

University of Wales Trinity Saint David (UWTSD)

Programme: BA (Hons) Leadership and Management Skills for the Workplace

Module – Understanding and Engaging Stakeholders

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1. Executive Summary

This academic report critically investigates the complex stakeholder management and engagement strategies required for the successful 6-month international rollout of Marks & Spencer's (M&S) newly enhanced digital customer loyalty and engagement platform 'ConnectPlus'. Operating within an intensely competitive UK and global retail landscape, M&S sought to transition from traditional point-based reward systems to a digitally integrated ecosystem featuring AI-driven personalised recommendations, mobile-based wallets, and real-time data insights. Achieving this technological and cultural shift demanded rigorous stakeholder analysis, structured communication frameworks and robust conflict resolution mechanisms. Drawing extensively upon foundational and contemporary stakeholder literature including Freeman's Stakeholder Theory (1984), Mendelow's Power/Interest Matrix (1991) and Mitchell, Agle and Wood's (1997) Saliency Model, this report systematically categorised internal and external stakeholder groups. Key internal cohorts included executive leadership, IT engineering teams and frontline store colleagues while external cohorts comprised M&S retail customers strategic brand partners and regulatory bodies such as the Information Commissioner's Office (ICO).

The analysis demonstrated that stakeholder salience is fluid, shifting across the project lifecycle from developmental phases dominated by technical and executive gatekeepers to operational phases reliant on frontline colleague advocacy and mass customer adoption. Furthermore, the report evaluated sophisticated engagement frameworks, incorporating the RACI matrix, the 4C's model (Communication, Collaboration, Consultation, and Commitment), and SWANS/OWANS typologies to manage expectations and mitigate resistance. Conflict management strategies underpinned by interest-based negotiation and proactive change management, were designed to address potential friction points such as privacy anxieties, algorithmic transparency and retail operational fatigue.

Finally, the report assessed the profound impact of sustainable stakeholder engagement on business performance suggesting that long-term brand differentiation, customer lifetime value (CLV) and sustainable equity are inextricably linked to inclusive, ethical and collaborative stakeholder relationships. Actionable recommendations were subsequently formulated to ensure M&S successfully navigates the 'ConnectPlus' deployment.

2. Introduction and Contextual Background

Marks and Spencer Group plc (M&S) is a retailer of a wide range of apparel, home products, and food items.

The company markets its products through a network of own and franchise stores, also a range of financial services including current accounts, savings, credit cards, mortgages and insurance.

Digital transformation is important for M&S because it can improve operational speed, efficiency and the overall customer experience. Technology such as AI, automation and cloud systems can help reduce errors and improve business processes and also connecting physical stores with online shopping.

Customer engagement is also important because the data allows retailers to provide more personalized rewards. Digital platforms and customer feedback can help increase customer loyalty, build trust and encourage repeat purchases.

These factors show why transformation and customer engagement are relevant for the ConnectPlus project.

For the purpose of this report, M&S is assumed to be introducing ConnectPlus over a six-month period. The platform will use AI to provide personalized recommendations, mobile rewards and customers insights. However, this implementation may create a challenge because of different stakeholders, as employees, customers, managers have different needs, concerns and expectations.

This report will identify the internal and external key involved in the ConnectPlus project and analyze their level of power, interest and influence. Using stakeholder mapping and the Salience Model to understand which stakeholders require more attention during the project. It will also examine different methods of stakeholder engagement, communication and conflict management.

Evaluate how effective and sustainable stakeholder engagement can influence the success of ConnectPlus and the overall business performance of M&S.

3. Smart Objectives

SMART objectives are very useful because they set clear goals and the project progress can be monitored. Bjerke and Renger (2017) explain that the criteria should be according to the context

of the project and the objectives should be specific, measurable, attainable, relevant and time-bound.

For ConnectPlus, the objective is to identify and engage key stakeholders, measure their level of participation and collect feedback throughout the project. The objectives should remain realistic and relevant to the platform to be successfully implemented.

The progress will be reviewed regularly with the stakeholder engagement activities completed within the six-months period.

4. Identification of Key Internal and External Stakeholders

Freeman (1984) defines a stakeholder as an individual or group that can affect or be affected by the achievement of an organization's objectives. For the ConnectPlus project, it is important to

identify both internal and external stakeholders because they have different roles, needs and levels of involvement. Identifying the main stakeholders will help M&S understand who should be involved in the project and how resources and communication should be managed effectively.

