

Fragmented Voices, Unified Principles: Diversity and Just Engagement in Earning Community Acceptance for Large Projects

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Abstract: Projects producing environmental or social change within a community have the potential to cause contestation. The Social Licence to Operate (SLO) and how it might be earned are examined in this paper. A new approach, the IUE Model (Identify, Understand, and Engage), is suggested to better facilitate conflict reduction and thus enhance project acceptance and long-term sustainability. While the literature often portrays communities as homogeneous, the research revealed that individuals or groups constituting the 'community' were remarkably diverse, even at the local level. Apart from those directly affected by the project, there were numerous "influencers" attempting to sway opinion. Identifying the various community elements is the first vital step in earning acceptance. Effective engagement necessitates understanding the diverse motivations of communities supporting or opposing the project. Support was motivated by potential benefits, either for the individual or the community. Reasons for opposition were far more nuanced, ranging from perceived personal impact to environmental and ecological objections. Engagement requires Procedural Justice (are the rules and procedures fair?), Interactional Justice (are all parties treated fairly?), Environmental/Ecological Justice (going beyond legal compliance to ensure no harm) and Distributive Justice (beyond CSR to fair benefit distribution in line with needs and capabilities). These elements are essential for sustainable interaction. Engagement is not unidirectional; it requires all parties to treat each other with respect and dignity, in line with Ubuntu's underlying principles of cohesion and reciprocal value. The Ubuntu lens provides a decolonised basis for considering justice, offering the insight that while communities have the right to award or withdraw their acceptance, their actions may impact their rights. The paper concludes with an explication of the IUE (Identify, Understand, and Engage) Model, providing a new understanding of how acceptance is earned and offering pragmatic guidance that can be understood and adopted in practice.

Keywords: Social licence to operate, Community, Identification, Engagement, Justice, Ubuntu

1. Introduction

Conflicts surrounding substantial projects are common between communities and companies. The Social Licence to Operate (SLO) is regularly invoked to enhance legitimacy and cooperation around large-scale projects, with the SLO rated in the top four concerns for mining companies since at least 2019 (EYGM (2019), EYGM (2023)).

Research was conducted to understand how companies can improve their approach to achieving the SLO. A literature review was conducted to determine the current understanding of the SLO. Thereafter, in-depth interviews were conducted with 51 individuals, both protagonists and antagonists, in three case studies involving conflict at multiple levels and covering wind energy, shale gas extraction, and a golf course development in South Africa, Yorkshire, and Scotland. The approach applied an Ubuntu axiology, an ontology based around principles of justice and fairness, and an interpretivist and constructivist epistemology. The various cases enabled the collation of diverse perspectives and the triangulation of findings. The case studies provided a broad perspective on the SLO within a range of societal and environmental impacts.

2. Current Understanding of the SLO

The review of the literature initially focused on defining and understanding the SLO. On completing a content analysis of the 200 most cited articles in Scopus and Google Scholar it is evident that the predominant definition of the SLO is that it represents the broad and ongoing approval and acceptance of stakeholders or, more often "the community" for a project to conduct its operations (Thomson & Boutilier (2011), Moffat & Zhang (2014), Moffat et al. (2016), Parsons & Moffat (2014), Prno (2013), Taylor & Mahlangu (2017), Hurst et al. (2020) and Barich et al. (2021)). However, the literature lacks clarity about the concept "community" and often tends to conflate community and stakeholders as if they were the same group or introduce concepts such as local community, indigenous community, neighbourhoods, broader community, wider community, vested and non-vested community and similar terms (Askanius & Gustafsson (2010), Bice & Moffat (2014), Collins & Kumral (2021), Thomson & Boutilier (2011), Parsons et al. (2014), Zhang & Moffat (2013)). At best, one can describe the stakeholder community as polymorphous. From the company's perspective, trying to earn the SLO, there is no certainty as to whom they should engage to earn the SLO.

Reviewing the most prominent models of the SLO (Wüstenhagen et al. (2007), Thomson & Boutilier (2011), Boutilier & Thomson (2011), Moffat & Zhang (2014), Morrison (2014), Bice et al. (2017), Luke (2017), and Lesser et al. (2021)) along with the body of literature it is evident that

the foundation of the SLO is the community or stakeholder group, the arbiters of the SLO. Three prerequisites, legitimacy, right action, and effective communication, create trust and earn the SLO, or the acceptance of the project by the community. Should any of those prerequisites be missing or diminished, trust would be eroded, and the SLO would be lost.

