

Stakeholder Analysis

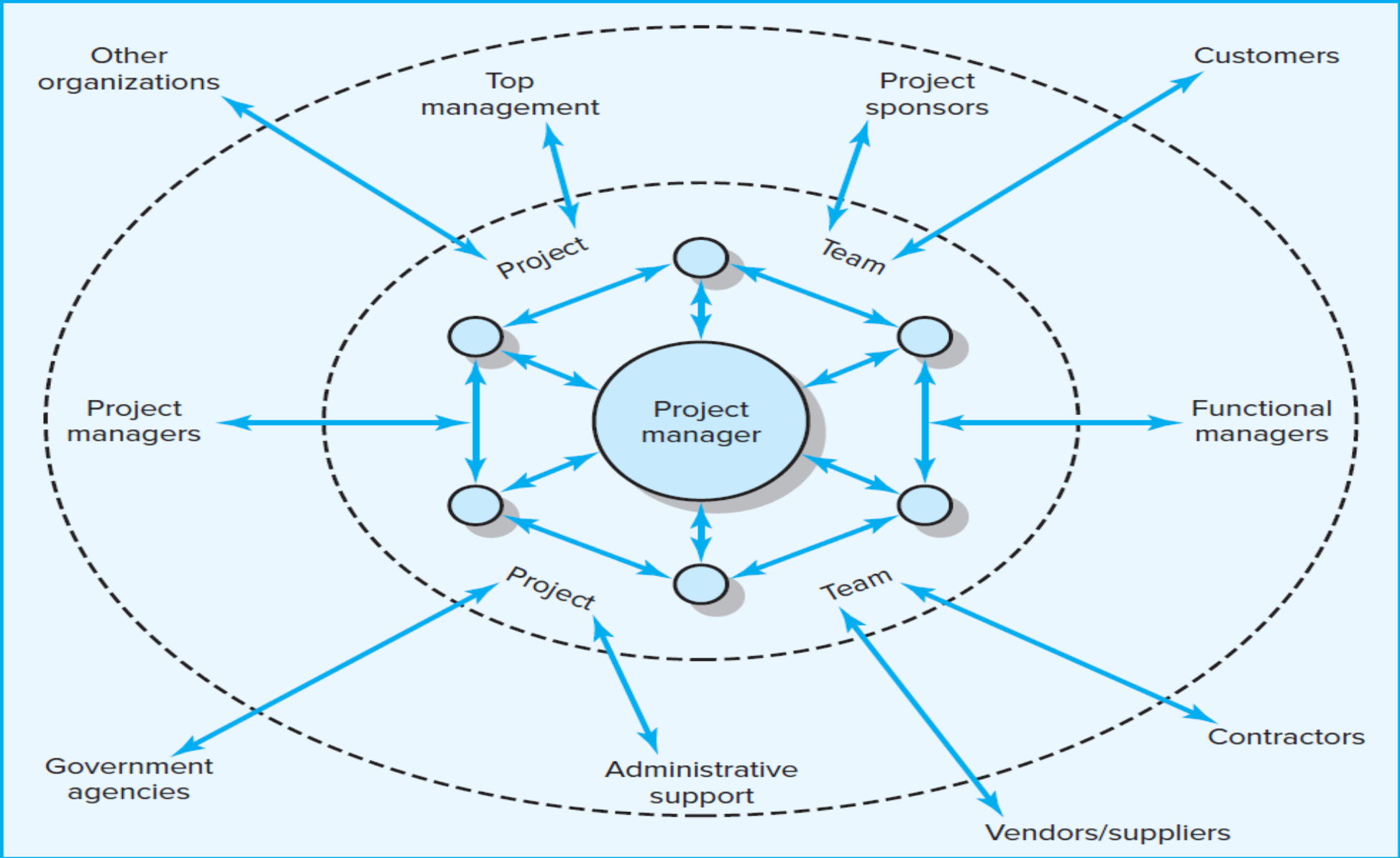
The Organizational Zoo

“The use of creative tools such as metaphor and reflective conversations is becoming more common and makes a significant contribution to success...”