4.1 Key Internal Stakeholders

Executive leadership/senior management

They play a vital role in the ConnectPlus project, they approve budgets, allocate resources and make major decisions. They also ensure the project aligns directly with M&S business strategy.

IT and Data teams

They are responsible for developing and maintain the platform, manage AI and customer data, integrate the technology with existing M&S systems and deal with technical and security problems.

Marketing and Retail Operations

Marketing is important because it communicates the benefits of ConnectPlus to customers and encourages them to use the platform. Retail Operations helps make sure the platform can work effectively across stores.

Store colleagues / Customer Service Employees

They have direct contact with customers and may need to explain ConnectPlus, help customers use the platform and report problems during the implementation or feedback.

4.2 Key External Stakeholders

M&S Customers

They are the users of ConnectPlus. The success of the platform will depend on whether customers are willing to use it, provide their data and engage with personalised recommendations and rewards.

Technology/Strategic partners

External technology partners provide services and systems required for ConnectPlus, such as cloud technology, payment systems or other digital service. Their performance can therefore affect the operation of the platform.

Regulators

Regulators such as the Information Commissioner's Office (ICO) are important because ConnectPlus involves customer information, AI and personalised services. M&S needs to ensure that customer data is collected, used and protected appropriately.

5. Stakeholder Mapping and Salience Analysis

POWER/INTEREST	LOW INTEREST	HIGH INTEREST
HIGH POWER	KEEP SATISFIED Regulators / ICO	MANAGE CLOSELY Executive Leadership Senior Management

		IT & Data Teams Marketing & Retail Operations Technology Strategic Partners
LOW POWER	MONITOR	KEEP INFORMED M&S Customers Store Colleagues Customer Service

Mendelow's (1991) Power/Interest Matrix is a useful tool for analysing stakeholders according to their level of power and interest in a project. This helps an organization understand which stakeholders may have the greatest influence and how much attention should be given to each group. For the ConnectPlus project, the matrix can help M&S decide how different stakeholders should be managed and engaged throughout the six-month implementation.

Manage Closely

Stakeholders with **high power and high interest** should be managed closely because they have a strong influence on the project and are also directly interested in its success. For ConnectPlus, this includes executive leadership, IT and data teams, marketing and retail operations, and technology partners. Executive management controls important decisions and resources, while IT and data teams are responsible for developing and maintaining the platform. Marketing and retail operations also have an important role in promoting ConnectPlus and making sure it works effectively in stores. Regular meetings, progress reports and consultation would therefore be important for maintaining their involvement throughout the project.

Keep Satisfied

Stakeholders with **high power but lower interest** should be kept satisfied. In this project, regulators such as the Information Commissioner's Office (ICO) are included in this category.

They may not be involved in the everyday development of ConnectPlus, but they have significant power because M&S must comply with data protection requirements. This is particularly important because ConnectPlus will collect and process customer information to provide personalised services. M&S should therefore communicate appropriately with regulators and ensure that the platform follows relevant data protection requirements.

Keep Informed

Stakeholders with **high interest but relatively low individual power** should be kept informed. This includes M&S customers, store colleagues and customer service employees. Customers are important because their willingness to use ConnectPlus will directly affect its success. Store colleagues and customer service employees will also interact with the platform and may need to explain its features or support customers. M&S should communicate regularly with these groups and provide opportunities for feedback. For example, customer surveys, employee feedback and training sessions could help identify problems during the six-month implementation.

Monitor

The final category includes stakeholders with **low power and low interest**, who normally require less direct engagement and can therefore be monitored. In the ConnectPlus analysis, no key stakeholder has been placed in this category because the stakeholders identified for the project either have significant influence or are directly affected by its implementation. However, less important suppliers or other parties with limited involvement could potentially fall into this category and would only require occasional communication.

5.2 Stakeholder Salience Analysis

Mitchell, Agle and Wood (1997) developed the Stakeholder Salience Model to help organisations understand which stakeholders should receive greater management attention. The model considers three main attributes: power, legitimacy and urgency. Power refers to the stakeholder's ability to influence the project, legitimacy considers whether their involvement or concerns are appropriate and valid, and urgency refers to how quickly their needs or concerns require attention. For the ConnectPlus project, this

model can help M&S prioritise stakeholders because their importance may change during different stages of the six-month implementation.

Executive leadership and IT and data teams can be considered highly salient stakeholders because they have significant power, legitimate involvement and potentially urgent responsibilities during the implementation. Senior management controls important decisions and resources, while the IT and data teams are responsible for the technical development and security of ConnectPlus. Problems involving system performance, cybersecurity or customer data may require immediate attention, increasing the urgency of these stakeholders.

