

LCLM5001 Understanding and Engaging Stakeholders

Understanding the importance of Stakeholder Engagement in successful commencement and completion of project.

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TABLE OF CONTENTS

Executive Summary	2
Introduction.....	2
SMART OBJECTIVES	3
Stakeholder Identification and Categorisation	4
Identifying and Understanding ConnectPlus Stakeholders	5
Internal Stakeholders	5
External Stakeholders	5
Analysing and Prioritising ConnectPlus Stakeholders	6
Interest–Influence Matrix	6
Stakeholder Salience Model	7
Roles, Responsibilities, Benefits and Challenges of Key Stakeholders	9
Data Analytics	10
Marketing Teams	10
Store Operations and Frontline Employees	10
International Market Managers.....	10
Customers	10
Technology Vendors and AI Providers	11
Public Entities.....	11
Media.....	11
Stakeholder Engagement Plan.....	11
Understanding Stakeholders and their Wants and Needs	12
Responsibility Assignment Matrix (RACI).....	14
SWANS and OWANS	16
Communication With Stakeholders.....	17
Stakeholder Engagement Plan Summary.....	17
Evaluation of the Impact of Sustainable Stakeholder Engagement on Business Performance.....	18
Recommendations and Conclusion.....	20

Executive Summary

This report examines how Tesco can effectively engage key stakeholders in the design, development, and international rollout of ConnectPlus, an AI-driven loyalty and engagement platform intended to strengthen customer retention, enhance personalisation, and support Tesco's broader digital transformation strategy. As one of the UK's leading retail and e-commerce organisations, Tesco operates in a highly competitive environment where digital innovation, operational efficiency, and customer experience are critical to remain competitive. The ConnectPlus initiative aligns with these strategic priorities and is also guided by SMART objectives focused on increasing loyalty participation, improving retention, and leveraging existing digital infrastructure.

This report also includes a comprehensive stakeholder analysis conducted using the Power/Interest Matrix and Stakeholder Salience Models, enabling the project manager to identify, prioritise, and understand the expectations of internal and external stakeholders. These insights informed the Stakeholder Engagement Matrix, which narrows down the appropriate level of engagement for each group. The SWANS and OWANS framework was also applied to align stakeholder wants and organisational needs, highlighting areas of potential conflict. This report also outlines how clear roles and responsibilities for stakeholders will be established through the RACI Matrix, supported by vertical and horizontal analysis to ensure accountability and prevent conflicts and other issues that may arise with the project.

Finally, the report evaluates how sustainable stakeholder engagement enhances business performance by improving strategic alignment, operational efficiency, innovation, regulatory compliance, customer value creation, and organisational resilience. Through structured engagement and effective conflict management, ConnectPlus is positioned to deliver benefits and support Tesco's digital growth and competitiveness.

Introduction

Tesco plc is one of the world's leading grocery retailer and e-commerce organisations, operating across multiple markets in Europe and Asia (Tesco, 2024). Since it operates in the highly competitive UK retail sector, the company faces ongoing pressure to innovate, improve operational efficiency, reduce costs, and improve its customer experience, particularly in response to post Covid-19 shifts in consumer preferences towards demand for faster and digitally enhanced shopping experiences (Diaz-Gutierrez, et al., 2024). Over the past decade, the company has evolved from a traditional brick-and-mortar retailer into a data-driven, omnichannel organisation by investing heavily in technological innovation, including automated fulfilment centres, AI-driven forecasting tools, advanced inventory management, and self-checkout systems (Power, 2023; Rzechorzek, 2024). Alongside operational innovation, Tesco has also strengthened its digital customer engagement through the Clubcard app, personalised promotions, and sophisticated data analytics delivered through Dunnhumby, its data science subsidiary (Tesco, 2024). These capabilities support targeted loyalty strategies and enable Tesco to maintain a competitive advantage in a rapidly evolving retail landscape (Roy, 2024).

Tesco's commitment to digitalisation is further reflected in its operational performance, with online availability reaching 98% in 2024, an indicator of the company's strategic focus on reliability, customer satisfaction, and supply chain resilience (Tesco, 2024). As digitalisation continues to be a critical aspect for competitiveness (Roy, 2024), initiatives such as ConnectPlus can play a critical role in enhancing customer loyalty, improving personalisation, and supporting long-term business growth. This report examines how Tesco can effectively engage key stakeholders throughout the ConnectPlus project and evaluates the impact of sustainable stakeholder engagement on organisational performance. It also assesses the frameworks, communication strategies, and conflict management approaches required to ensure successful delivery of this digital initiative.

SMART OBJECTIVES

The ConnectPlus project will be guided by the following SMART objectives.

