Project Stakeholder Management

Project Stakeholder Management

At the end of this Module, participants will be able to:

- **<u>Identify</u>** the 4 Project Stakeholder Management Processes & major Tasks.

- **<u>Understand</u>** the need and importance for proper Stakeholders Identification & Analysis.

- **<u>Explain</u>** the Inputs, Tools & Techniques that are required for the 4 Project Stakeholder Management Processes.

Project Stakeholder Management

Project Stakeholders are individuals, groups and / or organizations that are actively involved in the project, or whose interests may be affected (positively or negatively) as a result of project execution or project completion. These stakeholders in most cases exert influence over the project's objectives and its outcomes.

The Project Management Team & the Project Manager must identify[1] the stakeholders (Internal & external) and determine the project requirements & expectations[2] from all of them. It is the responsibility of the project manager to manage the influence (s) [3] that these stakeholders can exert in relation to project requirement to ensure a successful outcome.

Project Stakeholder Management includes those processes that are required to identify the people, groups or organization that could impact or be impacted by the project, analyzing their expectations and impact on the project and develop appropriate management strategies for effectively engaging them in project decisions and executions.
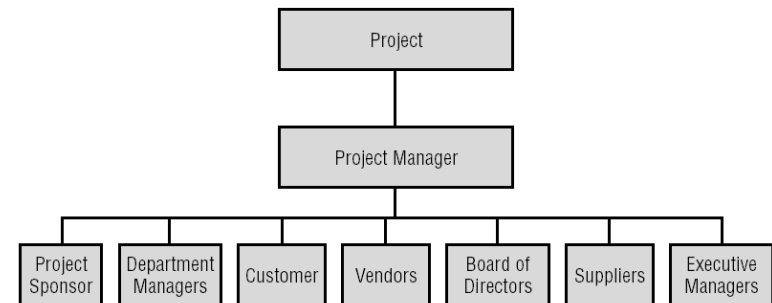
Project Stakeholder Management

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Identify Stakeholders

Identify Stakeholders is the process of identifying <u>all</u> people, groups or organizations that could impact or be impacted by a decision, activity or outcome of the project, analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence and potential impact on project success.

It is <u>critical</u> to identify the stakeholders early in the project, and to analyze their levels of <u>interest</u>, <u>individual expectations</u>, <u>importance</u> and <u>influence</u> because bulk of the success of the project depend on these. Depending on the type and size, most projects have diverse and various stakeholders that should be classified accordingly in the project.

A strategy can then be developed for approaching each stakeholder and determining the level and timing of stakeholders' involvement to maximize <u>positive influences</u> and mitigate potential <u>negative impacts</u>.

Project

Project Manager

| Project Sponsor | Department Managers | Customer | Vendors | Board of Directors | Suppliers | Executive Managers |

Stakeholders
Project Manager
Project Sponsor
Customer
Board of Directors
Executive Managers
Department Managers
Vendors
Suppliers

Project Stakeholder Management

Identify Stakeholders

Inputs

.1 Project charter
.2 Business documents
  - Business case
  - Benefits management plan
.3 Project management plan
  - Communications management plan
  - Stakeholder engagement plan
.4 Project documents
  - Change log
  - Issue log
  - Requirements documentation
.5 Agreements
.6 Enterprise environmental factors
.7 Organizational process assets

Tools & Techniques

.1 Expert judment
.2 Brainstorming
.3 Stakeholders analysis & mapping
.4 Document analysis
.5 Meetings

Outputs

.1 Stakeholder register
.2 Change requests
.3 Project management plan updates
  - Requirements management plan
  - Communications management plan
  - Risk management plan
  - Stakeholder engagement plan
.4 Project documents updates
  - Assumption log
  - Issue log
  - Risk register

Project Stakeholder Management

Identify Stakeholders

INPUTS

Project Charter

- This document provide information about internal and external parties related with the project and affected by the result or execution of the project.

Business Documents

- In the first iteration of this process, the Business Case and the Benefit Management Plan are sources of information about project stakeholders.

Project Management Plan & Documents (Artifacts)

- Available Project Artifacts that can be used to undertake this process are Project Charter, Change log, etc.

Enterprise Environmental Factors & Organizational Process Assets

- Organizational culture, structure, government or industry standards are part of the EEF that can influence this process. The OPA that can influence this process are: Stakeholder register templates, lesson learned from previous projects, etc.

