



STAKEHOLDER MANAGEMENT

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3	PROCESS AND STAKEHOLDER MAP
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Stakeholder [definition]

A stakeholder is an individual, group, or organization who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project.

Stakeholder engagement, commitment, ownership and support are critical for program success

Stakeholder [example]



Sponsor

Provides resources and support and is accountable for enabling success



Customers/Users

Persons or organizations who will approve and manage project's product, service, result



Sellers

Vendors, suppliers, contractors or external companies entering into contractual arrangements to provide components or services to the project

STAKEHOLDER – MORE EXAMPLES



Business Partners

External organizations providing a specialized expertise or fill a specialized role such as installation, customization, training, support



Organizational Groups

Internal stakeholders who are affected by the activities of the project team – e.g. marketing, sales, legal, human resources, finances, manufacturing, etc



Functional Managers

Key individuals who play a management role within an administrative or functional areas of the business. They provide expertise or services to the project.

Stakeholder [for public institutions]

- Citizens
- Journalists
- Professional associations
- Worker's unions
- International organizations
- ...

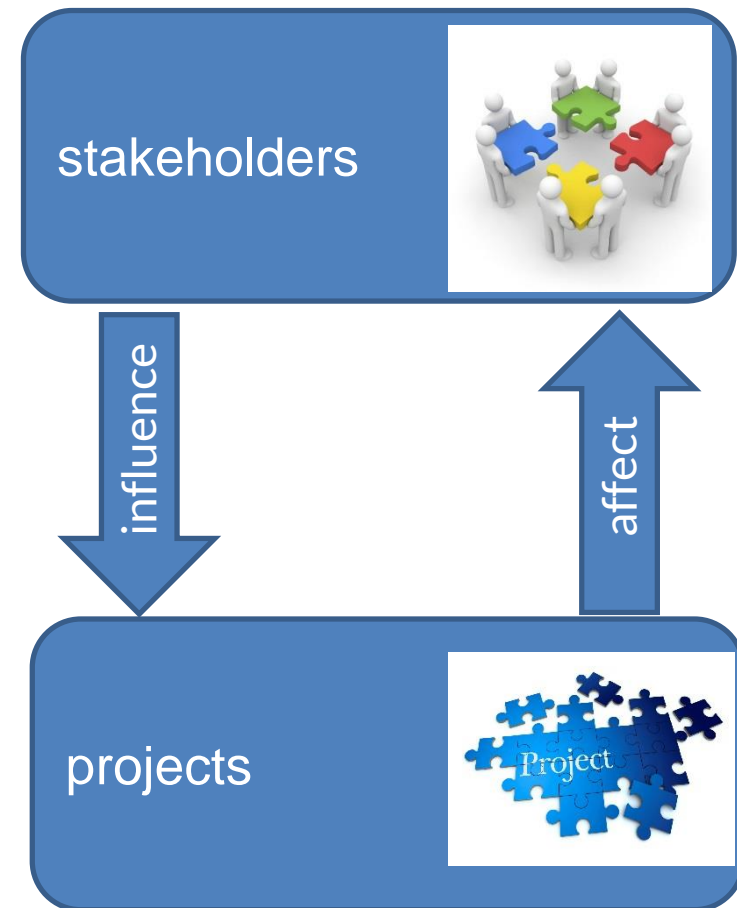
MOTIVATION

Stakeholders may be directly involved in the project or have interests that may be positively or negatively affected by the project results.

Different stakeholders may have competing expectations that might create conflicts for the project execution.

Stakeholders may also exert influence over the project, its results and the project team, so to achieve their business objectives or needs.

