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REPORT ON CONCEPTS FOR LOCAL ENAGEMENT

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1. Introduction to the SHAREPLACE project and apporach

The overall goal of **SHAREPLACE** is to develop an innovative approach to improve the connectivity of local, regional and transnational mobility systems. **SHAREPLACE** will be open to all types of passenger transport services and target groups. Initial development and testing will be carried out in six pilot regions: Bergamo, Crema (both Italy), Fuschlsee-Mondseeland/FUMO (Austria), Osijek (Croatia), Ulm (Germany) and Zalaegerszeg (Hungary). By implementing living labs and actively engaging stakeholders, transferable solutions for a more integrated, accessible and harmonised mobility system in six central European regions will be designed.

The main approach for achieving this goal is the implementation of the six living labs, which build on specific strategies for local engagement. Through identifying the relevant stakeholders for each pilot region, an active group of participants will be gathered to collectively plan the aims of the different living labs with co-design workshops. In the following report, you will find further information on the different methods for engagement, the terminology used relevant for this approach and the objective of the method.

2. Defining the terminology

Living labs

Living labs facilitate collaborative learning and introduce innovations to the unpredictability of everyday life. Through co-design processes and infrastructures, situated in real-life contexts, they enable users to become the co-creators of value (Ballon, Pierson and Delaere, 2005; Leminen, Westerlund and Nyström, 2012). Living labs can be seen as a reaction to critiques of linear innovation models, which overlook the appropriation phase as an important arena of innovation (Williams, Stewart and Slack, 2005). Living labs have been promoted to stimulate interactions between multiple stakeholders, create institutional support for innovation and reduce innovation failures (Pierson and Lieve   5).

Stakeholder

The goal of stakeholder management is to build long-term relationships with the relevant   s. Stakeholder management is a communication task and involves informing stakeholders about the project, engaging in dialogue with them, discussing expectations and negotiating goals (Steeger, 2014). A structured approach is necessary in order to present an objective and valid picture of the needs, opinions and experiences of the individual stakeholder groups in order to be able to shape relationships based on them in the context of corporate goals (Öynhausen & Glüsenkamp, 2016). In most cases, not all
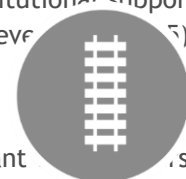
stakeholders are considered, and the exchange is limited to communicating with investors, shareholders and journalists. However, the stakeholders include the project team, suppliers, partners, competitors, citizens, organizations and the media. The communication and integration of the employees is essential, they must not be neglected (Steeger, 2014).

It is important to show the stakeholders that with the project the greatest possible benefit and profit should be achieved for them. This can be achieved through **stakeholder participation**.

Participation means involving stakeholders, having them "codecide", having them *co-design*, referring to them and informing them (Melbinger, 2014b). As a result, the stakeholders feel involved, contribute to the development of plans and finally to the project and are part of the project.

Co-Design
Co-design reflects a shared design process, where designers and people not trained in design are working together to develop products, tools, processes and services (Sanders & Stappers, 2008, 6). Co-design combines the collective creativity of divers actors across the whole span of a development process (ibid.). In the context of this project we refer to co-design as a collective creative process which is facilitated as workshops, with divers stakeholders who sketch, ideate, experiment, learn and develop concepts together (Mattelmäki & Sleeswijk Visser, 2011). A co-design process as several phases with different steps, which are interlinked. The process is started by understanding and framing the problem through sharing and comparing the experiences of the participating stakeholders. On this basis, diverse alternatives will be explored, by identifying the local resources and capabilities. The aim is to find and develop a shared solution supported by all stakeholders, which can be tested and developed further within an iterated co-design process.

3. Engagement methodologies

For SHAREPLACE we identified "co-design" in workshop format as the main approach to co-create and engage stakeholders as main participants for the living labs. The co-design methodology will be applied allowing a great variety of stakeholders to contribute to the planning and implementation of the pilots as living labs. Living Labs have been identified as a suitable methodological approach to accelerate innovation in the field of sustainable solutions (Keyson, Guerra-Santin, Lockton, 2017).

A key aspect of running a successful living lab, is to ensure a positive stakeholder engagement. As part of this, stakeholder management is highly important to build long-term relationships with the relevant stakeholders. Long-term relationships are sought as they are beneficial in terms of profitability, growth and security, as a living lab project has to meet different views, goals, attitudes, and beliefs of a number of people.

Dealing with and understanding these views and managing those relationships, as well as communicating with the people, is called stakeholder management (Wolf, 2013). Focusing on different goals, interests and expectations of the stakeholders lead to the project's success. (Turkulainen et al., 2015). With stakeholer management, it is attempted to turn stakeholders with negative attitudes into supporters by providing information and building trust. At the same time, positive influences on the project are maintained or strengthened. In essence, stakeholder management is a communication task and involves informing stakeholders about the project, engaging in dialogue with them, discussing expectations and negotiating goals (Steeger, 2014).

Stakeholder communication ensures effective management of various stakeholders and plays a fundamental role in stakeholder management (Turkulainen et al., 2015). Lack of stakeholder management is one of the major causes of project management failure. Every second failed project is attributable to

inadequate stakeholder management (Steeger, 2014). A structured approach is necessary in order to present an objective and valid picture of the needs, opinions and experiences of the individual stakeholder groups in order to be able to shape relationships based on them in the context of corporate goals (Öynhausen & Glüsenkamp, 2016).