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Project Stakeholder Management

Identify Stakeholders

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TOOLS & TECHNIQUES

1. Expert Judgment

To ensure comprehensive identification and listing of stakeholders, judgment and expertise should be sought from groups or individuals with specialized training or knowledge on the subject area such as: senior management, other PM that have worked in similar projects, consultants, etc.

ASK AN EXPERT

2. Brainstorming: A general data gathering and creativity technique that can be used to generate ideas, or solutions to issues by using a group of team members or subject-matter expert. It is used to elicit information from group of stakeholders or other SME.

Brainstorm

Project Stakeholder Management

Identify Stakeholders

3. Stakeholder Analysis & Mapping

Stakeholder analysis is a technique of systematically gathering and analyzing quantitative (**How Many**) and qualitative (**Level of power & influenc**e) information to determine whose interests should be taken into account throughout the project.

o It identifies the interests, expectations, and influence of the stakeholders and relates them to the purpose of the project.

o It also helps identify stakeholder relationships that can be leveraged to build coalitions and potential partnerships to enhance the project's chance of success.

3. Stakeholder Analysis & Mapping

The steps for Stakeholder analysis are:

• Identify all potential project stakeholders and relevant information regarding them

• Analyze & Classify the potential impact or support each stakeholder could generate.

• Assess how key stakeholders are likely to react or respond in various situations.

• **Multiple Classification Models such as (Power / Interest grid, Power / Influence grid, Influence / Impact grid, Salience model,) can be used for stakeholders analysis.**
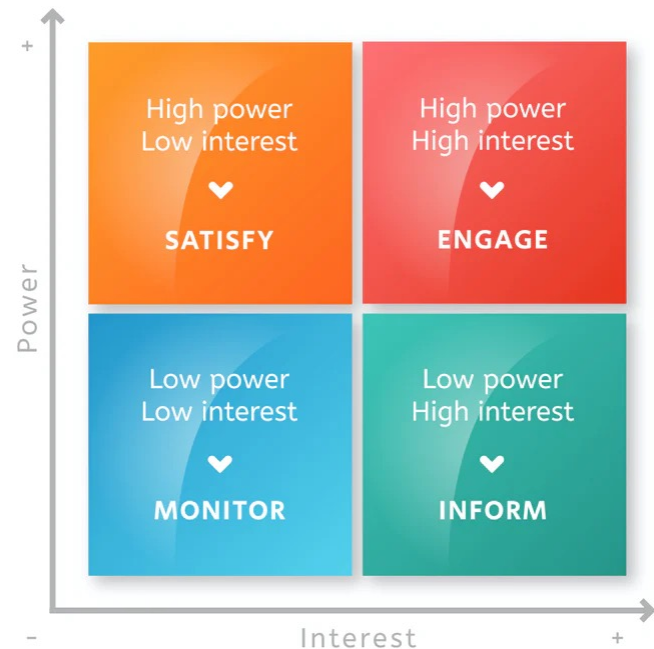
Project Stakeholder Management

Identify Stakeholders

3. Stakeholder Analysis & Mapping

- It is the process of drawing a **visual representation** of the various people involved in or affected by the project.

- This visual tool should provide a clear picture of who the various **stakeholder groups** are, as well as their motives and interests.

- **Stakeholder maps** are designed to facilitate the evaluation of your environment by highlighting what **powers** are at play to help or hinder the progress of your project.

The Power-Interest Matrix for Stakeholders

High power Low interest — SATISFY

High power High interest — ENGAGE

Low power Low interest — MONITOR

Low power High interest — INFORM

Power

Interest

appvizer

Project Stakeholder Management

Identify Stakeholders

4.Document Analysis: This technique is used to assess the available project documentations and lesson learned from previous projects to identify stakeholders.

5. Meetings

The project team members can use this meeting technique with stakeholders to develop an understanding of the project, hence be able to identify them. It can take the form of facilitation, workshops, virtual groups, etc.

Project Stakeholder Management

Identify Stakeholders

OUTPUTS

Stakeholder Register

- The stakeholder register is the core output of this process. This document contains all details related to the identified stakeholders including, but not limited to:
- **Identification information**: Name, organizational position, location, role in the project, contact information;

- **Assessment information**: Major requirements, main expectations, potential influence in the project, phase in the life cycle with the most interest; and

- **Stakeholder classification**: Internal/external, supporter/neutral/resistor, etc.

Change Request

This process can generate change request in subsequent iteration. But the first iteration will not generate a change request.