Legitimacy relates to both legal legitimacy, without which no project could commence, and moral legitimacy, which the society, and, more specifically, the community in which the company operates, will define.

The literature frequently refers to trust, but, as Howse (2020) p3 notes “despite the high prominence trust takes in SLO literature, there is little discussing what it is or how it is built”. This is notwithstanding Moffat & Zhang (2014) defining trust as having confidence that the [company’s] behaviour will match expectations. Much the same can be said for credibility, and it is apparent that these two concepts are ephemeral, demonstrated through engagement and interaction between the company and the community, and embodied in right action and communication.

If it is the community that grants the SLO, this community needs to be identified, and the categorisation needs to be far more detailed than is described in most of the literature.

3. Who are the Communities That Grant the SLO?

Research across the three case studies, involving elementary social network analysis, revealed that the individuals or groups constituting the ‘community’ awarding the SLO were remarkably diverse, albeit that there were significant commonalities in group type across the three disparate case studies. This is best illustrated in Figure 1 below, which provides an insight into the more granular composition of the community. It should be noted that communities form a subset of “stakeholders”, but is the term most closely aligned with the literature.

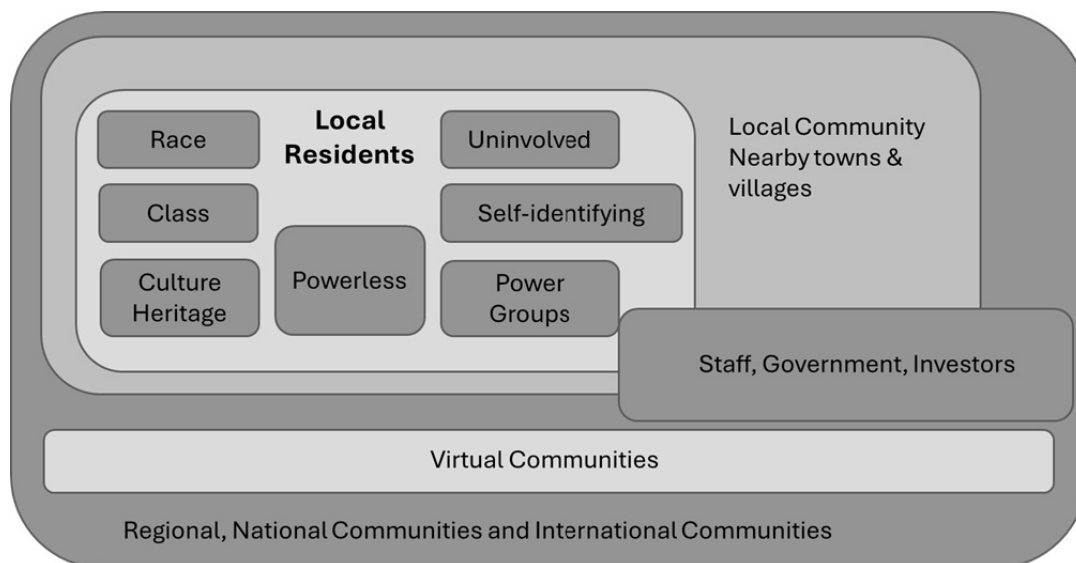


Figure 1: Communities Identified

“Local residents” includes all those living within proximity of the various projects, essentially the local town or village. Within that group, however, there were subsets based on race, class, cultural heritage and history, often leading to different reactions to the projects.

Within the local resident group, were power groups, either created by the project companies themselves or self-appointed. These groups had power in virtue of their function as a conduit between the project and the community, and are reminiscent of what Boutilier (2005) and Boutilier et al. (2016) refer to as strategic and influential stakeholders.

Importantly, across all three case studies, there was a distinct group of ostensibly “uninvolved residents”, being holidaymakers or seasonal workers, who would have no real influence on the SLO. There was a further

important set of uninvolved residents, those who remained silent or powerless, which is discussed in more detail below.

A final, and significant group, particularly at the fracking site but also present at the golf course, is the group self-identifying as “local residents”. In the case of the fracking site, this comprised the residents of the protest camp who “self-identified” themselves as “community protectors”, although many individuals came from far afield. Additionally, numerous residents in the surrounding areas of all the towns/villages considered themselves “local residents”, primarily because they perceived that the project would or could impact them in some way.

