



Executive Summary Report

Stakeholder Research

Prepared for:

Crown Estate Scotland

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1. Background and Methodology

1.1 Introduction

This executive summary report presents and discusses the findings from a programme of qualitative research with thirty-two stakeholders who have a working relationship with Crown Estate Scotland. All research participants held a senior designation, either Chief Executive or Director level roles.

The research was carried out to source insights on stakeholder perceptions of Crown Estate Scotland as an organisation, identifying current strengths, critical issues impacting stakeholder relationships and opportunities for improvement.

The in-depth interviews were carried out by Axiom Research & Consultancy on behalf of Crown Estate Scotland.

1.2 Background and Objectives

The programme of research helps to deliver Crown Estate Scotland's aspiration as an outward looking and customer focused organisation, and to provide the organisation and its Board with insights on how it is perceived, what it is doing well and where changes may be required.

At the time of conducting this most recent stakeholder research, Crown Estate Scotland was approaching 5 years as a devolved organisation. It is against this backdrop that the research has been undertaken, to establish progress made since 2017, and to provide key insights that would support the organisation's long-term planning.

The principal aims and objectives of the research programme were to provide insights on stakeholder perceptions and experiences that would:

- ensure Crown Estate Scotland is aware of critical issues impacting stakeholders, be it strategic issues related to their operating environment or more practical matters;
- track Crown Estate Scotland's corporate reputation;
- position Crown Estate Scotland as a listening and responsive organisation;
- effectively support Crown Estate Scotland's long-term planning;
- ensure Crown Estate Scotland can respond, where appropriate, to issues raised relating to how they do business and how they communicate with stakeholders;
- identify what Crown Estate Scotland do well and where they can improve;
- contribute to baseline information within the context of a new communications and engagement strategy; and
- monitor performance, identify key trends over time and establish reaction to the organisation's new Corporate Plan.

The outcomes of the research will enable Crown Estate Scotland to establish progress made and identify opportunities for continual improvement.

1.3 Research Method

A discussion guide was designed to fully meet the information needs and requirements of the project, which was agreed with Crown Estate Scotland prior to the recruitment of research participants.

The research was undertaken using a semi-structured qualitative in-depth interviewing technique, with interviews being conducted either by MS Teams or by telephone. All interviews were conducted by appointment, using the respondent's preferred method of interviewing.

All potential respondents were initially informed by Crown Estate Scotland (via an introductory letter) that Axiom Research & Consultancy had been commissioned to conduct the research and encouraged them to take part.

Axiom Research and Consultancy subsequently contacted fifty-seven potential respondents from a database supplied by Crown Estate Scotland. Potential interviewees held senior designations in their organisation, generally holding Chief Executive or Director level roles.

Interviews were conducted between 8th March and 14th April 2022.

In total, thirty-two completed interviews were achieved, representing an overall response rate of 56% of the 57 contacts supplied by Crown Estate Scotland

2. Summary of Key Findings

2.1 Awareness and Perceptions of Crown Estate Scotland

Interviewees were initially asked about their relationship with Crown Estate Scotland and how familiar they were with Crown Estate Scotland's organisational purpose, vision, values, and strategic objectives. Interviewees indicated that:

- There is a high level of familiarity with Crown Estate Scotland
- Most stakeholders become aware of the purpose, vision, and values of the organisation through word of mouth / conversations with Crown Estate Scotland personnel rather than relying on published materials
- The greater the access to and contact with senior personnel within Crown Estate Scotland, the better the understanding stakeholders have of the Crown Estate Scotland's vision and roles
- Stakeholders who perceived Crown Estate Scotland's main role to be an investor, generally expressed more positive sentiment towards the organisation

Once respondents' level of familiarity was mapped out, all respondents were then asked a structured question to rate Crown Estate Scotland's performance against a range of brand metrics to assess stakeholder's current perception and sentiment towards the organisation.