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Network of Stakeholders



Identify Stakeholders (1 of 2)

After charter is accepted, a good place to start detailed planning is with understanding who the stakeholders are and how to communicate with them

PM's Stakeholder Responsibilities include:

- Understanding the stakeholders
- Building relationships with stakeholders
- Developing a communications plan for dealing with stakeholders

Identify Stakeholders (2 of 2)

- Multiple users with different—sometimes conflicting—requirements
- May not know what they want
- May not be the actual user
- Unreasonable requests
- Stakeholders other than the users

Find Stakeholders Analyze stakeholders Document stakeholders

Find Stakeholders

- Who will use or be affected by the result of a project?
 - Work on the project
 - Provide people or resources
 - Have their routines disrupted
- Who will be positively or negatively impacted by the process of performing the project?
- Are stakeholders internal or external?

Identify stakeholders –the process of determining the individuals and groups who might impact or be impacted by some aspect of the project.

Examples of Project Stakeholders

	INTERNAL	EXTERNAL
Affected by Project Process	Owner Sponsor Project Manager Functional Managers Competing Projects Financing Source Project Core Team Subject Matter Experts Employees Stockholders	Suppliers Partners Creditors Government Agencies Special Interest Groups Neighbors Client Professional Groups Media Taxpayers Union Competitors
Affected by Project Result	Internal Customer Sponsor Users	Client Public Special Interest Groups

Breakout Session! Identifying Project Stakeholders

- Use classic rules of brainstorming
- List project processes and results stakeholders may be interested in
- Combine stakeholder list into groups

Analyze Stakeholders (1 of 2)

- **Prioritize** stakeholders



Stakeholder analysis – a stakeholder identification technique composed of gathering and evaluating information to determine whose interests should be emphasized throughout the project.

Analyze Stakeholders (2 of 2)

EXHIBIT 6.2: MODULAR COURSES: STAKEHOLDER IDENTIFICATION AND PRIORITIZATION MATRIX

	VICE CHANCELLOR	DEANS OF FACULTY (*)	ACADEMIC REGISTRAR:	LECTURERS: (*)	STUDENT SUPPORT	STUDENTS
What Is Important to This Stakeholder						
Power	3	3	3	2	1	1
Interest	3	1	2	1	2	2
Influence	1	3	2	2	1	1
Impact	3	2	3	1	1	1
Urgency	2	1	2	1	1	1
Legitimacy	2	1	3	3	1	3
Total:	14	11	15	9	7	6
Priority (Key or Other):	Key	Key	Key	Secondary	Other	Other

(*) Lecturers and the deans are unlikely to be homogeneous in their views—more information is needed to identify groupings and interest areas. For this case, we have kept it simple.

Source: Louise Worsley.

Success Criteria for Various Stakeholders

STAKEHOLDER/ SUCCESS CRITERIA	ON TIME	ON BUDGET	MEET REQUIREMENTS	PART- NER SHIP	PROFIT REALIZED	FOLLOW- ON WORK	MINIMAL OVERTIME	RECOGNITION	CHALLENGE	WELL- PAID	QUALITY
Customer	X	X	X	X							X
End-user	X		X	X			X				X
Customer management	X	X	X	X			X	X			X
Project manager	X	X	X	X	X	X	X	X		X	X
Contractor management	X	X	X	X	X	X	X				X
Project team member	X		X	X		X	X	X	X	X	X
Subcontractor	X	X		X	X	X	X			X	X

Source: Adapted from Ralph R. Young, Steven M. Brady, and Dennis C. Nagle, Jr., *How to Save a Failing Project: Chaos to Control* (Vienna, VA: Management Concepts, 2009): 14. © 2009 by Management Concepts, Inc. All rights reserved, www.managementconcepts.com/pubs.

Results of Find and Analyze Stakeholders

- Set clear direction
- Prioritize objectives
- Recognize complex tradeoffs and consequences
- Facilitate necessary decisions
- Develop a shared sense of risk
- Build a strong relationship with customers
- Lead with an empowering style
- Serve as good stewards of resources

Document Stakeholders

- Create a stakeholder register
- Capitalize on stakeholder support
- Mitigate impact of stakeholder resistance

Stakeholder register – a repository of information regarding all project stakeholders