As shown in Figure 1, there were other groupings, all of which have a role to play in granting the SLO. Many such stakeholders are more closely aligned with broader industry decisions (e.g., the development of shale gas nationally) and thus confront different issues from those affecting local areas. For pragmatic purposes, these latter groups require less direct attention in attempting to earn a locally based SLO. Other engagement mechanisms required at a macro level.

A further community is the online community. While naturally, members of all the communities could be part of a virtual community, and while virtual communities indubitably influenced some of the attitudes and perceptions of community members, they are primarily a communication medium and, as such, should be considered influencers rather than distinct communities. Interestingly an analysis of publicly available social media posts for fracking development revealed limited initiators of news or comment, with most community interest merely involving forwarding messages from alternative sources.

Overall, the identification of the various community groupings highlights a much wider range of community constituents than is often included in an SLO. The analysis of the community indeed demonstrated that it is a polymorphous group. As such, companies will need to identify these wider disparate groups to facilitate a deeper understanding of the various drivers and motivations of the communities at a more granular level. This in turn, will create more meaningful communication and action when companies and communities engage.

4. Understanding why Communities Support or Oppose the Project

Determining the drivers or influences behind the individuals and groups supporting, opposing, or seemingly detached from the project would enable companies to engage more meaningfully with these different segments.

It is appropriate to review Figure 2 when considering the findings relating to the different motivations of communities supporting or opposing the SLO.

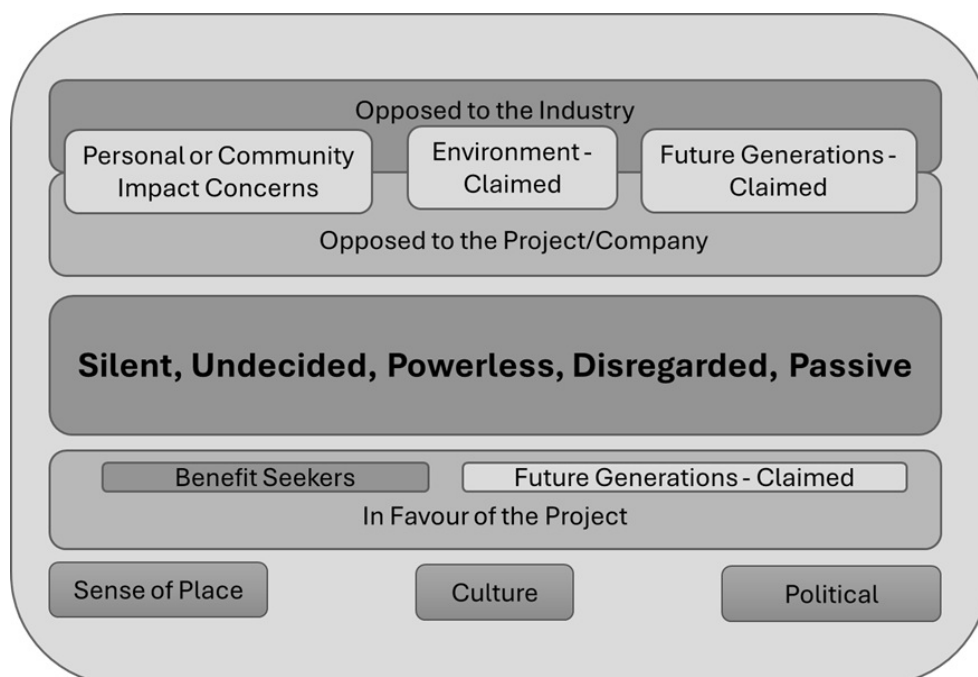


Figure 2: Communities Understood

Groups or individuals favouring or supporting the various projects were motivated by the potential benefits to be derived, either personally or for the community. This tended to focus on income for impoverished or marginalised individuals or groups, as well as employment, especially employment that enables younger people to be retained locally. The issue of benefits for younger people, whether from jobs or education and training, garnered considerable support, albeit in a situation of dire poverty, most of the population was concerned about their own futures.

