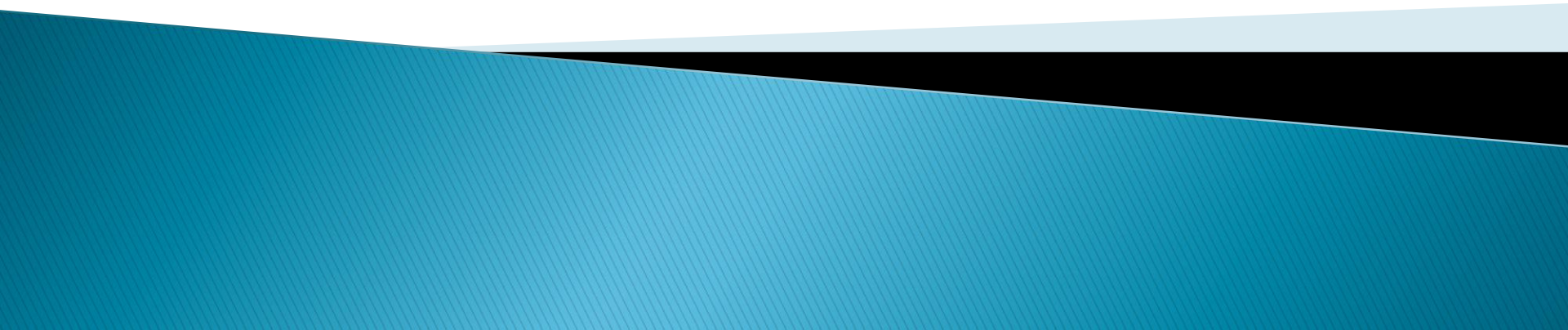


Stakeholder Analysis

Identifying Reactions & Mitigating Actions



Skills of the Project Manager

Hard Skills:

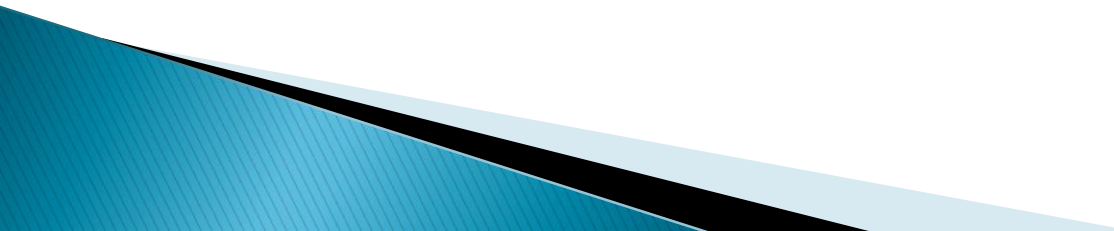
- ▶ business case, cost control, change management, project life cycles, work breakdown structures, project organisation, network analysis, earned value analysis, risk management, quality management, estimating, tender analysis and procurement

Skills of the Project Manager

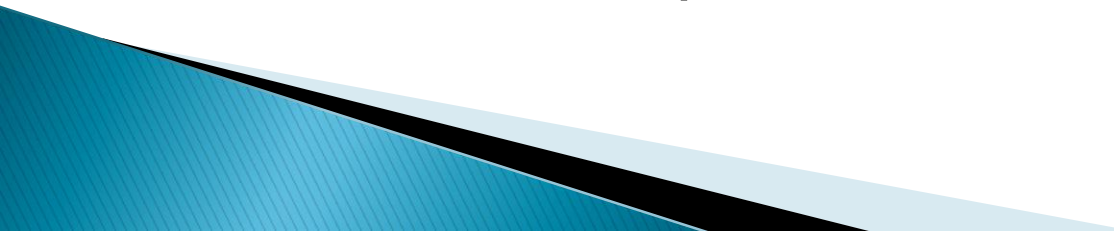
Soft Skills

- ▶ health and safety, stakeholder analysis, team building, leadership, communications, information management, negotiation, conflict management, dispute resolutions, value management, configuration management, financial management, marketing & sales, and law

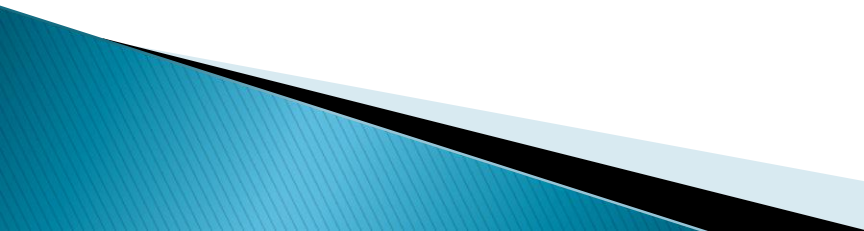
Stakeholder Analysis (SA)