Project Management Plan & Documents (Artifacts) Update

Iteration during the course of the project may experience an update project artifacts, such as Stakeholder Engagement Plan, Assumption Log, Issue Log, Risk Register etc

Project Stakeholder Management

Plan Stakeholder Engagement

Plan Stakeholder Engagement is the process of developing appropriate management strategies or approaches to effectively engage stakeholder throughout the project lifecycle based on the analysis of their needs, interests and potential impact on the project.

The benefit of this process is that it provides a clear and effective plan on how to interact with the project stakeholders to support the project's interest throughout the project lifecycle. The output of this process is the Stakeholder Engagement Plan, which can be reviewed and updated regularly as the stakeholders community changes

Project Stakeholder Management

Plan Stakeholder Engagement

Inputs

.1 Project charter
.2 Project management plan
  - Resource management plan
  - Communications management plan
  - Risk management plan
.3 Project documents
  - Assumption log
  - Change log
  - Issue log
  - Project schedule
  - Risk register
  - Stakeholder register
.4 Agreements
.5 Enterprise environmental factors
.6 Organizational process assets

Tools & Techniques

.1 Expert judment
.2 Benchmarking
.3 Stakeholder engagment matrix
4. Meetings

Outputs

.1 Stakeholder engagement plan

Project Stakeholder Management

Plan Stakeholder Engagement

INPUTS

Project Charter

- This document contains information on the project purpose, objectives and success criteria that can be taken into consideration when planning to engage stakeholders

Project Management Plan & Documents (Artifacts)

- Artifacts contains other subsidiary plans such as Communications Management Plan, Risk and Resource Management Plans, etc Others that are considered during this process include Assumption Log, Change Log, Issue Log, Stakeholders Register, etc

Enterprise Environmental Factors & Organizational Process Assets (OPA)

- Organizational culture, governance framework, political climate etc are part of the EEF that can influence this process. The OPA that can influence this process are: Corporate policies, procedure, lesson learned from previous projects, etc.

Project Stakeholder Management

Plan Stakeholder Engagement

1.   Expert Judgment

Based on the type of project and its objectives, the project manager should apply expert judgment to decide on the level of engagement required at each stage of the project from each stakeholder and in developing the Stakeholder Engagement Plan.

2. Benchmarking can be used to compare the result of stakeholder analysis with information from other organizations or similar world class projects.

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Plan Stakeholder Engagement

3. Stakeholder Engagement Assessment Matrix: This technique helps to support the comparison between the current engagement levels of stakeholders and the desired levels required for successful project delivery. Engagement levels can be classified as follows:

ANALYSE YOUR STAKEHOLDERS
• Internal/external stakeholders
• Identify expectations
• Identify concerns
• Stakeholder mapping

ACTIVATE ENGAGEMENT
• Scope of communication
• Desired frequency
• Planned meetings
• Tracking risks and issues
• Advise escalation path

CREATE ALIGNMENT
• Identify key objectives
• Define benefits
• Establish success criteria
• Clarify roles and responsibilities
• Identify potential roadblocks

STAKEHOLDER ENGAGEMENT STRATEGY

Unaware	Unaware of the project & Potential impacts
Resistant	Aware of project & potential impacts & resistant
Neutral	Aware of project yet neither supportive nor resistant

Supportive:	Aware of project and potential impacts & supportive to change
Leading	Aware of project & potential impacts & actively engaged in ensuring the project is a success.

Project Stakeholder Management

Plan Stakeholder Management

TOOLS&TECHNIQUES

3. Stakeholder Engagement Assessment Matrix

Example of a Stakeholder Engagement Matrix incl. Power / Interest Assessment

Stakeholder	Power / Interest	Unaware	Resistant	Neutral	Supportive	Leading
Stakeholder 1	high / low	C			D	
Stakeholder 2	high / medium			C	D	
Stakeholder 3	medium / high				D C	
...						
Stakeholder n	high / high				C	D

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4. Meetings

Meetings should be held with experts and the project team to define the required engagement levels of all stakeholders. And the information derived can be used to prepare the Stakeholder Engagement Plan

Project Stakeholder Management

OUTPUTS

Plan Stakeholder Engagement

Stakeholder Engagement Plan

- This is part of the **project management plan,**
- It identifies the management strategies and actions required to effectively engage stakeholders and promote productive involvement of stakeholders in decision making and execution. In addition to the information contained in this Plan, are:
- Desired & current engagement levels of key stakeholders
- Scope & impact of change to stakeholders
- Identified interrelationships and potential overlap between stakeholders.