Across all three case studies, there was a group one would suspect is larger than either the proponents or opponents of the projects, and that is the group comprising the silent, undecided, powerless, passive, disregarded, or apathetic. The view had been expressed that with the wind farm, around 95% of the community couldn't care (probably too high a figure), while, according to the BEIS Public Attitudes Tracker, 2019, , approximately 50% of the UK population neither supported nor opposed or had never heard of fracking. At the golf development, where the promoters balloted a sizable portion of the community, principally in pro golf areas, 70% of the recipients either voted against or did not vote at all.

So large a group of uninvolved people, creates an issue when it is claimed that the SLO represents community approval. This becomes a moral issue, as all groups need to be recognised and engaged for there to be any Procedural or Interactive Justice.

Reasons for opposition were far more nuanced. Three groups opposed to the project or companies were identified in the Personal or Community Impact Concerns group, with the difference between the three groups relating to proximity to the project. There were several motivations for objection, primarily related to the possible economic impact on house prices and tourism. Other issues concerned potential disruption, and, with the fracking project, a concern for the impact on health and groundwater resources. In many cases, inconvenience, rather than pure environmental issues, appeared to drive these objections, largely expressed by those geographically close to the project, but not exclusively. The impact of the proposed projects on the human environment concerned all groups. Furthermore, they, too, expressed apprehensions for future generations.

One of the local "resident" elements was not comprised of local residents and, in the fracking case, it included the protest camp and visitors who were said to be "protecting" the local community. They were essentially a grouping which opposed the entire fracking/shale gas industry, not just this specific project. Naturally there were many local residents who were also totally opposed to the entire industry, but perhaps not as vehemently.

A specific element of those anxious about the environment is the ecology group, focused on the impact on the natural as opposed to the human environment. This was particularly evident at the golf course, where, having observed the destruction of an SSSI site by a development at Balmedie, Scotland, there was deep concern that the latest proposals would result in the destruction of a unique dune system and another SSSI and RAMSAR site.

Vital to understanding communities is the impact of events elsewhere. Either previous experience or the torrent of social media posts, appeared to have significantly impacted the perceptions and beliefs of the communities, especially those opposed to the projects.

It is possible to create a matrix, combining Figures 1 and 2 above for an initial identification and understanding of a project community. This obviously cannot hope to be definitive, but it certainly provides a basis for community identification and understanding prior to any just engagement process.

5. How, Through What Just Engagements, can the Company Earn the SLO?

Engagement involves communication and conduct. Ubuntu is a normative ethical concept suggesting that "An action is right insofar as it promotes cohesion and reciprocal value amongst people. An action is wrong insofar as it damages relationships and devalues any individual or group." (Taylor 2014, p339). Viewed through this Ubuntu lens, engagement requires that actions by all parties should promote solidarity and equal respect between all parties, recognising the rights of community members to due process with interactional fairness of treatment.

It was evident that in all cases, while apparently acting in good faith, the companies operated largely as if legal compliance was sufficient to validate their engagement practices. In many instances, they fell short of the standards required to demonstrate justice in community interaction.

Procedural Justice includes: considering whether the process was legal and compliant; whether there was accessibility in terms of location, language and culture in company/community interactions; if the people involved in the interactions were recognised and treated with respect; and whether the parties listened to and heard each other, with adequate and appropriate sharing of information. (Cole & Foster (2000), Sovacool & Hess (2017), Walker & Baxter (2017)). Additionally, the elements of promoting group cohesion and creating reciprocal value amongst the community should be demonstrable (Judgement 1995).

While all companies complied with legal requirements, which was to be expected, there was further evidence that attempts had been made to address the other elements of Procedural Justice. Nevertheless, the process had flaws. For example, the use of English as the predominant communication medium disregarded and disrespected a majority Afrikaans-speaking community around the wind farm. Although situated close to the border of a Scottish county, the promoters of the golf course excluded all people from outside that county, showing a very parochial view of community. Nonetheless, these issues tended to reinforce the need for Procedural Justice when engaging with communities. It should further be noted that Procedural Justice tends to be unidirectional, from the company to the community.

Whereas Procedural Justice raises the question “are the rules and procedures used to reach these decisions equitable?” Interactional Justice asks, “do those who apply these procedures listen to my views and treat me with respect?” (Simmons & Lovegrove 2005) p502, with truth and human dignity at the core (Bies 2015). Furthermore, mutual recognition, respect, and dignity — the key elements of Ubuntu — meld neatly with the prerequisites for Interactional Justice.