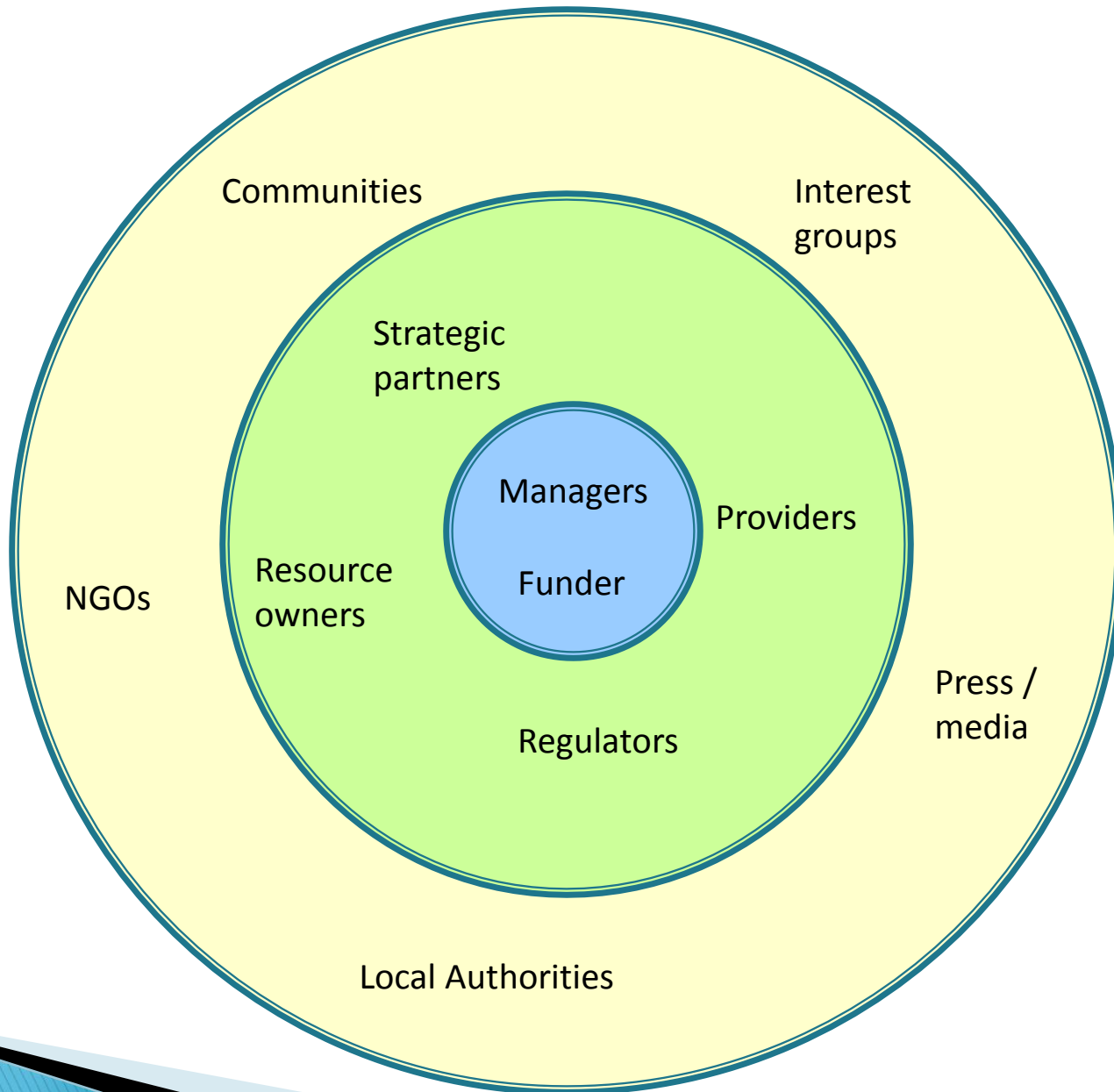
- ▶ ***Aim:*** Identify the stakeholders and assess how they are likely to be impacted by the project & vice versa
 - ▶ ***Goal:*** Develop co-operation between stakeholders and project team, ultimately assuring successful outcomes for the project
- 

Introduction - Stakeholder

- ▶ May be named individuals or groups
 - ▶ Anyone with an interest, a “**stake**” in the conditions being addressed by the project
 - ▶ SA allows identification of key stakeholders
 - ▶ Including anyone *impacted by* and *impacting* these conditions
 - ▶ SA can also be used to identify who should be involved at creation and implementation stages of the project
 - ▶ In terms of creating a vision/project therefore a stakeholder may be used before project begins
- 

Stakeholder “essentials”

