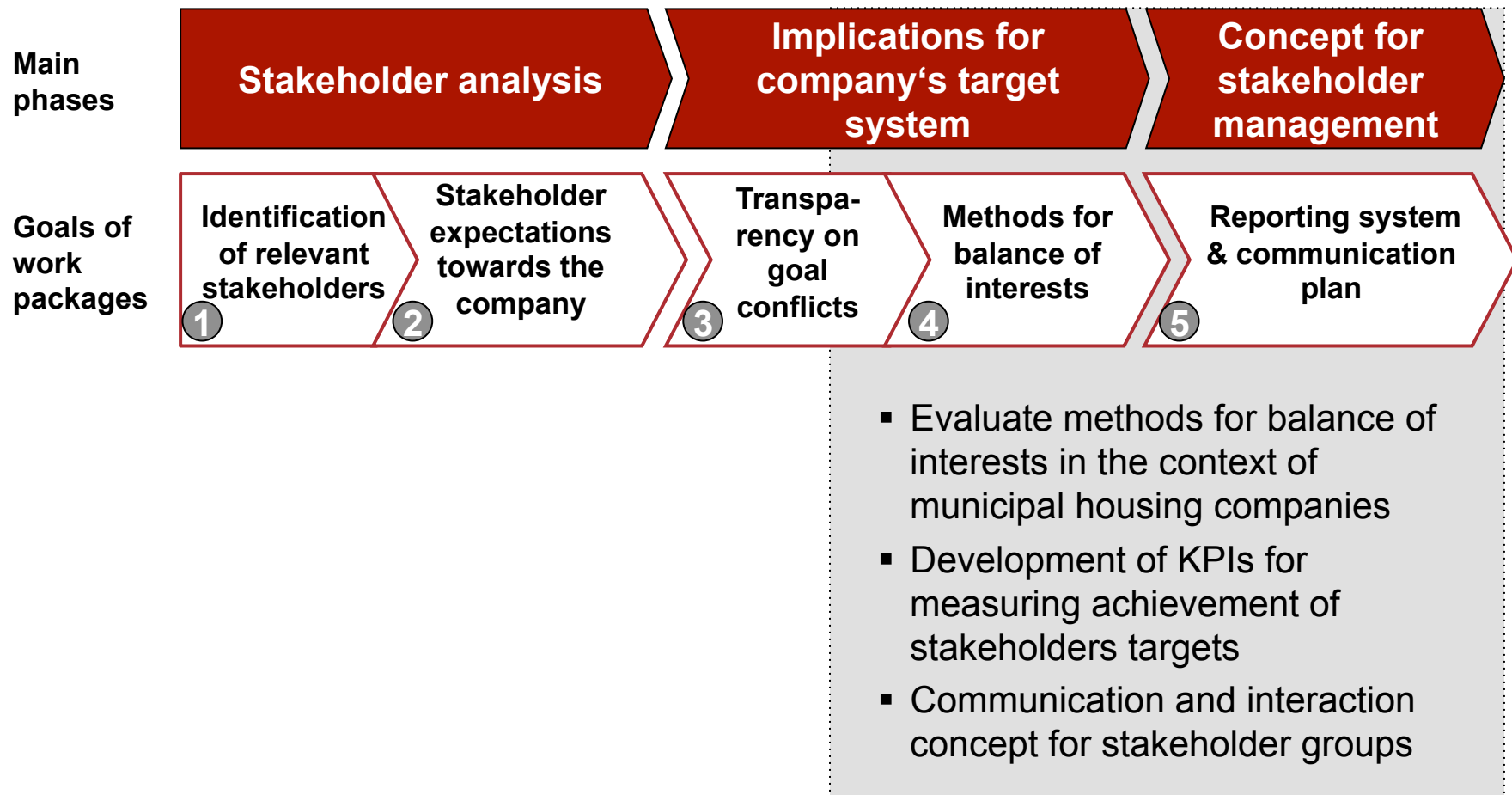
Qualitative data analysis enabled systematic & traceable analysis of stakeholder expectations

Conclusion & outlook



Next: Balance of interests, reporting & communication concept

Outlook



Thanks for your attention!



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Our contact details:



Prof. Dr. Andreas Pfnür

Phone: +49 (6151) 16-3717

Fax: +49 (6151) 16-4417

Email: pfnuer@bwl.tu-darmstadt.de



Dr. Annette Kämpf-Dern

Phone: +49 (6151) 16-5264

Fax: +49 (6151) 16-4417

Email: kaempf-dern@bwl.tu-darmstadt.de



Stephanie Heitel

Phone: +49 (6151) 16-5636

Fax: +49 (6151) 16-4417

Email: heitel@bwl.tu-darmstadt.de