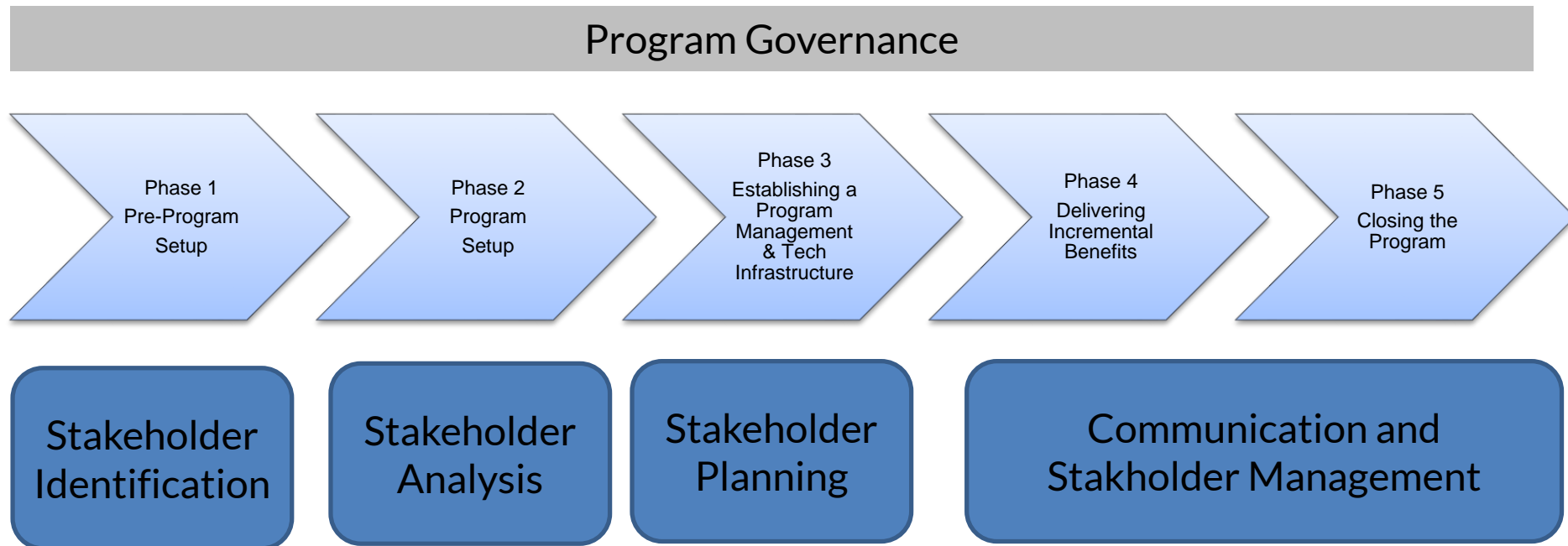
The project manager should manage the influence of various stakeholders in relation to the project requirements to ensure a good outcome.



The main objectives of stakeholder management are to ensure that:

- stakeholders are identified
- their interests and influences are clearly defined
- they are engaged according to their interests and influences in the program
- they are committed to, take ownership for, and provide support to the program

Stakeholder management is a continuous process that runs through the entire program life-cycle