- **Specific:** To design, test, and implement a comprehensive AI-driven loyalty and engagement platform across the selected Tesco markets.
- **Measurable:** Achieve a 15% increase in active loyalty participation and a 10% improvement in customer retention within the first year of launch.
- **Achievable:** Utilize Tesco's existing digital infrastructure, data analytics capabilities, and cross-functional expertise. Namely, the data from the Clubcard program.
- **Relevant:** Strengthen Tesco's competitive advantage in the increasingly digitalised retail environment through personalised digital engagement.
- **Time-bound:** Deliver the platform in phased releases over six months, incorporating stakeholder feedback at each stage, followed by a structured evaluation period post-launch.

Stakeholder Identification and Categorisation

The successful design, launch, and adoption of the ConnectPlus platform depends on the organized involvement of internal and external stakeholders whose interests, influence, and expectations shape the project's trajectory (Christopher, 2025). Stakeholder expectations must be appropriately managed throughout the project lifecycle, and to achieve this, a comprehensive and systematic stakeholder analysis must be conducted, to help the project manager identify stakeholder needs, assess their influence, and develop targeted engagement strategies that support effective collaboration and minimise potential conflict (Sarungu, 2024). Following the steps from the Stakeholder engagement cycle by the Project Management Institute (2021) (figure 1), this section first identifies and understands the stakeholders and then draws on Stakeholder Salience Model and the Interest-Influence Matrix, to analyze and prioritize them in the context of this initiative.

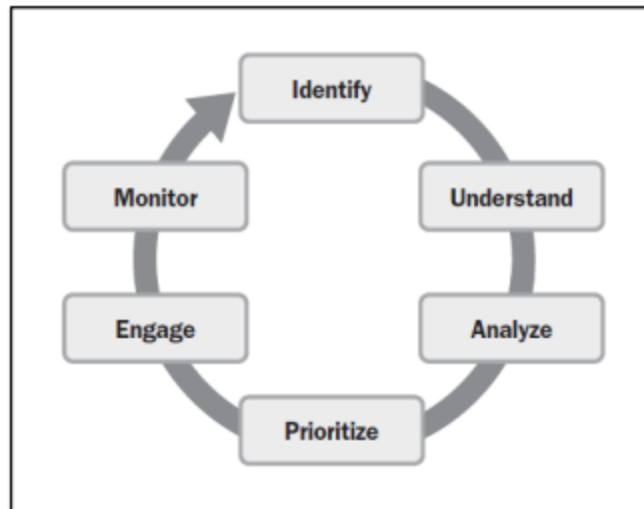


Figure 1: The steps of Stakeholder Engagement (Project Management Institute, 2021).

Identifying and Understanding ConnectPlus Stakeholders

Internal Stakeholders

- Executive Leadership: Executive leadership, including the Chief Executive Officer, Chief Digital Officer, and Chief Information that are responsible for decision-making authority, resource allocation control, and accountability for organisational performance.
- Digital Technology and IT Teams: Teams responsible for platform architecture, system integration, cybersecurity, and technical delivery. They are central to ensuring that ConnectPlus meets performance, scalability, and compliance requirements.
- Data Analytics Teams: Specialists generating customer insights, developing personalisation algorithms, and ensuring ethical data use. The teams at Dunnhumby, the data science company owned by Tesco, can be identified as critical stakeholders (Tesco, 2024).
- Marketing Teams: Teams designing communication strategies, promotional campaigns, and customer onboarding activities for ConnectPlus.
- Store Operations and Frontline Employees: Employees that interact directly with customers and support platform adoption at the point of service.
- International Market Managers: Managers responsible for adapting ConnectPlus to local regulatory, cultural, and operational contexts.

External Stakeholders

- **Customers:** Includes all ConnectPlus end-users who will shape platform success.
- **Technology Vendors and AI Providers:** Includes any external partners supplying AI tools, cloud infrastructure or technical components.
- **Public Entities:** Any agencies and authorities that hold both legislative and regulatory authority and are capable of shaping public policy through the creation of legislation and regulations (Fratta et al., 2025), an example would be The UK Information Commissioner's Office.
- **Media:** Any actors influencing the public perception of ConnectPlus.

Analysing and Prioritising ConnectPlus Stakeholders

Interest–Influence Matrix

Stakeholder analysis was conducted using the Interest–Influence Matrix (Gerry & Scholes, 1989). This widely used project management tool categorises stakeholders according to two attributes (Zhu et al., 2024):

- **Power:** refers to a stakeholder's ability to influence project decisions, resources, or outcomes.
- **Interest:** reflects the stakeholder's level of concern, involvement, or desire to engage with the project.