Positive sentiment towards Crown Estate Scotland is highest in relation to the following brand metrics:

- Expertise
- Professional
- Overall Reputation
- Trustworthiness

When a comparison is made with the previous stakeholder research conducted in 2018, positive sentiment continues to be highest across the following metrics:

- Trustworthiness
- Staff Expertise
- Professionalism

Less positive sentiment (ie % of respondents stating fair or poor) is apparent in Transparency, Understanding needs, Delivery and Collaboration.

This compares with Quality of Communication, Responsiveness, and Understanding your needs in the 2018 survey.

There is also an apparent lack of awareness of Crown Estate Scotland's role in some areas indicated by % of Don't Know responses to the brand metrics. This lack of awareness is particularly apparent in relation to delivery, commercial delivery, and success that benefits public / communities and overall success

2.2 Communication with Crown Estate Scotland

One of the lowest scores on brand sentiment in the previous 2018 research with stakeholders related to 'Quality of Communication'. The current research explored more extensively stakeholder perceptions on communication with Crown Estate Scotland.

Respondents were initially asked how they typically keep up to date with what Crown Estate Scotland is doing.

Most respondents had a positive working relationship with Crown Estate Scotland and had formed strong positive relations with both strategic and operational level personnel within the organisation.

Stakeholders were heavily reliant on word-of-mouth communications and the strength of their relationship with their key contacts within Crown Estate Scotland to keep up to date with developments.

The website was the main communication channel managed by Crown Estate Scotland that respondents relied on. Although less than half of respondents had visited the website recently, there was praise for the language, tone, and design.

There was an appetite for more direct one-to-one personal communication and for more regular and tailored communication content.

72% of interviewees stated they had a favourable opinion of Crown Estate Scotland – a level of sentiment that has remained consistent since the previous research was conducted in 2018. Two respondents stated they had a very unfavourable opinion of Crown Estate Scotland. These respondents explained they had unresolved legacy issues and were frustrated at the lack of progress (and perceived lack of commitment to take steps to resolve the issues).

2.3 Organisational Strengths and Areas for Development

Interviewees were asked an open-ended question on what they believed the key strengths of Crown Estate Scotland to be. Three key areas were cited:

- The skill and expertise of staff in the organisation and the accumulated knowledge in relation to the issues associated with managing the assets
- The perception that Crown Estate Scotland was an 'effective custodian' of the assets and had demonstrated effective long term-stewardship in the management of both land and sea assets
- The organisation was also praised for the quality of strategic thinking and robust governance

For balance interviewees were also asked to comment on what they believed Crown Estate Scotland could focus on strengthening. The three themes most cited related to:

- Enhancing brand Identity and communication
- Enhancing engagement with communities
- Addressing strict operational procedures that lead to delays

The 2018 research with stakeholders highlighted Engagement, Communication and Relationships with local communities and stakeholders as stated weaknesses.

It can be seen from this research that relationships with stakeholders is now mostly considered to be a strength.

In terms of brand identity and communications interviewees believed that the organisation could strengthen its corporate profile and that there was a general lack of brand awareness, recognition and understanding of who Crown Estate Scotland is.

Other comments related to the perceived need for Crown Estate Scotland to change their name to further distance themselves from the predecessor organisation. It was felt by some that a brand review should reflect the organisation's increasing activities in its investor and enabler roles.

Some respondents commented on the irregular approach to communications coming out of Crown Estate Scotland and mentioned that this would likely impact on brand recognition and understanding. They believed that Crown Estate Scotland could do more to raise the profile of the organisation and showcase more of their success stories.

Another key opportunity that respondents commented on was the approach taken to engaging with local communities. Whilst there was recognition that this had improved over the last three years, there was a feeling by some stakeholders that Crown Estate Scotland was not in tune with local communities.

Several respondents considered that Crown Estate Scotland potentially has a major role to play in supporting the work of regional development. They also recognised that this typically required multi-agency involvement. Therefore, there was a desire for Crown Estate Scotland to deliver maximum economic value at a regional level by developing an inter-agency approach. It was considered that taking this approach and strengthening collaboration with key public sector organisations would ensure local communities fully benefited from sustainable economic growth.