- ▶ Identify
 - ▶ Analyze
 - ▶ Engage
 - ▶ Manage
- 

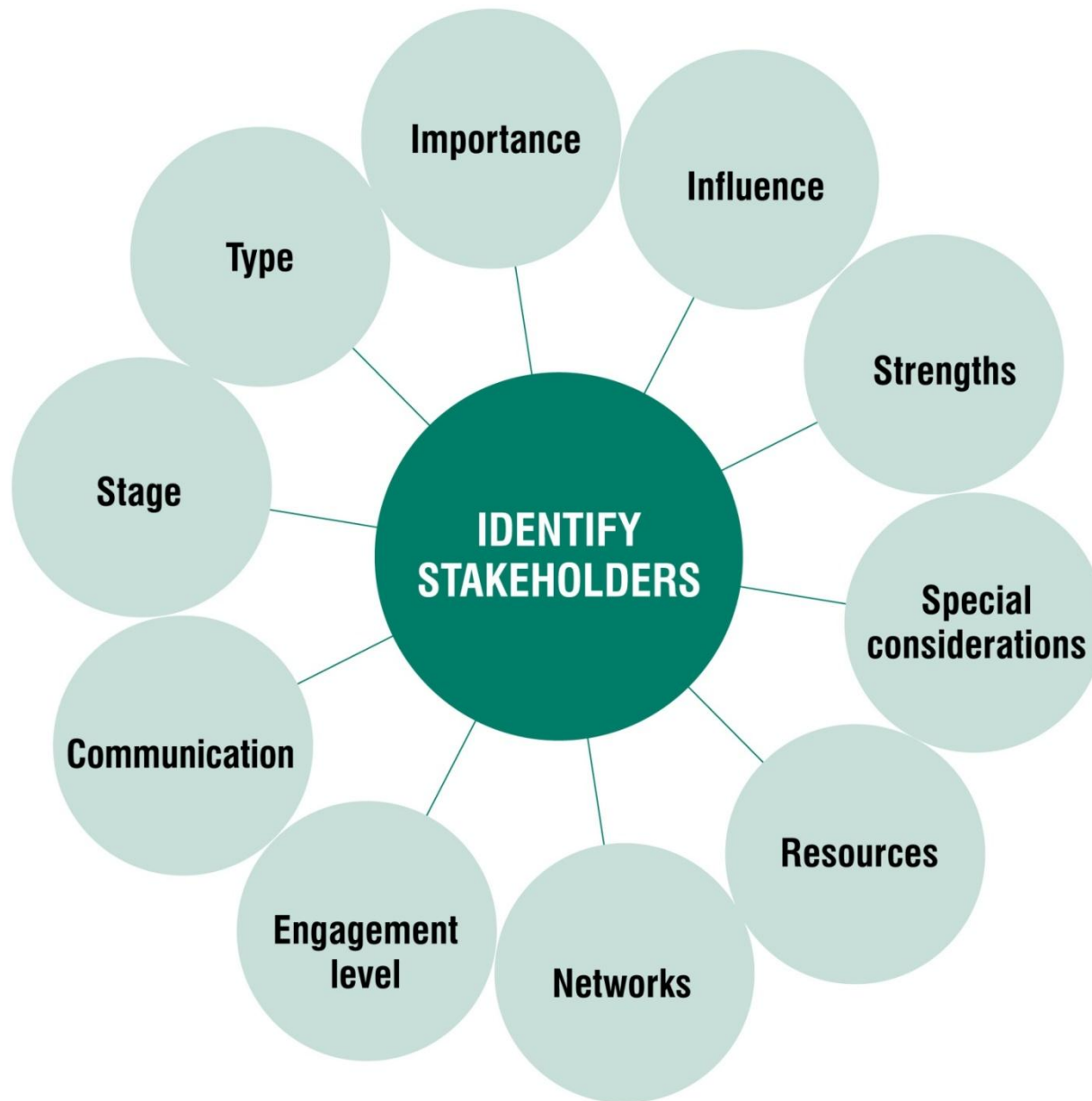


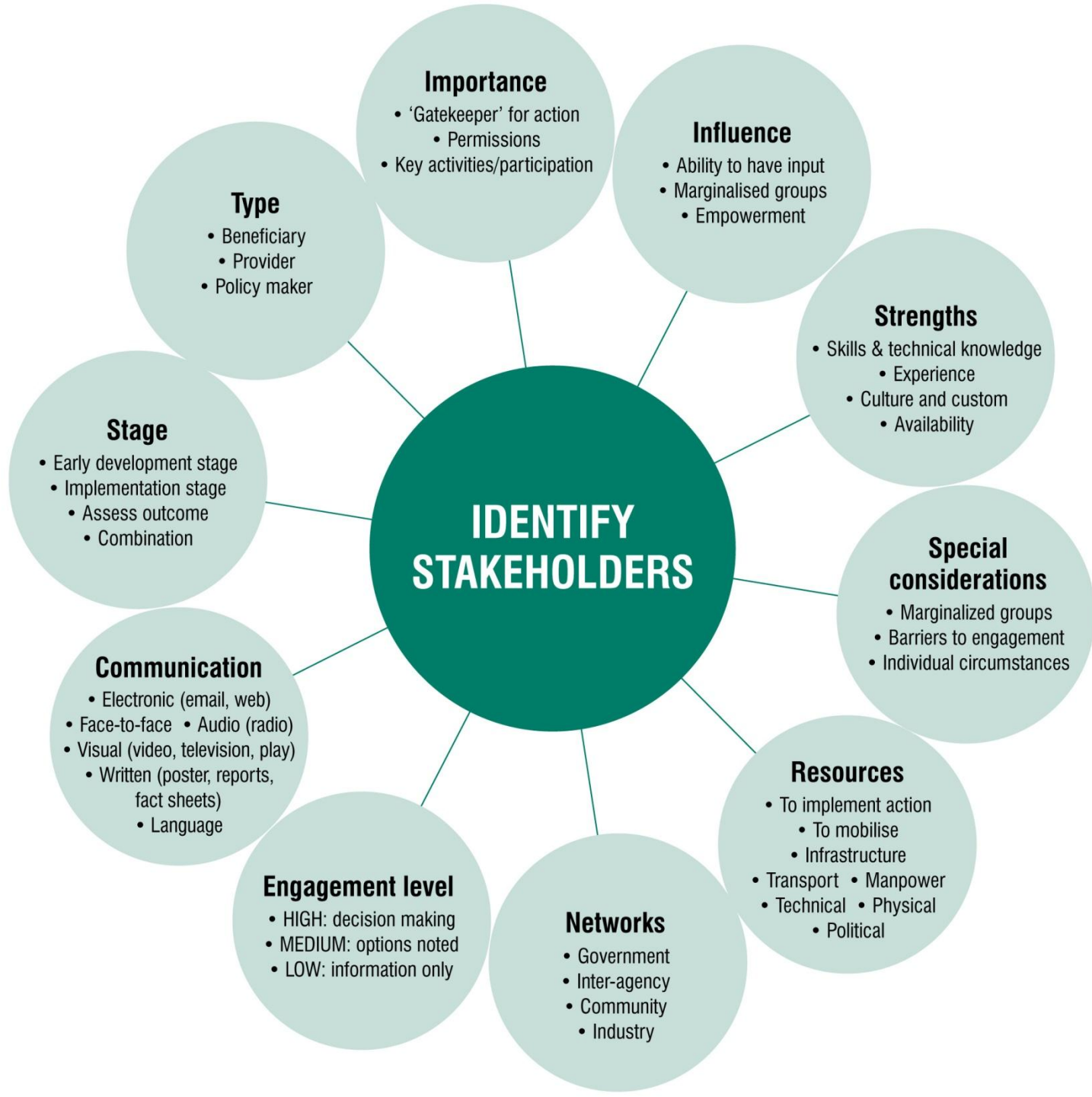
Internal/External SHs

- ▶ **Internal stakeholders:** individuals or groups within the project and the corporation:
 - Project manager
 - Project team
 - Sponsors
- ▶ **External stakeholders:** individuals, groups or institutions that may influence the outcome of the project or may be influenced by it:
 - Corporate (parent–organisation partners)
 - Financial
 - Government
 - Users/Operators

Stakeholder Groups

Positive Stakeholders				Negative Stakeholders	
Direct		Indirect		Indirect	
Internal	External	Internal	External	Internal	External
Sponsor	Client	Management	Stockholders	Disgruntled employees	Disgruntled end-user
Project manager	Contractors	Accounts Dept.	Banks		Pressure groups
Project team	Suppliers	HR Dept.	Insurers		Unions
Project Office	Consultants	Tech. Depts.	Utilities		Press (media)
		Families	Local Authorities		Competitors
			Government Agencies		Politicians
					Residents' Associations





Key Analyses

Attitude

- Supportive
- Indifferent
- Opposed

Interested or not interested?