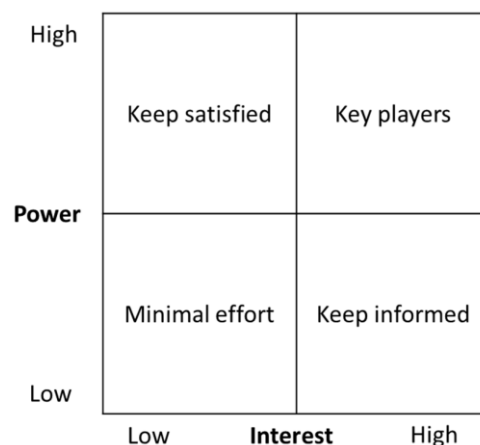


Figure 2: The power–interest matrix (Gerry & Scholes, 1989).

For ConnectPlus, each stakeholder group was assessed and assigned a high or low level for both attributes (Table 1). As seen in Figure 2, these combinations determined the type of relationship the project manager should maintain with each stakeholder

Stakeholder	Power	Interest	Relationship
Executive Leadership	High	High	Key Player
Digital Technology and IT Teams	High	High	Key Player
International Market Managers	High	High	Key Player
Public Entities	High	Medium	Keep Satisfied
Technology Vendors and AI Providers	Medium	Medium	Keep Informed
Data Analytics Teams	Medium	High	Keep Informed
Marketing Teams	Medium	High	Keep Informed
Store Operations and Frontline Employees	Low	High	Keep Informed
Customers	Low	High	Keep Informed
Media	Low	Medium	Minimal Effort

Table 1: Application of power–interest matrix to ConnectPlus.

Stakeholder Salience Model

This model can be considered an upgrade of the Power-Interest Matrix that classifies stakeholders through the assessment of three attributes (Mitchell et al., 1997; Sarungu, 2024):

1. Power: refers to stakeholder capacity to influence project decisions or outcomes. Those with high power can direct, change, or constrain project progress.
2. Legitimacy: reflects how appropriate, justified, and accepted a stakeholder's role or claims are within organisational norms. High legitimacy indicates recognised authority or a valid stake in the project.
3. Urgency: relates to the time-sensitivity and criticality of a stakeholder's claims. High urgency means the stakeholder requires immediate attention due to the importance or sensitivity of their concerns.

The assessment of these attributes then places the stakeholders in quantitative classes (figure 3) and defines what actions to take with them (figure 4).



Figure 3: Qualitative Classes of Stakeholders (Mitchell et al., 1997).

No.	Characteristics			Classification	Action
	P	L	U		
1	1	0	0	<i>Latent/Dormant</i>	<i>Monitor</i>
2	0	1	0	<i>Discretionary</i>	<i>Monitor</i>
3	0	0	1	<i>Demanding</i>	<i>Keep them informed</i>
4	1	1	0	<i>Dominant</i>	<i>Keep them informed</i>
5	1	0	1	<i>Dangerous</i>	<i>Keep them satisfied</i>
6	0	1	1	<i>Dependent</i>	<i>Managed closely</i>
7	1	1	1	<i>Core/Definitive</i>	<i>Managed closely</i>
8	0	0	0	<i>Non-Stakeholder</i>	<i>Don't manage</i>

Figure 4: Characteristics of stakeholders in the salience diagram (Sarungu, 2024).

Based on the original model (Mitchell, 1997), each stakeholder for ConnectPlus received a score for these three attributes, "1" if they have that attribute and "0" otherwise. Table 1 shows the scores assigned to each category and the related class of stakeholders:

Stakeholder	Power	Urgency	Legitimacy	Class
Executive Leadership	1	1	1	Definitive Stakeholder
Digital Technology and IT Teams	1	1	1	Definitive Stakeholder
International Market Managers	1	1	1	Definitive Stakeholder
Public Entities	1	1	1	Definitive Stakeholder
Technology Vendors and AI Providers	1	0	1	Dominant Stakeholder
Data Analytics Teams	0	1	1	Dependent Stakeholder
Marketing Teams	0	1	1	Dependent Stakeholder
Store Operations and Frontline Employees	0	1	1	Dependent Stakeholder
Customers	0	1	1	Dependent Stakeholder
Media	0	0	1	Discretionary Stakeholder

Table 2: Application of Saliency Model to ConnectPlus.

While using the Power/Interest Grid and the Saliency Model together provides a thorough foundation for stakeholder prioritization, there are some conceptual limitations for both frameworks. Both frameworks oversimplify stakeholder interests, fail to capture relationships and influence flows between stakeholders, and assume that the attributes awarded are fixed assessments, failing to account how a stakeholder's level of interest, influence, urgency, or involvement can change throughout the project lifecycle (Silvius et al., 2019). For this reason, additional frameworks and a structured engagement and communication plan are integrated in this report to cover the aspects that these two models cannot represent.