Stakeholder	Impact: How much does the project impact them? (Low, Medium, High)	Influence: How much influence do they have over the project? (Low, Medium, High)	What is important to the stakeholder?	How could the stakeholder contribute to the project?	How could the stakeholder block the project?	Strategy for engaging the stakeholder
Ministry of Industry (MoI)	High	High	Successful development and implementation of the IAIP and RTC projects	As project proponent and owner, it has all the leverage towards successful development and implementation of the IAIP and RTC projects	As project proponent and owner, it has all the leverage towards successful development and implementation of the IAIP and RTC projects	Continued reporting and consultation on preparation and implementation issues of the ESIA and RAP
Ministry of Environment, Forest and Climate Change (MEFCC)	Low	High	Implementation of the IAIP and RTC development projects in environmentally and socially sustainable way.	The MEFCC will review the ESIA and RAP reports and will supervise the implementation of the ESMP.	As regulatory body it has all the mandate to correct unsustainable environmental and social practices of the project	Continued reporting and consultation on preparation and implementation issues of the ESIA and RAP
SNNP Region Environmental Protection and Forest	Low	High	Implementation of the IAIP and RTC development projects in environmentally	Regional regulatory body responsible to ensure environmental compliance of the	As regulatory body it has the mandate to correct unsustainable environmental and	Continued reporting and consultation on implementation issues of the ESIA and RAP

Project Stakeholder Management

Manage Stakeholder Engagement

Manage Stakeholder Engagement is the process of communicating and working with stakeholders to meet their needs / expectations, address issues as they occur, and foster appropriate stakeholder engagement in project activities throughout the project lifecycle. This process allows the project manager to increase support and minimize resistance from stakeholders.

The activities involved in this process are:

❑ Engaging Stakeholders at appropriate project stages to secure their continued commitment to the success of the project.

❑ Managing the expectations of stakeholders to increase the likelihood of project acceptance by negotiating and influencing their desires to achieve and maintain the project goals.

HOW TO MANAGE STAKEHOLDER EXPECTATIONS

Project Stakeholder Management

Manage Stakeholder Engagement

Manage Stakeholder Engagement is the process of communicating and working with stakeholders to meet their needs / expectations, address issues as they occur, and foster appropriate stakeholder engagement in project activities throughout the project lifecycle. This process allows the project manager to increase support and minimize resistance from stakeholders.

The activities involved in this process are:

❑ Addressing concerns that have not become issues yet, & these concerns need to be uncovered and discussed, and the risks be assessed.

❑ Clarifying and resolving issues that have been identified. The resolution may result in a change request or may be addressed outside of the project.

Project Stakeholder Management

Manage Stakeholder Engagement

Inputs

.1 Project management plan
- Communications management plan
- Risk management plan
- Stakeholder engagement plan
- Change management plan

.2 Project documents
- Change log
- Issue log
- Lessons learned register
- Stakeholder register

.3 Enterprise environmental factors

.4 Organizational process assets

Tools & Techniques

.1 Expert judgment
.2 Communication skills
- Feedback

.3 Interpersonal and team skills
- Conflict management
- Cultural awareness
- Negotiation
- Observation/conversation
- Political awareness

.4 Ground rules
.5 Meetings

Outputs

.1 Change requests
.2 Project management plan updates
- Communications management plan
- Stakeholder engagement plan

.3 Project documents updates
- Change log
- Issue log
- Lessons learned register
- Stakeholder register

Project Stakeholder Management

Manage Stakeholder Engagement

INPUTS

Project Management Plan

- The components of this document that is used for this process include the Communications Management Plan, Stakeholder Engagement Plan, Change Management Plan, etc.

Project Documents

- The project documents that are considered during this process include Change Log, Issue Log, Stakeholders Register, etc

Enterprise Environmental Factors (EEF)

- Organizational culture, structure, political climate, Stakeholder risk threshold, etc are part of the EEF that can influence this process.

Organizational Process Assets (OPA)

- The OPA that can influence this process are: Historical information, Corporate policies and procedures for issue, risk, change, etc.

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Manage Stakeholder Engagement

TOOLS & TECHNIQUES

1. Expert Judgment

Based on the type of project and its objectives, the project manager should consult experts to achieve the level of engagement required at each stage of the project from by the stakeholder.