- Approachability?
- Flexibility?
- Ability to ‘block’ if remaining opposed?

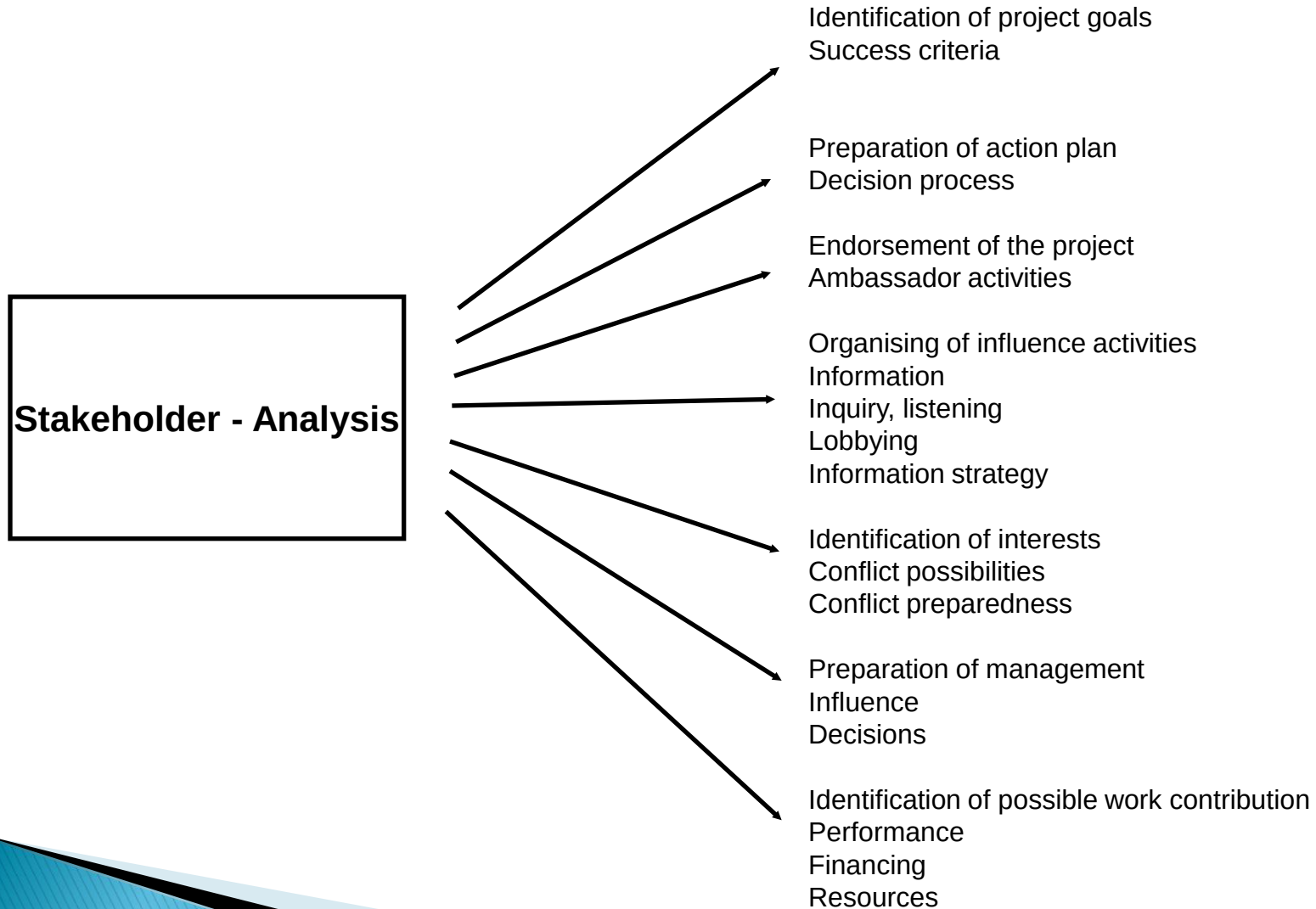
Influence

- Decision maker
- Policymaker
- Access ‘gatekeeper’

Supportive or opposed?

- Accessibility?
- Open-mindedness
- Willingness to use influence to change outcome (+ or -)

Key intention of analysis?



Stakeholder Analysis – Matrix

1. List the stakeholders
2. Estimate attitude
3. Mark degree of confidence in estimate
4. Estimate Influence
5. Mark degree of confidence in estimate
6. Discuss and record actions needed;
 - To affirm attitude or influence
 - To improve attitude
 - To improve (or negate) influence
 - Indicate importance
 - Individual or special notes
 - Strategy for engagement

[Write goal here]					
Stakeholders	Att		Inf		Actions
	E	C	E	C	

VIP Stakeholders

- ▶ Who is most important?
 - The group with the money?
 - The group with the most influence?
 - The 'troublemaker'
 - The group with the biggest network?
 - The group at the end of it all?
- ▶ All are VIP stakeholders but.....

Importance

More time, effort and cost must be spent here

A: Keep satisfied

B : **Key player**

Beware of a key player with strong opposition

C : Keep informed

D : Keep engaged

Be mindful of marginalised groups whose 'low influence' may come from poor opportunity