Roles, Responsibilities, Benefits and Challenges of Key Stakeholders

Executive Leadership

Executive Leaders provide strategic oversight, approve budgets, and set the organisation priorities that shape ConnectPlus. As definitive stakeholders with high power, legitimacy and urgency, they require close and continuous engagement. Their involvement ensures alignment with Tesco's digital transformation strategy and accelerates decision-making. Their main benefit is their authority to remove barriers and secure resources, however, they may face competing strategic demands, making timely approvals a challenge.

Digital Technology and IT Teams

IT Teams are responsible for platform architecture, system integration, cybersecurity, and overall technical performance. They are key players with high power and high interest, requiring daily coordination. Their skills ensure ConnectPlus is scalable, secure, and compliant. The project benefits from their technical capability and problem-solving ability, but challenges include integration with legal systems, tight delivery timelines, and ensuring compatibility for different markets.

Data Analytics

Analytics teams develop personalisation algorithms, manage data pipelines, and ensure ethical data use. Classified as dependent stakeholders (high legitimacy and urgency), they hold high interest but moderate influence. Their insights are essential for customer segmentation and AI-driven recommendations. The project manager benefits from their analytical expertise but must manage challenges such as data quality, GDPR compliance, and balancing personalisation with customer trust.

Marketing Teams

Marketing Teams design communication strategies, promotional campaigns, and onboarding journeys (Hussain et al., 2026). As dependent stakeholders, they require regular engagement to ensure customer-facing elements align with the platform. They bring value through customer insight and engagement expertise, but challenges can include coordinating multi-market campaigns, maintaining message consistency, and adapting to the evolving customer expectations.

Store Operations and Frontline Employees

Frontline employees form a fundamental component of the company's capital, contributing not only to the delivery of goods or services but also enhancing their quality when supported by favorable conditions (Riahi, 2017). For this project they will be essential to ensure customer adoption at the point of service and to provide feedback. They are dependent stakeholders with high interest but low power. Their operational knowledge is invaluable for identifying practical issues early, but challenges include training needs, workload pressures, and resistance to new digital processes.

International Market Managers

Market Managers adapt ConnectPlus to local regulatory, cultural, and operational contexts. As definitive stakeholders, they hold high power, legitimacy, and urgency. They ensure compliance and local relevance. The project manager benefits from their contextual expertise but must navigate challenges such as regulatory diversity, cultural differences, and cross-market coordination.

Customers

Customers hold considerable leverage since they determine platform success through their adoption and engagement. They are dependent stakeholders with high interest but low influence. However, meeting their expectations demands a variety of customer-service enhancements (Riahi, 2017). In addition, digital literacy differences, privacy concerns, and willingness to adopt digital features can impact success.

Technology Vendors and AI Providers

Vendors supply AI tools, cloud infrastructure, and technical components. As dominant stakeholders, they hold high power but moderate interest. They bring innovation and specialised expertise but integration complexity, service reliability, and contractual alignment can bring challenges. In addition, a company is viewed as jointly accountable for the conduct of its suppliers, since it has full discretion to make its purchasing decisions, hence they must be carefully selected (Riahi, 2017).

Public Entities

Agencies and authorities hold both legislative and regulatory authority and are capable of shaping public policy through the creation of legislation and regulations (Fratta et al., 2025). The UK Information Commissioner's Office and equivalent authorities in international markets hold high influence since they can enforce compliance with GDPR, AI governance standards, and consumer protection laws. Their legitimacy is institutional, and their urgency is high due to strict timelines for compliance and potential penalties for non-compliance. They are key stakeholders, and their needs should be prioritized.

Media

Media can influence public perception of ConnectPlus. As discretionary stakeholders, they have legitimacy but low power and urgency. They provide reputational visibility but may misinterpret information if not managed appropriately.

Stakeholder Engagement Plan

Many authors in the project management field have highlighted the significance of stakeholders in projects (Missonier et al., 2014; Bahadorestani et al., 2020), agreeing that project failure is rarely due to lack or ineffectiveness of project management practices but rather due to the poor social interactions with stakeholders (Missonier et al., 2014; Bahadorestani et al., 2020). For ConnectPlus, the goal is to engaged stakeholders as early as possible in the project as this allows the chance to identify any opposing ideas during pre-project stage, which can also be used to improve project concept and design and reduce conflicts and disagreements that can jeopardise project plans and programs (Erkul et al., 2016; Silvius et al., 2019). This will be accomplished by drawing from the framework for meaningful stakeholder engagement below (Jeffery, 2009):