Customers and store colleagues also have legitimate and potentially urgent interests in the project, although individually they have less formal power than senior management. Customers will be directly affected by how their personal information is collected and used, while store colleagues will experience the practical impact of the platform in stores. Their feedback could become urgent if customers experience difficulties using ConnectPlus or employees identify operational problems during implementation.

Regulators such as the ICO have significant power and legitimacy because M&S must comply with data protection requirements. Their urgency may normally be lower during the everyday management of the project. However, this could change quickly if a data protection or privacy issue occurs. This demonstrates that stakeholder salience is not fixed and may change throughout the project depending on circumstances.

Overall, Mendelow's Matrix and the Salience Model provide different but complementary ways of analysing ConnectPlus stakeholders. Mendelow's Matrix provides a simple method of deciding how stakeholders should be managed according to power and interest. In comparison, the Salience Model provides a more dynamic analysis because it considers legitimacy and urgency as well as power. Using both approaches can therefore help M&S understand not only who should receive attention, but also how stakeholder priorities may change during the six-month project.

6. Roles, Responsibilities, Benefits, and Challenges of Key Stakeholders

Stakeholder Group	Roles & Responsibilities	Expected Benefits	Challenges & Risks
Executive Leadership / Senior Management	Approve the ConnectPlus project, budget and important decisions. They also make sure the project supports M&S business objectives.	Better business performance, improved customer engagement and successful digital transformation.	High implementation costs, pressure to achieve results and possible project delays.

IT and Data Teams	Develop and maintain the platform, manage customer data and deal with technical and security issues.	Better use of customer data, improved technology and more efficient business processes.	Technical problems, cybersecurity risks and difficulties connecting ConnectPlus with existing M&S systems.
Marketing and Retail Operations	Promote ConnectPlus to customers and make sure the platform works effectively across M&S stores and services.	Better customer engagement, increased use of the platform and stronger customer loyalty.	Customers may not adopt the platform and communication between departments may be difficult.
Store Colleagues / Customer Service	Help customers use ConnectPlus, explain its features and provide feedback about problems they experience.	Easier customer service and the opportunity to improve their digital skills.	Additional workload, need for training and possible resistance to new technology.
M&S Customers	Use ConnectPlus, interact with personalised offers and provide feedback about their experience.	Use ConnectPlus, interact with personalised offers and provide feedback about their experience.	More personalised rewards, convenient services and a better shopping experience.
Technology / Strategic Partners	Provide technology, systems or specialist services needed to support ConnectPlus.	Provide technology, systems or specialist services needed to support ConnectPlus.	Business opportunities and a stronger relationship with M&S.
Regulators	Ensure that M&S follows data protection and privacy requirements when collecting and using customer information.	Ensure that M&S follows data protection and privacy requirements when collecting and using customer information.	Better protection of customer information and responsible use of data.

The table shows that each stakeholder has different responsibilities, benefits and challenges within the ConnectPlus project. Senior management and the IT and data teams have important responsibilities because they are directly involved in decision-making and implementation. However, customers and store colleagues are also important because the success of ConnectPlus will depend on their willingness to use and support the platform. Technology partners can influence the technical performance of the project, while regulators have an important role in ensuring that customer data is managed correctly. Therefore, M&S needs to understand the different expectations and concerns of each stakeholder throughout the six-month implementation period.

7. Critical Explanation of Stakeholder Engagement Processes, Frameworks, and Conflict Management

Effective stakeholder engagement is important for the ConnectPlus project because different stakeholders have different expectations, responsibilities and concerns. M&S therefore needs to communicate with stakeholders throughout the six-month implementation and provide opportunities for them to participate and give feedback. Using appropriate engagement and communication methods can also help M&S identify problems early and manage potential conflicts between stakeholder groups.

7.1 Stakeholder Engagement Planning

Effective stakeholder engagement should involve continuous communication and participation throughout the project. For the ConnectPlus implementation, M&S should use an engagement approach based on communication, consultation, collaboration and commitment. Communication would ensure stakeholders receive clear information about the implementation, while consultation would allow M&S to collect feedback from customers and store colleagues. Collaboration between IT, marketing and retail operations would support effective implementation, while continued involvement from senior management would help maintain commitment to the project.