Power of Stakeholder

High

Low

A

B

C

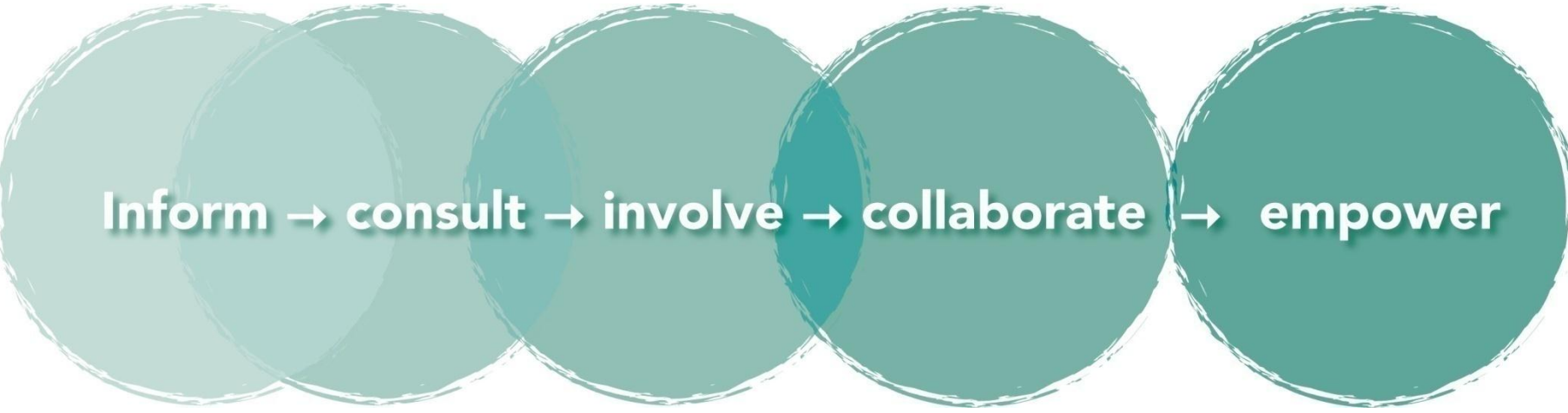
D

Low

High

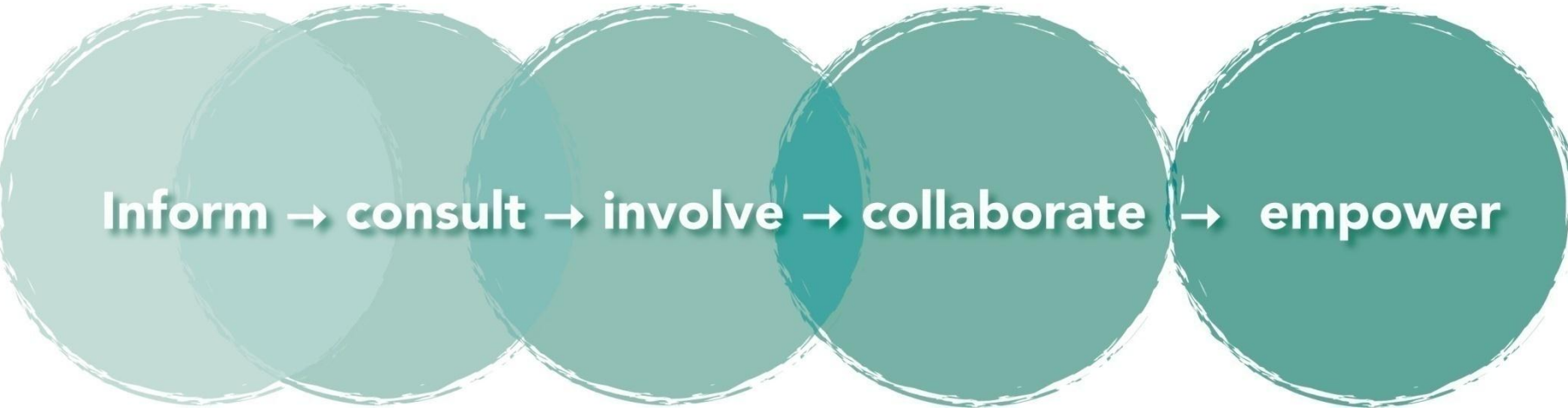
Importance of Developing & Implementing Stakeholder Engagement Strategies