Stakeholder management can be divided into the following steps:

1. Identification of all stakeholders

2. Characterization and evaluation of all stakeholders

3. Classification of the stakeholders

4. Communication planning (Klunke & Krins, 2015)

For the first step, it is first necessary to identify the stakeholders with the help of an "environmental analysis" (step 1). On the basis of this, it can be decided with which stakeholders the company wants to co-operate, compete or have nothing to do with (Stahl & Menz, 2014).

In most cases, not all stakeholders are considered, and the exchange is limited to communicating with investors, shareholders and journalists. However, the stakeholders include the project team, suppliers, partners, competitors, citizens, organizations and the media. The communication and integration of the employees is essential, they must not be neglected (Steeger, 2014)

Once all stakeholders have been identified, they can be analyzed and evaluated for their attitudes and impact (step 2). There are various evaluation criteria, methods and tools for this. Assessment criteria can be: attitude to the project, power / influence, potential for conflict, expectations and fears (Melbinger, 2014b). According to the stakeholder salience of Mitchell et al (1997), the stakeholders were classified according to their demands in the dimensions of power, legitimacy and urgency. According to this approach, these three characteristics are crucial for deciding how much attention and what kind of attention a stakeholder should receive from the management. The knowledge gained from the characterization of the stakeholders can subsequently be used for classification and prioritization (see step 3).

The prioritization of stakeholders is important as the allocation of scarce resources is necessary, especially with regard to human resources management (Stahl & Menz, 2014). With the results of the previous stakeholder analysis, communication planning can be carried out (step 4). The developed communication strategies and tools should contribute to the optimization of the communication structures. The measures should be defined as operationally as possible and optimally transferred to a person or group for completion by a defined date. Since a company is confronted with different stakeholders, it is necessary to individualize the communication measures, which include individually optimized communication strategies and the selection of the respectively appropriate communication tool (Hermann-Reuss, 2017).

To increase the awareness and acceptance of a project, a variety of measures and media can be used. The choice of communication channels depends on the question of which media can be used to reach the relevant stakeholders. The decision which measures are taken is dependent on the relationship between effort and benefits. The usefulness of the instruments can be evaluated according to the dimensions range, effect and integration of the stakeholder. However, project marketing involves more than the mere communication of project content and cannot be carried out without further things to do. It is not only to consider what is communicated to whom and when, but rather the "how" - the nature of communication and interaction is in focus. It is important to show the stakeholders that with the project

the greatest possible benefit and profit should be achieved for them. This can be achieved through stakeholder participation.

Participation means involving stakeholders, having them "codecide", having them co-design, referring to them and informing them (Melbinger, 2014b). As a result, the stakeholders feel involved, contribute to the development of plans and finally to the project and are part of the project. Participation and individual treatment of stakeholders can be achieved through dialogue. This dialogue brings advantages for both sides. The stakeholders can thus communicate their requirements directly to the company and influence their business decisions (Ferdinand, 2004). The company profits from the participation of the stakeholders, as this way dangers and trouble spots, but also support potentials can be recognized. The dialogue also allows the perspectives involved to be broadened and new perspectives to be taken in order to discover new ways of solving problems of operational service provision and exploitation (Stahl & Menz, 2014). The prerequisite for this is that companies are prepared to integrate stakeholder claims into processes and concepts and to align them with company strategies and goals. This requires the company's willingness to actively listen, ask questions, take into account other ways of thinking, empathize, and actively take on and influence different perspectives and moods, fears, or resistances (Klunke & Grins, 2015).

4. Objective

Living Labs as methodology for innovation in areas of technical, service and social- or sustainable innovation has been proposed and discussed e.g. by Keyson, Guerra-Santin, Lockton (2017) and Schrage (2012). Schrage (2012) has studied the most common European living labs approaches and positioned them in the landscape of "user-contributed innovation methodology". With this research, he offers great insight in the diverse methodological approaches and best-practices for running living labs and their suitability for „products and services that depend more on their soft characteristics for user acceptance and economic viability (Schrage, 2012, p.)". The method is best applied, where a variety of stakeholders with partly conflicting interests and an open space for solutions is available, to address this challenge with active participation. Living labs offer a possible solution for this challenge, as they appropriate the stakeholder's tacit knowledge to be incorporated for future services to be "validated in real-life environments" (Schrage, 2012, p.7). The living lab structure is ideal to benefit from a multi-stakeholder involvement such as public-private partnerships, to easy access to complex, regulated environments.

In the most common European Living Labs which are according to Scharade (2012) *TestBed Botnia, Helsinki Living Labs, iLab.o* and *Catalan Living Labs* the insight is gained from user needs which are set to real-life situations, whether these are scenarios or actual environments. They pay great attention to the context of the living lab, to enable new users to emerge or to capture specific knowledge related to a certain area, such as the expertise of certain individuals. "Real-life contexts are therefore much more than a more realistic scenario for validating proposals; they form an arena where new meanings can emerge, tacit knowledge can be captured, and the whole ecosystem can be validated (Schrage, 2012, p.5)." (Schrage, 2012)

For these reasons, Living Labs are seen as the most suitable approach to reach the goals of SHAREPLACE. With six different living lab settings, situated in different contexts of central Europe, the individual pilots are able to tap into the local context and specific knowledge of their respective stakeholders to use this as a great resource to co-design solutions building on a strong engagement and participation of a multitude of stakeholders.