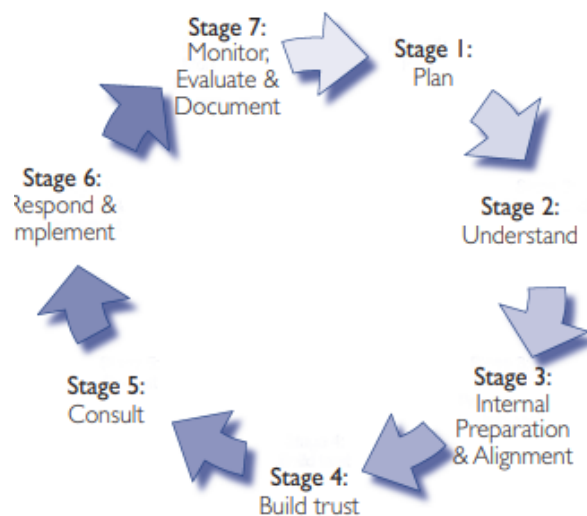


Figure 5: Stages in a Meaningful Stakeholder Engagement Process (Jeffery, 2009)

The planning stage involves defining the core objectives of the engagement process, identifying the key issues that need to be addressed, and determining which stakeholders are most critical to the project success which has already been identified in this report (Jeffery, 2009).

Understanding Stakeholders and their Wants and Needs

Stakeholder engagement is defined as “the practice to determine and include stakeholder concerns, needs and values” (Erkul et al., 2016). Hence, stage two of the engagement process begins with a clear understanding of stakeholders based on their influence, interest, and level of commitment which is already identified in this report. The Stakeholder Engagement Matrix below (figure 6) maps each ConnectPlus stakeholder group to the appropriate engagement strategy drawing from the Power/Interest Grid:



Figure 6: ConnectPlus Stakeholder Engagement Matrix

The engagement levels applied in the Stakeholder Engagement Matrix inform the engagement intensity that each stakeholder should be approached with (Sarungu, 2024). Stakeholders under "manage closely" can influence the achievement of objectives and should be managed closely and with continuous engagement. Because of their power, Public entities can act destructively if ignored. "Engage as needed" stakeholders despite their lack of power are crucial. They are frequently the actors who contribute the skills and energy necessary for success. Finally, low-power, low-interest stakeholders such as Media are monitored with minimal effort (PMI, 2021). Stakeholder engagement has been further classified in Table 2 of this report based on the Salience model and the Stakeholder Typology.

Below is another evaluation of the current and desired engagement levels of ConnectPlus stakeholders using standard categories defined by PMI (2021): unaware, resistant, neutral, supportive, and leading. Each stakeholder is assigned a “C” (current) and “D” (desired) rating to identify gaps in engagement. This enables targeted interventions to move stakeholders toward the desired level of participation required for successful project delivery (Riahi, 2017) (Table 3).

Stakeholder	Unaware	Resistant	Neutral	Supportive	Leading
Executive Leadership				C	D
Digital Technology & IT Teams			C	D	
International Market Managers			C	D	
Data Analytics Teams			C	D	
Marketing Teams			C	D	
Frontline Employees			C	D	
Customers	C			D	
Public Entities (Regulators)	C				D
Media		C	D		

Table 3: Application of PMI Stakeholder Engagement Assessment Matrix to ConnectPlus.

Responsibility Assignment Matrix (RACI)

The RACI Matrix was also used to clearly define the roles and responsibilities of members involved in the project. The acronym represents four key types of involvement: Responsible, Accountable, Consulted, and Informed. Each category describes a different level of participation in completing tasks or making decisions (Letaw, 2024):

- Responsible (R): the people who carry out the work required for a task. Responsibility may be shared or delegated among team members.
- Accountable (A): the person who holds ultimate ownership of the task or decision. Only one individual should be accountable for each activity or deliverable.
- Consultant (C): stakeholders who provide input or expertise before decisions are made. This role involves two-way communication.
- Informed (I): individuals who must be kept updated on progress, decisions, or actions, but who are not directly involved in performing the work.

To apply this model to ConnectPlus a structured five-step method will be followed. The process begins by identifying the project's key processes. Next, each process is broken down into specific tasks to ensure they are independently and clearly described. The third step will involve assigning all relevant stakeholders alongside these tasks. In the fourth step, the project team assigns responsibility and accountability to the appropriate stakeholders, ensuring that every task has one individual who is accountable and at least one who is responsible. The final step consists of reviewing the matrix to identify and resolve any conflicts (Letaw, 2024; Kamau, 2017; Riahi; 2017). The completed output is presented as a table, an example of which is shown in Table 4 below.