Project Stakeholder Register

MODULAR COURSES: PROJECT STAKEHOLDER MATRIX

STAKEHOLDER	INTEREST IN PROJECT	PRIORITY	SUPPORT/MITIGATION STRATEGIES
Vice Chancellor	Make major improvements in university services and avoid government intervention.	Key	Consult on target improvement areas—use his power to support key and difficult changes.
Deans of Faculty	Protect against changes that could influence their power base. Reduce detrimental impact on faculty activities.	Key	Work with nominated representatives to identify and seek out solutions to barriers to change. Establish and communicate wins for faculties.
Academic Registrar (AR)	Develop the power base of AR—demand and obtain quality improvements on courses across the university.	Key	Increase visibility and power of AR. Increased visible support for AR regarding resources and political support from senior management.
Lecturers	Be kept informed of impacts upon them. Reduce or resist changes that are considered negative to them.	Secondary	Identify supportive champions. Create, test, and deliver carefully considered communication strategy.
Student support	Be able to prepare and train staff on how to roll out new schemes to current and prospective students.	Other	Help student support guide staff through process—develop training programs and online web support.
Students	University shows signs of improvement and ensures students' needs are considered.	Other	Set up consultation and communication groups. Keep informed.

Source: Louise Worsley.

Plan Stakeholder Engagement (1 of 2)

- Create Stakeholder Engagement Assessment Matrix
 - Define how to engage & manage stakeholders throughout project lifecycle
 - This matrix is primary tool that comprises stakeholder management plan
- Plan to Build Relationships with Stakeholders
 - PM & team should engage stakeholders throughout lifecycle of project and beyond
 - Team-building & involving key stakeholders is especially important during planning phase
 - Developing relationships to influence others is critical

Plan Stakeholder Engagement (2 of 2)