The research revealed numerous instances of misrecognition or nonrecognition, either deliberate or unintentional. There was also stereotyping both by the companies and within all the communities, which again denigrates the humanity of the participants.

Interaction is bidirectional; engagement requires the involvement of both or all parties, an issue that is not apparent in the literature. Sections of the community in all cases studies treated the companies, their employees and their suppliers with a complete lack of respect. This was also reflected in intra-community interaction. This led to a breakdown of trust of communities by the companies themselves and within communities. This implies that, inasmuch as companies need to earn their social licence, so too do the various community groups, both those supporting and those opposing the project. When a situation is tantamount to a state of war, it is not possible for there to be any just engagement. Nor, therefore, is it possible for a community to grant or a company to be awarded the SLO.

An essential element of justice, insofar as engagement is concerned, is environmental/ecological justice. It is accepted that the companies complied with the required legislation in all cases, and all had completed environmental impact assessments (EIAs). However, as suggested by Gunningham et al. (2004), companies need to go beyond mere compliance to ensure that, as far as practicable, they seek both environmental and ecological justice in their dealings with the community and the surrounding environment.,

The final element in discussing engagement was the issue of Distributive Justice, which was evident in only one case study, the South African wind farm. South African legislation provides for substantial project generated funds to be used in the community for social and enterprise development. In this case, it was an extremely impoverished community plagued by numerous social ills. As Amartya Sen (Sen 1990) and Martha Nussbaum (Nussbaum 2009), (Nussbaum 2011) suggest, the mere provision of income is insufficient to demonstrate justice if the recipient lacks the capability to utilise that income effectively. In this case study, where the majority of the population were not used to large salaries, most of the community employed by the company ended up no better off than before the project commenced. Accordingly, if there is to be justice, Distributive Justice, or any other kind of justice and if the company is to earn its SLO, it needs to be more cognizant of the issues facing the communities with which it interacts. Hence, there is a need to understand the communities before they can be effectively engaged.

Having considered the identification of the various groupings within the community, the needs of those groups and how to justly engage with them, how does one then operationalise these results?

6. Re-Shaping the Understanding and Practice of the SLO

While not entirely rejecting the initial SLO model, the findings (Taylor 2023) led to a revised model (Figure 3), termed the Identify, Understand, Engage (IUE) model, which aims to answer the question: “How can companies improve their approach to earning the social licence to operate?”

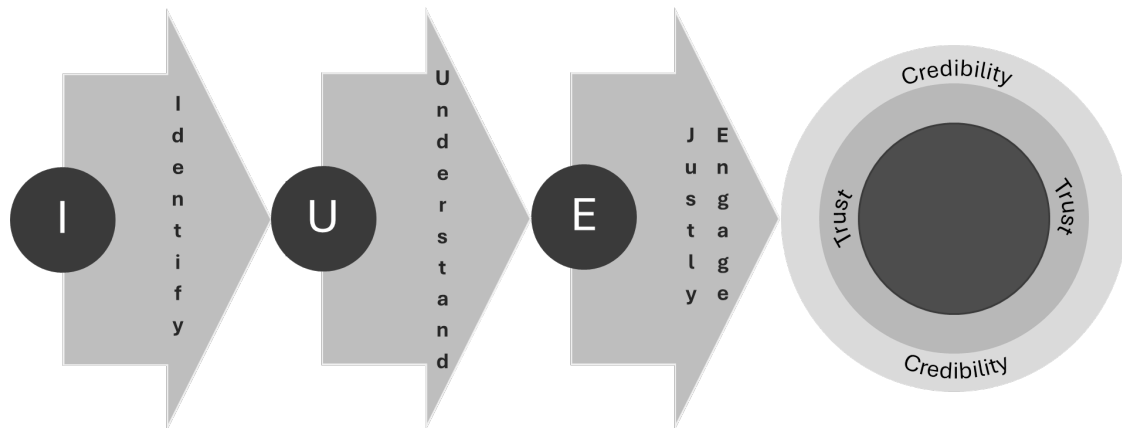


Figure 3: The IUE Model

The community remains the core constituent of the model but, rather than referring to the amorphous “community” or “stakeholders”, the first step in earning the SLO is to identify the numerous disparate elements of the community, based on their geographic relationship to the project, as well as other elements such as race, class and culture.