		Roles / People		
Tasks		Stakeholder A	Stakeholder B	Stakeholder C
	Task 1	R	C/I	A
	Task 2	C/I	A	R
	Task 3	R	C	R/A
	Task 4	C/A	C/I	R

Figure 7: RACI Matrix Template (Kamau, 2017)

Project Task	Executive Leadership	Digital Technology & IT Teams	International Market Managers	Data Analytics Teams	Marketing Teams	Frontline Employees	Customers	Public Entities	Media
Technical Development	I	A/R	C	C	I	I	I	I	I

Table 4: Example Application of RACI Matrix to ConnectPlus.

This tool will help define and clarify the roles and responsibilities of everyone involved in the project, reducing overlap and delays, promoting efficient decision-making, and help manage conflict which are essential for collaboration and project success (Ahmed, 2019). However, conflicts can still occur when applying a RACI matrix, particularly in relation to how roles and responsibilities are assigned. These problems often emerge when stakeholders hold different opinions about who should be responsible or accountable for a specific task. Such inconsistencies undermine clarity, weaken ownership of tasks, and ultimately lead to ineffective processes and reduced coordination across the project team (Kamau, 2017). This risk will be mitigated by further evaluating the ConnectPlus final RACI matrix following the vertical and horizontal analysis (Kamau, 2017) (Figure 8).

Vertical Analysis		Horizontal Analysis	
<u>Finding</u>	<u>Possible interpretation</u>	<u>Finding</u>	<u>Possible interpretation</u>
Too many R's	Will the task get done? Can activity or decision be broken into more specific tasks? Is the individual overloaded?	Too many R's	Will the task get done? Can activity or decision be broken into more specific tasks?
Too many C's	Do all these individuals really need to be consulted? Do the benefits of added input justify the time lost in consulting all these individuals?	Too many C's	Do all these individuals really need to be consulted? Do the benefits of added input justify the time lost in consulting all these individuals?
Too many I's	Do all these individuals really need to be routinely informed, or could they be informed only in exceptional circumstances?	Too many I's	Do all these individuals really need to be routinely informed, or could they be informed only in exceptional circumstances?
Too many A's	Can some of the accountability be "pushed down" in the organization?	No R's	Job may not get done; everyone is waiting to approve, be consulted, or informed; no one sees their role as taking the initiative to get the job done.
No R's	Job may not get done; everyone is waiting to approve, be consulted, or informed; no one sees their role as taking the initiative to get the job done.	No A's	No performance accountability; therefore, no personal consequence when the job doesn't get done. Rule #1 in RACI charting: There must be one, but only one, "A" for each action or decision listed on the chart.
No A's	No performance accountability; therefore, no personal consequence when the job doesn't get done.	No C's / I's	Is this because individuals/departments "don't talk"? Does a lack of communication between individuals/departments result in parallel or uninformed actions?

Figure 8: Resolution of conflict in the RACI matrix using vertical and horizontal analysis (Kamau, 2017)

SWANS and OWANS

In Stage 3 of the engagement process, the organisation must be prepared for meaningful engagement with the stakeholders. For ConnectPlus, this involves allocating sufficient time and resources to understand where the project priorities align with stakeholder interests and the level of commitment the organisation will make to stakeholder engagement (Neely et al., 2002; Jeffery, 2009). The SWANS and OWANS approach provides a structured way to uncover alignment, gaps, and opportunities for mutual benefit within the engagement process:

Stakeholder	SWANS	OWANS
Executive Leadership	-Proof of strategic value and ROI -Confidence in risk management -Clear alignment with long-term objectives	- Strong sponsorship and support - Timely approval of resources
Digital Technology & IT Teams	- Clear technical requirements - Access to tools, data, and infrastructure	- Delivery of a secure, scalable platform - System integration and stability - Quick issue resolution
Data Analytics Teams	- High-quality data inputs - Defined KPIs and governance	- Accurate insights for personalisation - Compliance with data protection standards
Marketing Teams	- Clear value proposition - Customer insights for campaigns	-Customer-facing communication that drives adoption -Market-specific messaging
International Market Managers	- Training and operational clarity - Support for local regulatory needs	- Coordination of local rollout - Market feedback
Frontline Employees	- Training and support - Clear operational expectations	- Consistent use of ConnectPlus - Customer feedback - Reporting of issues
Customers	- Easy to use platform - Personalized offers - Transparency and data security	- Engagement with the platform - Behavioural data for insights - Feedback
Public Entities	- Full compliance documentation - Transparency on data processing - Ethical data use	- Regulatory approval - Guidance on compliance
Media	- Accurate information - Clear narrative on innovation	- Balanced coverage - Support in shaping public perception - Highlighting ConnectPlus benefits

Table 5: ConnectPlus SWANS and OWANS.