2.4 Local Management Pilots

The research included interviews with all five of the Local Management Pilots. The aim of the pilots is to encourage local community empowerment and to democratise the management of the assets in the local management pilot areas.

At the time of the research only one of the pilots was operational and the remaining pilots were at various stages of development. However, given the level of engagement between Crown Estate Scotland and each of the Local Management Pilots, interviewees were able to provide useful insights on their experiences.

Across all four local management pilots, there was a feeling that the area manager approach – a reference to the work of the Regional Engagement Managers – had helped to provide a more effective response to local issues when dealing with community requests, providing a more informed

review and discussion around local outcomes. This is considered a key advantage of the pilots compared to the previous arm's length approach.

Whilst, interviewees were supportive of the strategic objectives underpinning the introduction of the Local Management Pilots, there was a perception that local decision making was centred around routine day to day low level decision making, rather than big ticket investment decisions.

2.5 Long Term Vision

As a final stage to the discussion, respondents were asked to comment on what they would like to see Crown Estate Scotland's role, activity, and position be in 2050.

The fieldwork was conducted during a period when the Ukraine crisis and the cost-of-living crisis dominated the news. In addition, Scotland had recently hosted COP26. It was apparent from the discussion that respondents were typically involved in policy and strategy roles within their own organisation, and as a result were constantly monitoring macro-economic news and events that could impact on their role and organisation.

Set against this backdrop, respondents identified the following key areas that they considered Crown Estate Scotland should prioritise:

- Becoming an ambassador organisation furthering the national discussion on the transition to Net Zero
- Energy Security
- Food Security
- Carbon Management
- Holistic response to the Climate Crisis
- Maximising regional economic impacts from commercial projects

Most respondents stated that they believed Crown Estate Scotland would have a pivotal role in supporting Scotland's transitional journey to Net Zero. Given the scale of the assets managed by Crown Estate Scotland they believed the organisation would play a substantive role in helping Scotland achieve Net Zero.

As a result, respondents believed Crown Estate Scotland has a unique opportunity to become an ambassador organisation to further the national discussion on Net Zero. Consequently, respondents suggested that they should further develop their role as an influencer/opinion shaper and become one of the 'lead voices' on good/innovative practice to support the transition.

In addition, they believed that this should translate into investing in sustainable projects at a local level that were clear examples of innovate practice in net zero, or projects that could be scaled up and rolled out across the regions in Scotland. They also highlighted the need to be at the forefront of communicating to tenants and communities what can be achieved in terms of operational practices/practical changes that would speed up behavioural change and support the journey towards Net Zero.

In addition, respondents went on to discuss that Crown Estate Scotland should be looking at all forms of renewable energy to support the transition away from Oil and Gas. They suggested that if

Scotland was to become a world leader in this field, continued or greater consideration should be given to:

- Tidal/wave energy
- Hydrogen storage
- Building capacity to link into the National Grid
- Becoming a net energy exporter

Another key area respondents mentioned was food security. Respondents believed that Crown Estate Scotland should play a lead role in maximising the land, sea, and foreshore assets to support food supplies for Scotland. Most of these respondents suggested that Crown Estate Scotland should prioritise the mainstream agriculture, fishing, and aquaculture industries.

A few respondents also mentioned that carbon management should be high on the agenda. Those respondents that raised the topic commented that Crown Estate Scotland should review its land, sea, and coastal assets in terms of land management/practices and prioritise areas that would support the reduction of carbon emissions. Several examples were cited including:

- Encouraging tenants to switch to green energy sources/equipment
- Promoting, protecting and encouraging the recovery of peatlands (as a natural carbon storage solutions)
- Enhancing/restoring the biodiversity across marine and coastal assets
- Using their role as landlord to encourage wider uptake of natural carbon capture practices

Lastly, the one area that nearly all respondents commented on was the need to tackle the above issues with a sense of urgency. Speed of change was seen as necessary to achieve Energy and Food Security, as well as addressing the Climate Crisis.