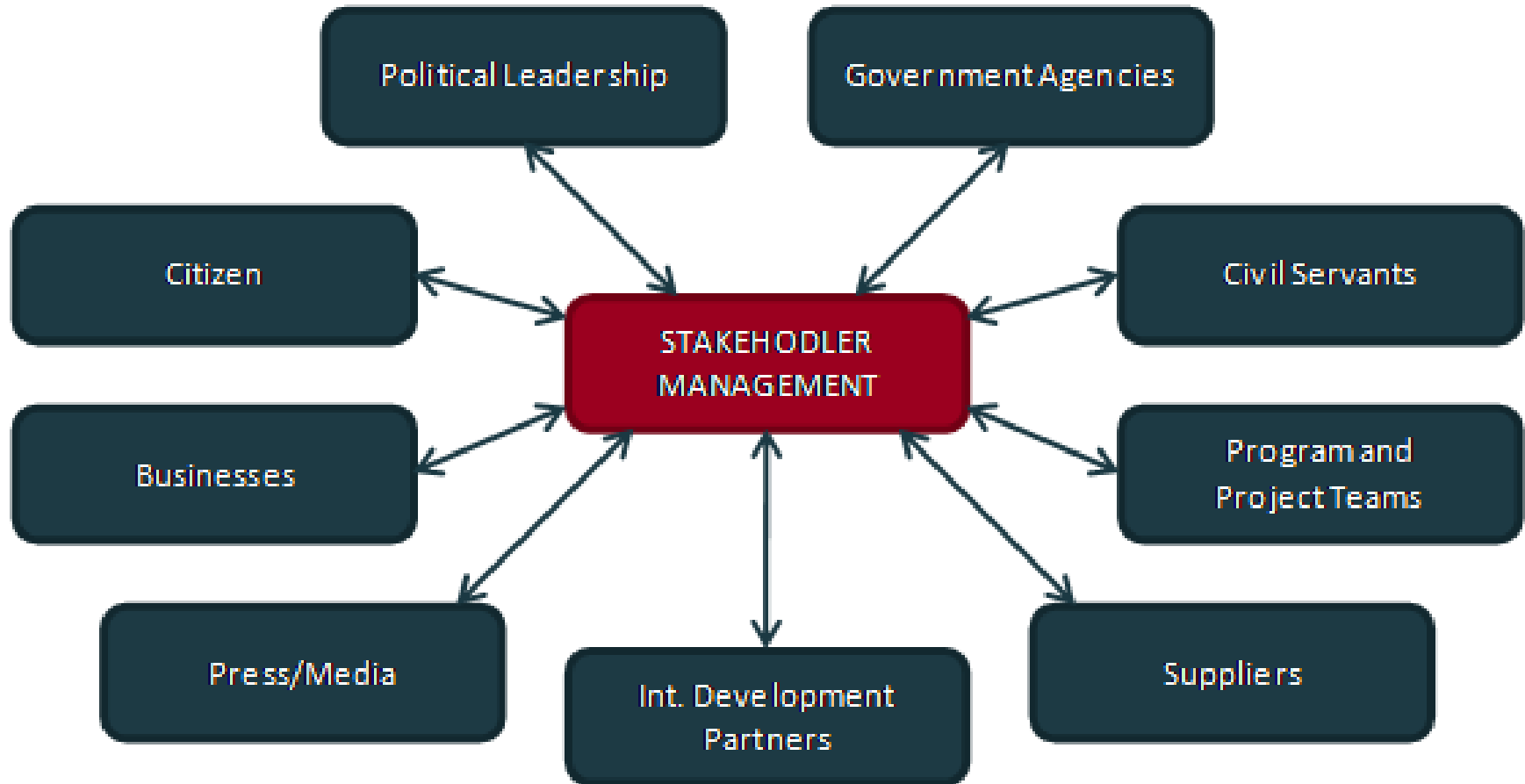
Typical stakeholder management processes focus on the following:

- 1) Identifying stakeholders and their interests – Stakeholder Map
- 2) Analyzing stakeholders – Stakeholder Influence/Impact Matrix
- 3) Developing a Stakeholder Management Strategy
- 4) Stakeholder planning – Communications Plan
- 5) Stakeholder communication – Communication Channels
- 6) Managing stakeholders – managing expectations, maintaining interest and commitment

Stakeholders maybe identified from:

- Customers or consumers who will be affected by the program's outcomes
- Organization(s) sponsoring the program
- Organization(s) affected by the program
- Suppliers of goods and services
- Political and regulatory bodies
- Project and program management teams
- ...

STAKEHOLDER IDENTIFICATION – EXAMPLE PUBLIC SECTOR



STAKEHOLDER IDENTIFICATION – STAKEHOLDER MAP

A matrix showing stakeholders and their particular interests in the program.