Communication With Stakeholders

The remaining 4 stages of the stakeholder engagement process include building trust, consulting, implementing, and monitoring (Jeffery, 2009). Throughout these stages, communication is what ensures that stakeholder engagement remains structured, transparent, and sustained across the ConnectPlus rollout. The level of communication, its format, and how often it occurs should be tailored to each stakeholder's influence and the cost of maintaining that relationship. Some stakeholders only need brief, occasional updates, while others require detailed information delivered on a regular and frequent basis (Riahi, 2017). Below is a structured communication strategy table tailored to the ConnectPlus project and grounded in all the stakeholder analysis (Riahi, 2017):

Stakeholder Group	Primary Communication Tools	Rationale
Executive Leadership	Formal Meetings, Individual Briefings	High power and high interest; require strategic updates, risk visibility, and milestone reporting.
Digital Technology & IT Teams	Informal Meetings, Technical Workshops, Information Screens	High interest and operational involvement; need frequent and detailed updates and collaborative problem-solving.
Data Analytics Teams	Workshops, Individual Briefings, Mailing Lists	Require detailed data governance updates, KPI alignment, and feedback.
Marketing Teams	Workshops, Mailing Lists, Newsletters	Need regular insights on customer behaviour, platform performance, and campaign readiness.
International Market Managers	Individual Briefings, Tours & Demonstrations, Newsletters	Require contextualised information, localised guidance, and operational clarity for rollout.
Frontline Employees	Information Screens, Tours & Demonstrations, Informal Meetings	Need simple, visual, and practical communication to build trust and support adoption.
Customers	Website Updates (Tesco.com), Advertisements, Newsletters	Require transparent, accessible, and self-service information about features, privacy, and benefits.
Public Entities	Formal Meetings, Individual Briefings	High power; require compliance documentation and transparency
Media	Press Releases, Public Forums, Advertisements	Need accurate, timely information to shape public perception and communicate platform value.

Table 6: ConnectPlus Communication Strategy.

Stakeholder Engagement Plan Summary

This stakeholder engagement plan for ConnectPlus is structured around Jeffery's (2009) meaningful engagement model, ensuring stakeholders are involved early and consistently to reduce conflict and strengthen the project. Engagement started with identifying and prioritising stakeholders using the Power–Interest Matrix and Stakeholder Salience Model, which classified groups according to influence, legitimacy, and urgency. This analysis highlighted the need to manage Executive Leadership, IT Teams, International Market Managers, and Public Entities closely, while also maintaining regular communication with dependent stakeholders such as customers, frontline employees, analytics teams, and marketing teams. Once all project tasks are identified, the RACI framework will also be implemented to help define and clarify the roles and responsibilities of stakeholders. This will help manage conflicts and ensure success. In addition, the plan also incorporates the SWANS and OWANS framework, enabling us to align both stakeholder and organisational needs. Finally, a communication strategy was also devised based on the stakeholder analysis (Table 6). This will help the final stages of engagement and ensure trust, transparent communication, and sustaining collaboration throughout the ConnectPlus rollout.

However, during this process it will also be important to ensure the stakeholder group reflects broader population diversity. Needs and perspectives differ across age, ethnicity, religion, education, income, and geographic context, and a more balanced mix offers far deeper insight than relying on a single subgroup (Jeffery, 2009).

Evaluation of the Impact of Sustainable Stakeholder Engagement on Business Performance

In the context of ConnectPlus, stakeholders can influence almost every dimension of a project. According to the Project Management Institute (2021) stakeholders can influence:

- Scope and Requirements: by identifying elements that need to be added, modified, or removed.
- Schedule: by suggesting ways to speed up delivery or, alternatively, by slowing or blocking critical activities.
- Cost: by helping reduce planned spending or introducing new requirements that increase financial demands.
- Project Team: by enabling or limiting access to essential skills, expertise, and learning opportunities.
- Plans: by contributing information or advocating changes to agreed work packages.
- Outcomes: by facilitating or obstructing the activities required to achieve intended results.
- Culture: by shaping the level of engagement, collaboration, and organisational behaviour surrounding the project.
- Benefits Realisation: by clarifying long-term goals and ensuring the project delivers the expected value.
- Risk: by defining acceptable risk thresholds and participating in risk management activities.
- Quality: by specifying standards and expectations for deliverables.
- Success: by determining success criteria and contributing to the evaluation of project performance.

Considering the multiple areas of impact that stakeholders have, sustainable stakeholder engagement becomes a critical determinant of business performance, particularly for large firms such as Tesco which are in the era of digitalisation. Engagement refers to the full spectrum of organisational efforts aimed at understanding, involving, and collaborating with stakeholders in both everyday activities and strategic decision-making (Blockis, 2025). It enables organisations to address tactical and long-term priorities from gathering insights and identifying emerging trends that may affect operations, to strengthening transparency and building trust among individuals or groups whose support is essential for sustained success. Effective engagement also fuels innovation and drives organisational change, helping businesses respond proactively to new challenges and take emerging opportunities (Bruce et al., 2010).