MODULAR COURSES–STAKEHOLDER ENGAGEMENT ASSESSMENT MATRIX

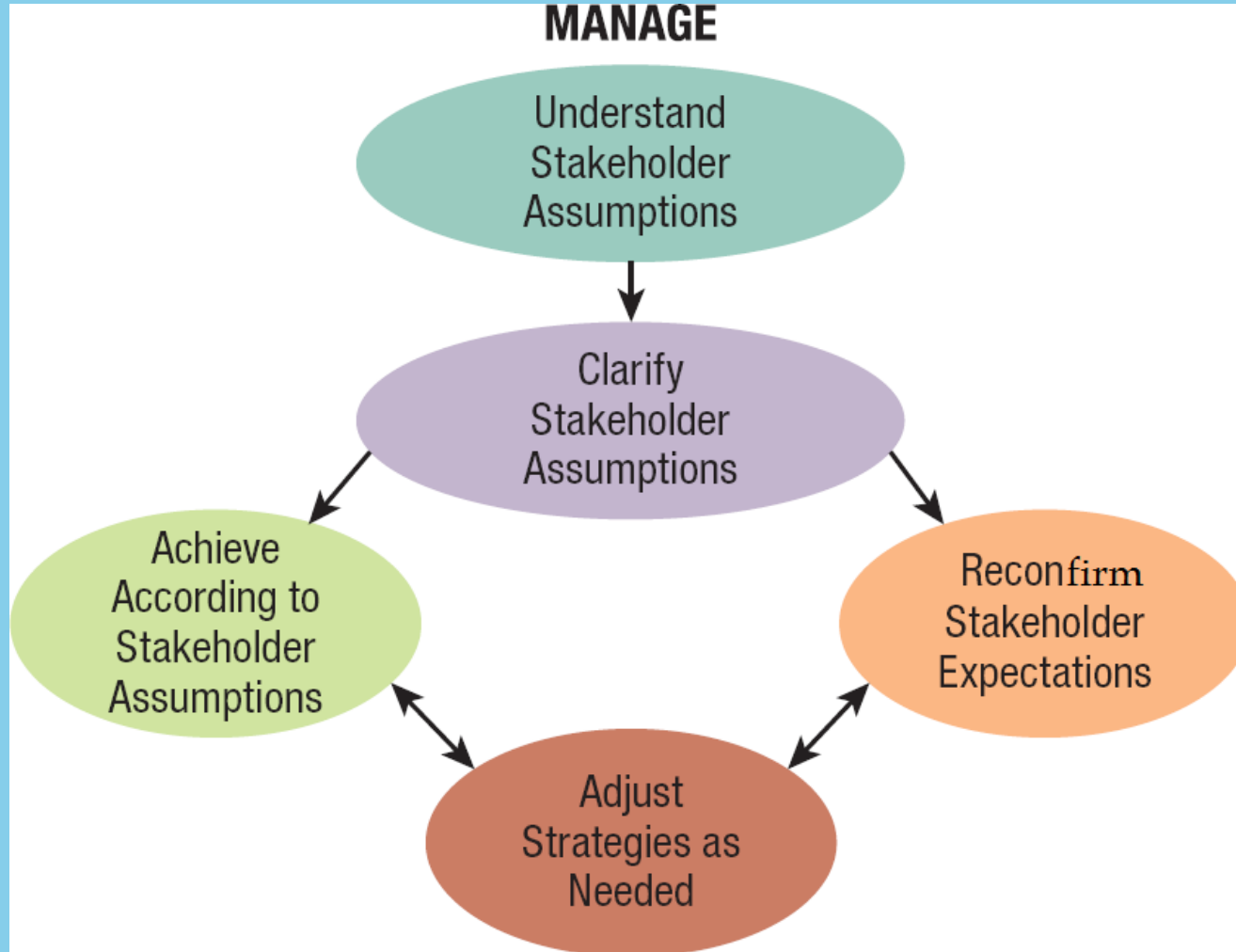
STAKEHOLDER	CURRENT POSITION	TARGET POSITION	BARRIERS TO CHANGE	STRATEGY
Vice Chancellor	Leading	Leading	Competing day-to-day priorities	Ensure engagement is 'efficient' and effective. Consider extending role of deputy Chancellor to cover for some day to-day activities.
Deans of Faculty	Resistant	Neutral, Supportive, or Leading	Some Deans more powerful than others (relates to student numbers and academic ratings). 'Power owners' are very influential.	Consider each Dean's WIIFT individually. Consider strategies for individuals as well as the group.
Academic Registrar (AR)	Supportive	Leading	Competing day-to-day priorities—lack of leadership skills.	Engage deputy, provide skills and mentorship.
Lecturers	Unaware to neutral	Neutral or supportive	Very large group with veto power through unionized actions.	Involve HR and legal department to evaluate all changes that may impact lecturers. Identify supportive champions and stakeholder groupings for engagement.
Student support	Neutral	Leading	Not considered important by academic staff—services currently limited and not highly rated.	Provide consultancy support to team to redesign and promote new services (including student website).
Students	Unaware	Neutral	Very large group. Student representative council not well resourced or highly valued by students.	Set up consultation and communication groups. Keep informed. Consider use of social media.

Relationship Building with Stakeholders

- “What is in it for me?”
- Treat stakeholders as partners
- Use core team relationship building activities
- Foster respect and trust

Stakeholder engagement plan – a subsidiary component of the project management plan that defines how to effectively engage stakeholders in planning and performing the project based on the analysis of stakeholders’ needs, wants, and impacts.

Manage & Monitor Stakeholder Engagement



Monitor

Continuously Monitor:
Relationships,
Communications, and
Lessons Learned

Manage Stakeholder Engagement

- Share planning documents
- Hold informal conversations
- Follow the formal change control process
- Understand stakeholder assumptions
 - Elaborate on analysis created for charter
 - Document expectations regarding project deliverables & have stakeholders verify them prior to project execution

Manage stakeholder engagement – process of the project team communicating and working with stakeholders to satisfy their needs (and desires, when possible), handle issues quickly, and encourage active stakeholder participation throughout.

Monitor Stakeholder Engagement

- Relationships
- Communications
- Lessons learned

Monitor stakeholder engagement – the process of engaging stakeholders and managing relations with them effectively.

Social Network Building

Mapping Stakeholder Dependencies

- Project team's perspective
 - Whose cooperation will we need?
 - Whose agreement or approval will we need?
 - Whose opposition would keep us from accomplishing the project?
- Stakeholder's perspective
 - What differences exist between the team and the people on whom the team depends?
 - How do the stakeholders view the project?
 - What is the current status of the relationship the team has with the stakeholders?
 - What sources of influence does the team have relative to the stakeholders on whom the team depends?

Stakeholder Map for Financial Software Installation Project