Engagement



Inform → consult → involve → collaborate → empower

Engagement



Inform → consult → involve → collaborate → empower



**Funding
Agency**

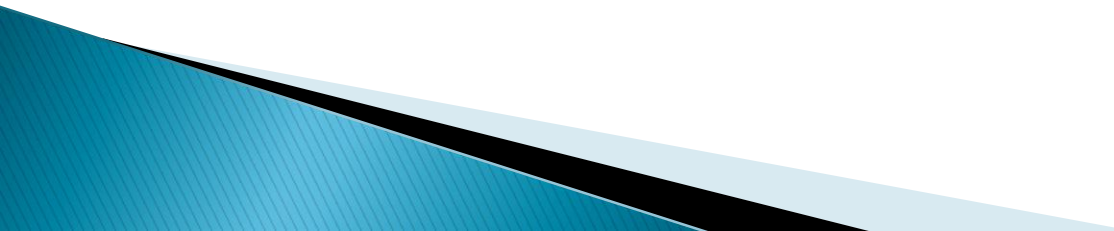


NGO



Beneficiary

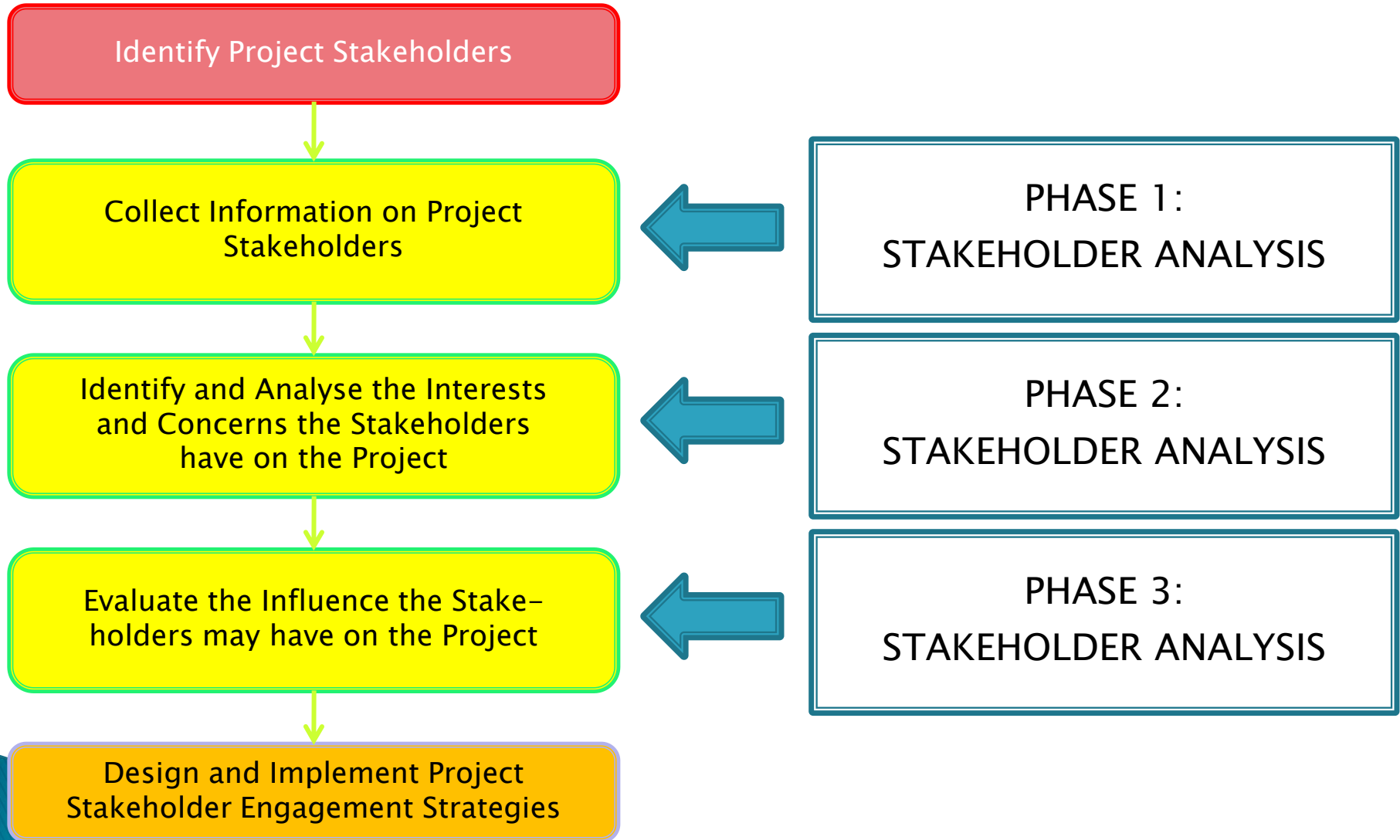
Stakeholder Management

- ▶ Identifying conflicts/potential conflicts, gaps, contradictions or incompatibilities between stakeholder requirements
 - ▶ So that a reconciliation strategy can be planned
 - ▶ Ensuring ongoing communication, two-way information access, monitor changes in engagement, attitude and/or influence
- 

Need to know....

- ▶ Who they are
- ▶ What they think
- ▶ What influence they have
 - ▶ How to engage them
 - ▶ How to inform
- ▶ How to stay in touch
 - ▶ If things change

SA Process

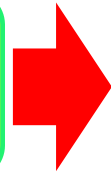


SA Process

Identify Project Stakeholders



Collect Information on Project Stakeholders



Identify and Analyse the Interests and Concerns the Stakeholders have on the Project



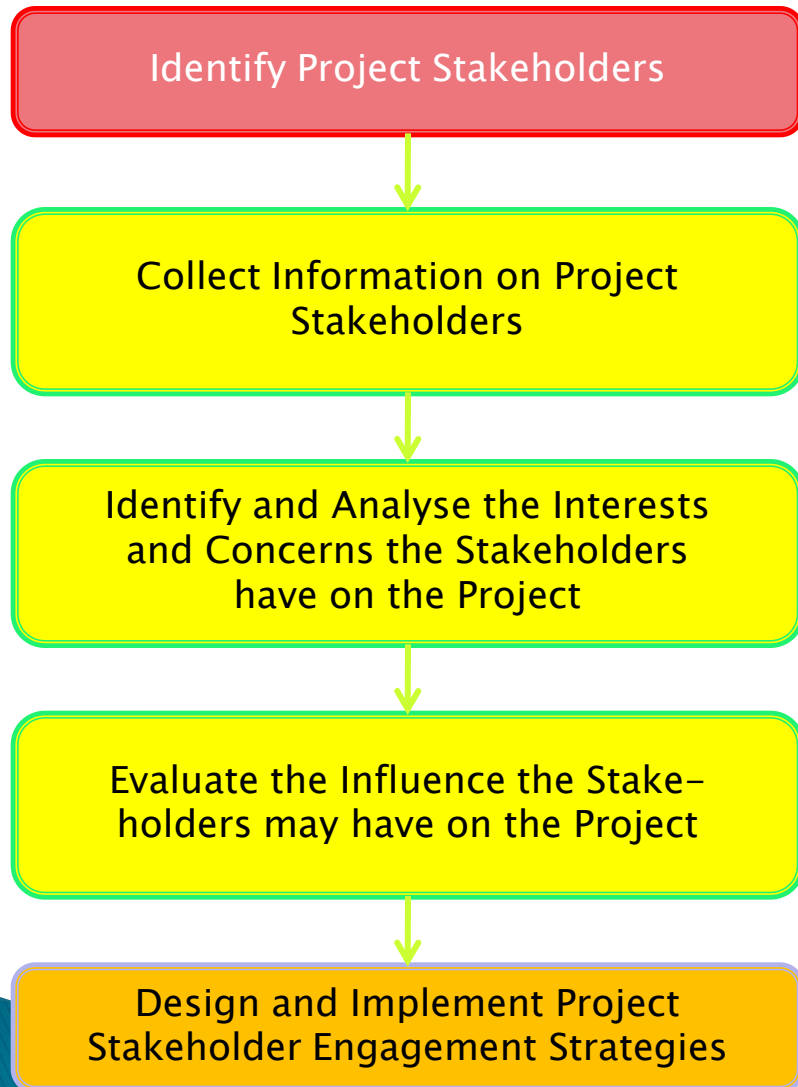
Evaluate the Influence the Stakeholders may have on the Project



Design and Implement Project Stakeholder Engagement Strategies

- What are the available sources of information on the project stakeholders?
- Which tools can be used to gather information?
- Who will collect the information and when?
- Is the information accurate, adequate and cost-effective?
- How can the information be safeguarded?
- To whom, when and how will information be distributed?
- What will happen to the information after use?