The second element of the model requires understanding the communities, involving identifying key aspects such as culture, language, and social class structure. It implies appreciating the aspirations and fears the (potential) project creates. It requires learning about the motivations and perspectives of the community and its various groups. It involves acknowledging those groups that represent or claim to represent the environment, ecology, and future generations, albeit there will be many overlaps between these groups and other community elements. It means, as sensitively as possible, determining why the “silent majority” is silent. It means seeking as much information as possible about the community to maximise the opportunity for just engagement.

The third component of the model is just engagement. The two core components of engagement are communication and conduct. However, here the issue of justice drives the communication and conduct, not just of the company seeking the SLO but also of the entire community.

The first requirement is Procedural Justice, where the processes are compliant and transparent. All interactions must be accessible, and all members of the community afforded an opportunity to participate and are recognised and acknowledged.

There must be Interactional Justice in all dealings between all parties, where conduct and communication are open and honest, and where all parties are treated with dignity, recognised, and respected. It is incumbent on the companies to facilitate this, as communities seldom have the capacity to bring people together in a meaningful way. It is specifically noted that Interactional Justice is bidirectional and that all parties are obligated to treat each other with the same dignity and respect. Failure to do so by any party causes the loss of the moral right to receive or award the SLO.

Where there is any form of distribution by the company or project, care must be taken to ensure that not only are the underlying structural factors inhibiting fair distribution addressed and removed, but also that the recipients are capacitated to ensure that the distribution can be effectively utilised.

Finally, there is the issue of environmental and ecological justice, where environmental concerns directly impact people, while ecological issues predominantly affect flora and fauna. It is incumbent on companies seeking the SLO to ensure that they have complied with minimum safety, health, and environmental standards and, where appropriate, their environmental impact assessment. However, it is further necessary to ensure that they go as far as practicable to eliminate or at least minimise and mitigate, all environmental and ecological harm that may flow from the project.

Once all three elements, identification, understanding and just engagement are present and remain effective, the company/project could be deemed to have demonstrated credibility, gained trust, and thereby earned or retained the SLO.

It is essential to note that the model assumes all legal requirements have been met, indicating the company's legal legitimacy. Moral legitimacy is demonstrated by the company's engagement with the community, which is vital for obtaining the SLO in practice.

The IUE model thus provides a different understanding of how the SLO is earned, is simple enough to be understood and has the potential to be adopted in practice.

7. Concluding Thoughts

In discussing this model with some of the management from the case studies, as well as industry practitioners, it was evident that the proposed model would have application in similar situations. Having moved from the literature to the development of a theoretical model based on case study research, the next steps must be to test the model in practice.

In understanding all company interactions with their stakeholders, it would be invaluable to determine how to identify, understand and interact with the "silent majority". Are these people who are powerless or perceive themselves to be impotent? Are they just naturally reticent? Do they have concerns different to those of the protagonists and antagonists in the various communities? Or are they just what Gaventa (1982) calls innately apathetic? If, as one suspects, this group is the majority of any community then, not only in the interests of justice but also from a purely pragmatic perspective, being able to identify, understand and interact with this group would undoubtedly be of benefit to companies seeking the SLO, as much as it would be to those in opposition.

It is important to determine how one can verify if an SLO has been granted. In situations with a large project in small communities (very often a mining development), does the fact that there are limited or few protests indicate acceptance of the project, or acquiescence in the face of job losses, and possible community pressures?

The Ubuntu lens adopted while considering the just engagement between the company and the communities, as well as between and within the communities, refreshed a possibly jaded view of Interactive Justice. It provides a decolonised basis for considering justice that should resonate with communities in the Third World, especially in Africa, and which may well be espoused in other environments. The use of this Ubuntu approach, whereby the actions by all parties should promote cohesion and reciprocal value, led to the insight that the SLO is bidirectional and that, inasmuch as communities have the right to award or withdraw the SLO, so too do they, by their actions, lose or retain the right to award the SLO.

The issue of how companies and projects operate within diverse localities and across various communities will continue to be a significant challenge for all parties concerned. While there are no easy solutions to the issues involved, this paper highlights the importance of identifying and understanding communities, and the need for effective forms of just engagement with and by those communities, to promote cohesion and acknowledge reciprocal value and thereby support companies in their efforts to improve their approach to earning the social licence to operate.

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AI statement: No AI tools were used in the creation of this paper.

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