A central impact of sustainable stakeholder engagement is strategic alignment. Jeffery (2009) argues that continuous engagement ensures that organisational objectives remain aligned with stakeholder expectations, reducing strategic drift, and improving coherence across departments and functions. This alignment is evidenced by the SWANS and OWANS analysis (Table 5), where efforts are made to uncover alignment, gaps, and opportunities for mutual benefit within the engagement process.

Sustainable engagement also strengthens operational efficiency, a key driver for business performance. The Project Management Institute (2021) highlights that stakeholder engagement is a core project management skill that improves coordination, reduces delays, and clarifies roles and responsibilities. Greenwood (2007) also notes that engagement is not merely a responsibility practice but a strategic organisational tool that enhances business. For instance, there is a wide body of literature that shows that employee engagement, who are main stakeholders of companies, improves operational processes by enabling continuous feedback, early identification of inefficiencies, and collaborative problem-solving and these operational improvements translate directly to cost savings, productivity gains, and stronger business performance outcomes (Rees et al., 2013; Tanwar, 2017).

Another major impact is innovation and organisational learning. Jeffery (2009) emphasises that meaningful engagement fosters innovation by integrating different knowledge sources and encouraging collaborative ideas. Organisations that maintain ongoing engagement with customers, employees, partners, and industry actors maximise the identification of emerging trends, the anticipation of market shifts, and development of new products or services, particularly in projects of digital transformation like ConnectPlus (Lopes, 2025). Good stakeholder relationships are also essential for anticipating risks and building organisational resilience since they foster reliability and flexibility (Iandolo et al., 2025). For example, in the ConnectPlus project, public entities can flag emerging compliance issues, while customers can detect early concerns about usability or security. Detecting these risks at an early stage allows organisations to take preventative action, lowering the chance of expensive disruptions or product failures later in the development cycle (Adanigbo et al., 2020).

Finally, a significant impact is greater customer value creation, which is central to business performance. Stakeholder engagement ensures that customer expectations are continuously integrated into product design, service delivery, and communication strategies, which in turn leads to higher satisfaction, stronger loyalty, and improved retention (Jeffery, 2009; Adanigbo et al., 2020).

In summary, sustainable stakeholder engagement significantly enhances business performance by strengthening strategic alignment, improving operational efficiency, fostering innovation, reducing risk and increasing customer value creation, and supporting

benefits realisation. However, literature findings also show that maintaining consistently high levels of stakeholder engagement is difficult to achieve in large, interdisciplinary projects such as ConnectPlus, both across time and across different locations (Huzzard, 2021). Moreover, poorly managed relationships with key stakeholders can prevent organisations from achieving important progress toward their long-term development goals (Blockis, 2025). But a key insight taken is that meaningful impact can still occur even when engagement with stakeholders falls below initial expectations, in fact, research suggest that flexible engagement rather than continuous involvement may be a more realistic and ultimately more effective approach within complex collaborative projects such as ConnectPlus (Huzzard, 2021).

Recommendations and Conclusion

To maximise the benefits of sustainable stakeholder engagement and ensure the successful rollout of ConnectPlus, several recommendations emerge from the analysis in this report. First, this project should prioritise continuous engagement using quarterly stakeholder reviews, cross-functional workshops, and structured feedback loops. These, alongside the communication strategy devised, will help maintain alignment (SWANS and OWANS), identify emerging risks, and ensure that stakeholder expectations are considered alongside project needs. Second, the roles and responsibilities of everyone involved in the project should be defined using the RACI matrix with the addition of vertical and horizontal analyses alongside it. This will prevent role ambiguity, reduce conflict, and ensure accountability throughout the project lifecycle. Third, this project should prioritise ethical and transparent data practices to maintain trust with customers and regulators. Clear communication about data use, privacy protections, and AI governance will strengthen the legitimacy of the project and reduce compliance risks. Finally, the organisation should invest in training, particularly for frontline employees and international market managers. Training programs, digital literacy initiatives, and product demonstrations will reduce resistance, improve adoption, and enhance customer experience at the point of service, which is the ultimate goal of the project. In conclusion, sustainable stakeholder engagement will be essential for the success of ConnectPlus and Tesco's broader digitalisation journey. By maintaining structured engagement, aligning stakeholder needs with organisational needs, and fostering transparent communication, Tesco can enhance business performance, strengthen resilience, and deliver long-term value. The recommendations provided will support effective implementation, reduce risks, and ensure that ConnectPlus becomes a strategic asset for Tesco's competitiveness.

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