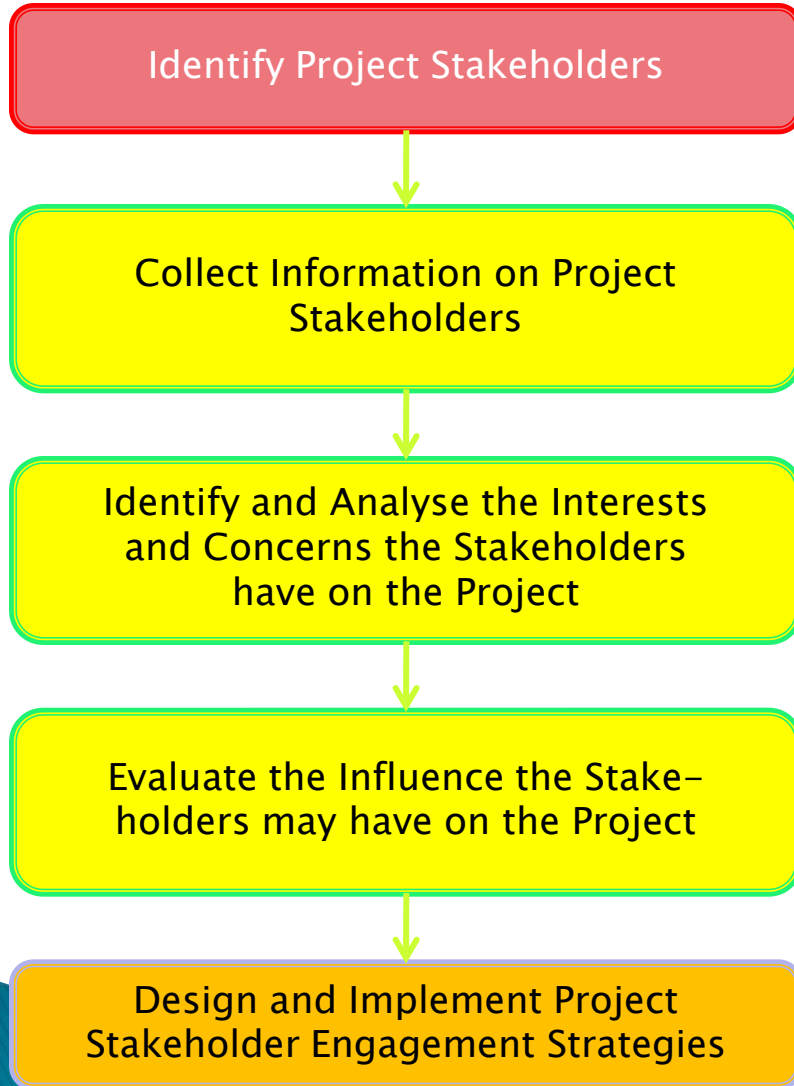
SA Process



Issue-Based Framework of Stakeholder Analysis (Examples):

- Economic
- Financial
- Social
- Political Ideologies
- Conservation (e.g. ecological, cultural, historical, archeological)
- Health (air, water and land pollution)
- General Attitude towards Change
- Emotional & Sentimental
- Individual & Collective Prejudices
- Group Mission
- Image of Project Owner/Funder
- Security Concerns

SA Process

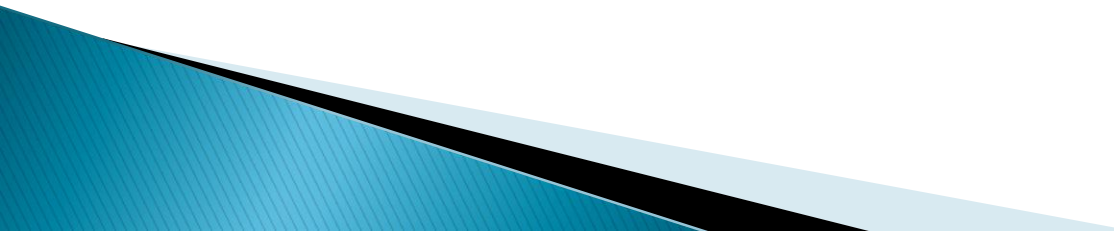


- SWOT–Analysis of project stakeholders
- Anticipated impact of the stakeholders on the project (high, medium, low)
- Attitude of stakeholders towards project (supportive, neutral, adversarial)
- Options available to project stakeholders to influence course of project
- Stakeholder Register
- Application of stakeholder mapping tools

Information on Project Stakeholders (PS)

- ▶ There are many ways and means – both overt and covert – of finding information on PS
 - ▶ Sometimes, information can be easy to obtain and sometimes can be difficult
 - ▶ As information is a key input in the process of analysing the PS, the effectiveness of stakeholder engagement strategies depends largely on acquisition of accurate information at the right time in the right amount
 - ▶ The informational needs of the project manager/team will change in the course of the project life-cycle as stakeholders adapt to changes in the focus of the project activities
- 

Information on Project Stakeholders

- ▶ Therefore, gathering information on stakeholders is not a one-time but continuous undertaking
 - ▶ In acquiring, processing and distributing information on PS, care must be taken to ensure that the highest standards of ethics and professionalism are pursued and upheld
- 

Information on Project Stakeholders

– Ask Other Project Managers

- ▶ May be useful to consult with PMs (and with other stakeholders) who are already interacting with (or who have interacted in the past) the stakeholders who are the focus of interest in the current project
 - ▶ By adopting this simple, direct and cost-effective approach, the project manager/team can discretely obtain good first-hand information for their analysis
- 