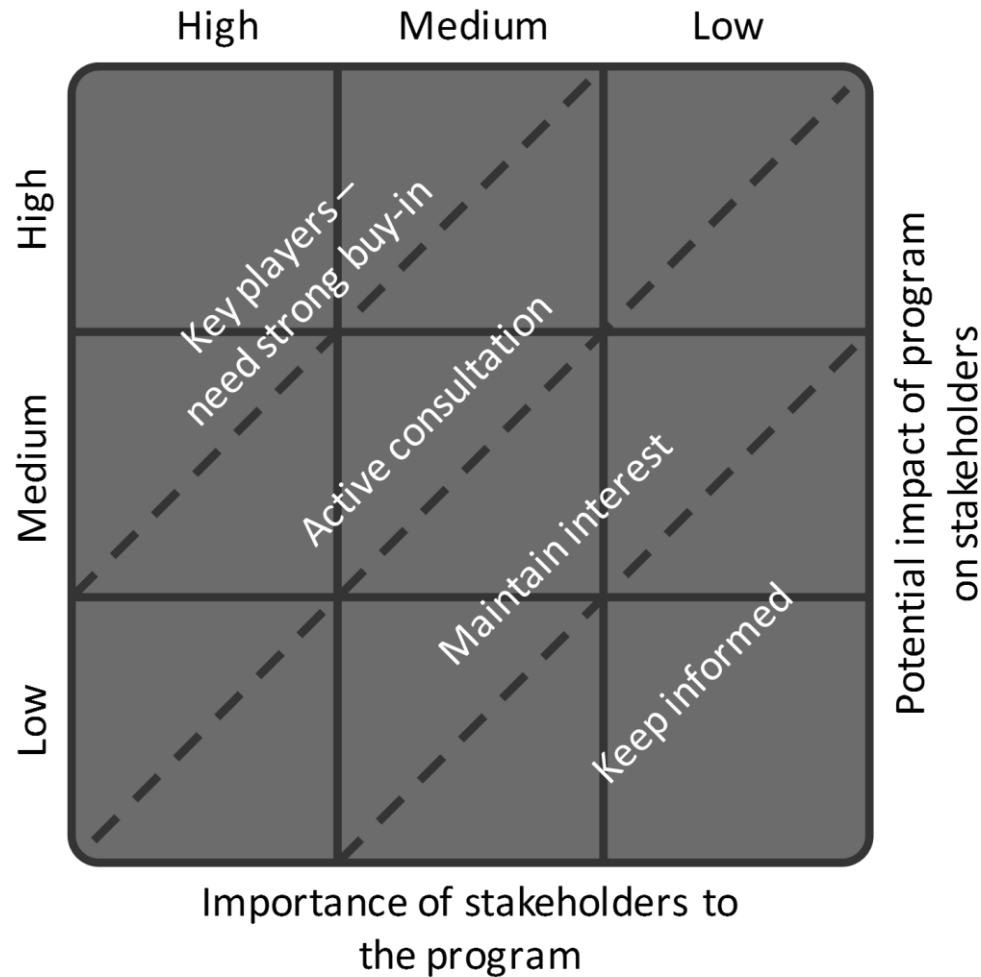
STAKEHOLDERS	INTEREST AREA			
	STRATEGIC DIRECTION	FINANCIAL	OPERATIONAL CHANGES	INTERFACE WITH CUSTOMERS
Customers		3		3
Project teams			3	
Staff	3		3	
Regulatory bodies		3		

Stakeholder analysis focuses on analyzing their influence or impact on the project.

Understanding the requirements, interests and impact that stakeholders can have on a program is vital to ensure proper communication with and engagement of stakeholders in the program.

This is necessary in designing appropriate and targeted communication channels that address stakeholders' needs and interests.

STAKEHOLDER ANALYSIS – INFLUENCE/IMPACT MATRIX



Part of the stakeholder management strategy comprises defining a communication plan.

A Communications Plan is central in ensuring proper communication.