7.2 Stakeholder Power and Engagement

The stakeholder mapping completed earlier shows that M&S should not engage every stakeholder in the same way. Executive leadership and the IT and data teams require close involvement because of their influence over the project. Customers and store colleagues should be regularly informed and consulted because their acceptance of ConnectPlus can influence its success. Regulators also require appropriate communication because the platform involves the collection and use of customer data. This demonstrates that engagement should be adapted according to the power, interest and importance of each stakeholder.

7.3 Communication and Responsibility (RACI)

A RACI matrix can also help M&S clarify responsibilities during the ConnectPlus implementation. RACI represents Responsible, Accountable, Consulted and Informed. For example, the IT and data teams can be responsible for developing and maintaining the platform, while senior management can be accountable for major decisions and project approval. Store colleagues and retail operations can be consulted because they can provide feedback about how ConnectPlus works in stores. Customers can be kept informed through the M&S website, emails, the app and in-store communication. Clearly

defining these responsibilities can reduce confusion and improve communication between stakeholders.

7.4 Conflict Management

Conflict may occur during the ConnectPlus project because stakeholders can have different priorities. For example, the marketing team may want to introduce new features quickly, while the IT and data teams may require more time for testing and security. Customers may also want more personalised services while having concerns about how their personal information is used. M&S can manage these conflicts through regular communication, consultation and negotiation. Meetings between departments can help identify common objectives and allow stakeholders to discuss possible solutions. Customer and employee feedback should also be considered when decisions affect their experience. Managing disagreements early can reduce resistance and help the project remain on schedule.

8. Evaluation of the Impact of Sustainable Stakeholder Engagement on Business Performance

Sustainable stakeholder engagement can have a positive impact on the performance of M&S and the success of the ConnectPlus project. By maintaining good communication with stakeholders throughout the six-month implementation, M&S can understand their concerns, respond to problems and make improvements when necessary. This can also help to build stronger relationships with employees, customers and other stakeholders.

Engaging store colleagues is particularly important because they have direct contact with customers and will support them when using ConnectPlus. Providing appropriate training and listening to employee feedback can help reduce resistance to change and improve the implementation of the platform. If employees understand how ConnectPlus works and recognize its benefits, they may be more confident when supporting customers.

Customer engagement can also influence business performance. ConnectPlus is expected to use customer information to provide personalised recommendations and rewards. By collecting feedback and responding to customer concerns, M&S can improve the customer experience and potentially increase satisfaction, loyalty and repeat purchases. However, customers may have concerns about privacy and the use of their personal information. Therefore, transparent communication about how data is collected and used will be important for maintaining trust.

Engagement with regulators is also important because M&S must ensure that ConnectPlus follows relevant data protection requirements. Effective communication with regulators and careful management of customer information can reduce the risk of legal problems, financial penalties and reputational damage.

Overall, effective stakeholder engagement can support both the implementation of ConnectPlus and the wider performance of M&S. It can improve communication, reduce resistance to change and help the company respond to stakeholder expectations. However, engagement needs to continue throughout the project rather than only at the beginning. This will help M&S identify problems early and support the long-term success of the platform.

9. Recommendations and Conclusion

Based on the stakeholder analysis in this report, several recommendations can be made to support the successful implementation of ConnectPlus at M&S.

Firstly, M&S should maintain regular communication with key stakeholders throughout the six-month implementation. Meetings between senior management, IT and data teams, marketing and retail operations can help monitor progress and identify problems at an early stage.

Secondly, M&S should provide appropriate training and support for store colleagues and customer service employees. As these employees have direct contact with customers, they need to understand how ConnectPlus works and feel confident when explaining its features.

Another recommendation is to maintain transparency about customer data. M&S should clearly explain how personal information is collected and used by ConnectPlus and

provide customers with appropriate control over their data preferences. This can help reduce privacy concerns and maintain customer trust.

Finally, M&S should regularly collect feedback from both customers and employees during the implementation. Surveys, feedback forms and meetings can help identify problems and allow improvements to be made before the platform is fully implemented.

Conclusion

Overall, the success of ConnectPlus will depend not only on the technology but also on how effectively M&S manages its stakeholders. The analysis has shown that stakeholders have different levels of power, interest and influence, meaning that different engagement approaches are required. Using stakeholder mapping, the Saliency Model, the 4Cs and clear communication can help M&S understand these differences and manage stakeholder expectations. Effective and continuous engagement can reduce conflict, improve customer and employee support and contribute to the successful implementation of ConnectPlus and the wider performance of M&S.

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