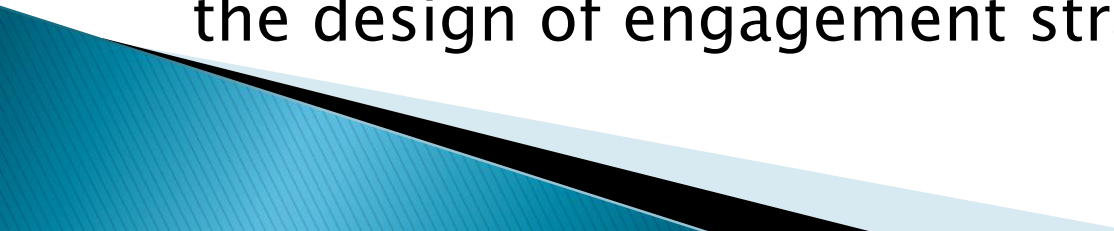
Ask the Stakeholders Directly

- ▶ One way of acquiring information on external stakeholders such as individuals and local communities would be to approach them directly to solicit their input
 - ▶ Depending on the way the interaction occurs, this may leave a good impression of the project and project staff but sometimes, it may arouse distrust of the project
 - ▶ The project manager and team must ensure that information about the project is provided judiciously and selectively
- 

Internal Sources

- ▶ For many projects – such as those which are conducted in-house within organisations – information on stakeholders could be easily acquired from departmental and other intra-organisational sources
 - ▶ Information on stakeholders outside of the organisation, and has interacted with previously, such as competitors, contractors, suppliers, customers, users, regulators etc. could be collected from existing internal documentation and databases maintained by the organisation
- 

Use Existing Project Documentation

- ▶ Projects usually generate numerous documents and reports in the course of their life-cycle which can be useful sources of information for project managers and the project team, especially when they concern stakeholder management
 - ▶ The documentation on record may show which tools were used to acquire information, which criteria of analysis were used, how SA was conducted and to what extent it was successful in the design of engagement strategies
- 

Newspapers & Magazines

- ▶ Newspapers and magazines can be valuable initial sources of general and/or specific information on external stakeholders with which the project manager and team have not interacted with before
- ▶ Back issues of newspapers, magazines and other printed (and sometimes filmed) material in newspaper or library archives can be analysed to determine trends in stakeholder attitude and behaviour over the course of time

Printed Material of Stakeholders

- ▶ Stakeholders organised into groups or associations e.g. traders, importers & exporters, manufacturers, community groups and environmentalists often publish printed material of their own to bring public attention to their objectives, interests and activities
 - ▶ May comprise of reports, newsletters, brochures and leaflets distributed in printed or electronic form
- 

Websites

- ▶ Millions of web pages from entities Worldwide are accessible from the comfort of our homes and offices at a mouse-click
 - ▶ For the project manager/team, the internet may yield a wealth of useful, easy to access and mostly free information on stakeholders as individuals or as groups, associations and organisations
 - ▶ Care must be taken to ensure that information is accurate!
- 

Government

- ▶ Government agencies collect vast amounts of information on individuals and organisations
- ▶ Though some of it is classed as confidential, much of the information amassed is available to the general public
- ▶ e.g. information which is of a statistical nature which may prove useful for the project manager/team in preparing the SA
- ▶ Governments also undertakes a lot of research
 - may also be valuable for the project and team

Project Stakeholder Analysis: Benefits

- ▶ Systematic, tested, flexible and professional tool
 - ▶ Permits insight into all identified stakeholders expectations, concerns and level of enthusiasm and support for the project
 - ▶ Can identify stakeholders whose power is needed to sustain and drive the project and who may have considerable influence on the project's implementation
- 

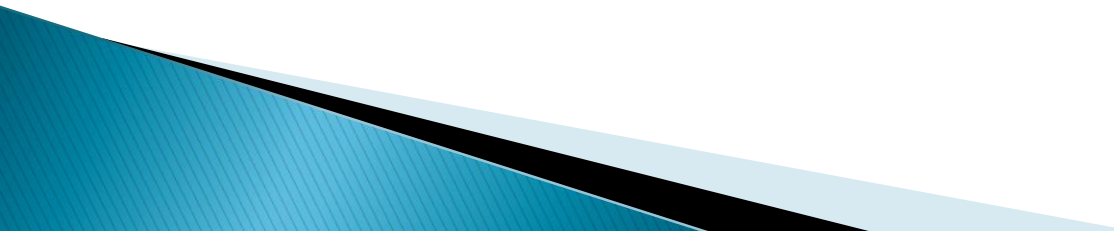
Benefits Cont.

- ▶ Forms basis for effective and customised strategies of engagement towards the project stakeholders
 - ▶ Helps create a better understanding of, and generate support for the project among the project stakeholders
 - ▶ Can be conducted periodically in the project life-cycle and updated when necessary
 - ▶ Transparency and Accountability
- 

Limitations

- ▶ No guarantee that project will be successful
 - ▶ Can be time consuming and costly especially if a comprehensive and rigorous analysis is to be undertaken
 - ▶ Depends on skill/experience of analysts
 - ▶ May be highly subjective and partially inaccurate
 - ▶ Information on project stakeholders and the relationship that exists between them may sometimes be difficult or impossible to get and accuracy is not always assured
- 

Limitations

- ▶ Stakeholder expectations, concerns and support for the project may change quickly (sometimes over short periods of time) and substantially
 - ▶ This change may not be reflected in the analysis (and engagement strategies based on it) at a given point in time
 - ▶ Cannot help satisfy all project stakeholders
- 

Stakeholder Analysis

[illegible]

Stakeholder Analysis

Example: Introduction of new Ammanford Campus Facility

Group or individual	Supportive of change		Reason for resisting / accepting change	Level of Influence H / M / L	Strategy for dealing with resistance	Action needed
	-ve	+ve				
Locals	X		Larger influx of traffic	M	Demonstrate new parking regime, involve in design process?	Communication briefing, initial project meeting for identified individuals
CSG		X	Request for change originators	H	Involve in design of solution	Initial project meeting
Staff		X	Additional and improved teaching resources	L	Show benefits	Communication briefing
Students		X	Additional and improved teaching resources	M	Outline requirements, show benefits	Communication briefing, student visit
CCC	X		Always resist 'sensible' change	H	Demonstrate new parking regime, show benefits	Communication briefing, initial project meeting