It is used to plan and monitor the communication activities during the program execution and describes:

- **What** will be communicated and the level of authority required
- **How** it will be communicated
- **Who** will do it
- **When** will it be done

Objectives of the communications plan include, amongst others:

- raising awareness amongst stakeholders of benefits and impact
- gaining commitment from staff of the target organizations to the changes being introduced
- keeping all staff of the target organizations informed of progress before, during and after implementation or delivery of project outcomes
- promoting key messages from the program
- making communications truly two-way by actively encouraging stakeholders to provide feedback and ensuring that they are informed about the use of their feedback

Ensuring proper communication is a critical success factor for any transformation process.

The objectives of the communications process include:

- Keeping awareness and commitment high
- Maintaining consistent messages within and outside the program
- Ensuring that expectations do not drift out of line with that will delivered

A program formal communication process maybe supplemented with more subtle and informal means of communication.

Communication channels should be established to ensure that stakeholder's expectations of the program can be managed and maintained.

Channels may include:

- **Seminars and workshops** – allowing direct contact with stakeholders – useful for first-hand feedback on issues etc.
- **Press/Media** – ideal for wider external audiences
- **Bulletins, briefings, announcements, reports** – these can be used for general as well as for specific information relevant to particular stakeholders – can be web and or paper based
- **Social media** – allowing direct and instant communication between team members

Stakeholder management is key to maintain momentum and keep programs on track.

In managing the stakeholders it is important to ensure that:

- There is a common and shared understanding of what is meant by ‘stakeholder’
- There is a detailed set of stakeholder groups and that they are being targeted in practice
- There are targets or goals set for each group of or set of groups of stakeholders

Some recommendations for successful stakeholder management include:

- There is a clear **Communications Plan** for achieving the targets or goals
- Members of the program management team are strongly motivated to achieve these targets
- Stakeholder groups feel sufficiently engaged in the program and do understand the programs objectives and constraints
- Feedback from stakeholders are measured and acted upon

Clarkson 7 principles of stakeholder management:

- 1) Acknowledge and monitor all concerns
- 2) Listen and correspond to all the apprehensions
- 3) Adopt relevant practices and modes of behaviour
- 4) Treat the stakeholders fairly
- 5) Collaborate with the public and private entities
- 6) Avoid any activities that might endanger human rights
- 7) Take notice of the potencial conflicts that may possibly occur

Team members are also main project stakeholders. Thus, it is important to ensure:

- 1) Feedback to and from one another
- 2) Willingness to back fello members up
- 3) Feeling as a group whose success depends on interaction
- 4) Fostering within-team interdependence
- 5) Good team leadership, since it affects performance of the team

STAKEHOLDER ENGAGEMENT MATRIX

STAKEHOLDER	RESISTANT	UNAWARE	NEUTRAL	SUPPORTIVE	LEADING
1.	C		D		
2.			C		D
...		C		D	
N.				C D	

C – Current engagement

D – Desired engagement

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The successful completion of a project requires stakeholder management.

The process includes:

- Stakeholder identification
- Stakeholder analysis
- Stakeholder planning
- Stakeholder communication
- Stakeholder management

Supporting tools include:

- Stakeholder map
- Stakeholder influence/impact matrix
- Stakeholder engagement matrix

A Guide to the Project Management Body of Knowledge, PMI, 5th Edition,
http://dinus.ac.id/repository/docs/ajar/PMBOKGuide_5th_Ed.pdf

Project Stakeholder Management,
http://www.utu.fi/fi/yksikot/med/opiskelu/Jatkotutkinto/PGE/Documents/2016/kurssimateriaali/PML16_2016_L13ProjectStakeholderManagement20160418.pdf

ONLINE VIDEOS

- https://www.youtube.com/watch?v=-tNHplQ_hw&t=13s
- <https://www.youtube.com/watch?v=0EkufUCo5qI>

¿Questions?

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