ASK AN EXPERT

2. Communications Skills

There are several methods of communications, and they are broadly classified into 3:
- *Interactive Communications*
- *Push communications*
- *Pull Communications*

The project manager decides on **how, when, which** of these methods are to be used in the project. Feedback can be used by the project management team to understand stakeholders reaction to various project activities.

Manage Stakeholder Engagement

TOOLS & TECHNIQUES

3. Interpersonal Skills

The project manger applies interpersonal skills to manage stakeholders expectations. Such skills as: **Observation and conversation, communications, negotiation, conflict resolution, etc.**

4. Ground Rules

Ground Rules as defined in the team charter sets the expected behavior of team members as well as other stakeholders.

5. Meetings

Meetings are used to discuss and address any issue or concern regarding stakeholder engagement.

Project Stakeholder Management

OUTPUTS

Manage Stakeholder Engagement

Change Request

- This process can generate **change request** to the product or the project. And it may result to **corrective or preventive actions.**

Project Management Plan & Documents (Artifacts) Updates

- The **Stakeholder Engagement Plan, Communications Management Plan,** etc. may be updated during this process as new stakeholders are identified or their requirements may change. Others are Stakeholder register, Change log, Issue log, Lesson learned register are some of the documents that may be updated.

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Project Stakeholder Management

Monitor Stakeholder Engagement

Monitor Stakeholder Engagement is the process of monitoring overall project stakeholder relationships and tailoring strategies and plans for engaging stakeholders through modification of engagement strategies and plans.

This process will maintain or increase the efficiency and effectiveness of stakeholder engagement activities as the project evolves and its environment cha

Project Stakeholder Management

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Monitor Stakeholder Engagement

Inputs

.1 Project management plan
- Resource management plan
- Communications management plan
- Stakeholder engagement plan

.2 Project documents
- Issue log
- Lessons learned register
- Project communications
- Risk register
- Stakeholder register

.3 Work performance data

.4 Enterprise environmental factors

.5 Organizational process assets

Tools & Techniques

.1 Root cause analysis
.2 Stakeholder engagement assessment matrix
.3 Communication skills
.4 Interpersonal and team skills

Outputs

.1 Work performance information

.2 Change requests

.3 Project management plan updates
- Resource management plan
- Communications management plan
- Stakeholder engagement plan

.4 Project documents updates
- Issue log
- Lessons learned register
- Risk register
- Stakeholder register

Project Stakeholder Management

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Monitor Stakeholder Engagement

INPUTS

Project Management Plan

- This document contains the **Stakeholder Engagement Plan, Communications Management Plan, Resource Management Plan** wherein the information on how to monitor stakeholder engagement.

Project Documents

- Project documents are used to support the inputs for this process. Such as Issue Log, Stakeholder Register, Project Communications, etc.

Work Performance Data

- Work performance data are the primary observation and measurements identified during project activities. Examples are: Which stakeholders are supportive of the project and their level and type of engagement, etc.

Enterprise Environmental Factors (EEF) & Organizational Process Assets (OPA)

- Organizational culture, political climate, stakeholder risk threshold, etc. are part of the EEF that can influence this process. While OPA are historical information from previous projects, Corporate policies and procedures for issue, risk, change, etc.

Project Stakeholder Management

Monitor Stakeholder Engagement

1.   Root Cause Analysis :
Root cause analysis (RCA) is **a tool used to identify the source of a problem and find a solution that prevents the problem from returning**. Particularly for a complicated, stubborn, or unfamiliar problem, it can help isolate what happened, when, where, and why.

2.   Stakeholder Engagement Assessment Matrix: This technique helps to support the comparison between the current engagement levels of stakeholders and the desired levels required for successful project delivery.

Example of a Stakeholder Engagement Matrix incl. Power / Interest Assessment

Stakeholder	Power / Interest	Unaware	Resistant	Neutral	Supportive	Leading
Stakeholder 1	high / low	C			D	
Stakeholder 2	high / medium			C	D	
Stakeholder 3	medium / high				D C	
...						
Stakeholder n	high / high				C	D

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Monitor Stakeholder Engagement

3. Communications Skills

The examples of communications skills that can be used for this process are:

i.   Feedback: This is used to ensure that the information to stakeholders are received and understood.

ii. Presentations: This is used to provide clear information to stakeholders.

4. Interpersonal and Team Skills

Examples of this technique that can be used for this process are:

i.   Active listening
ii. Cultural Awareness
iii. Leadership
iv. Networking
v.   Political Awareness

TOOLS&TECHNIQUES

Project Stakeholder Management

Monitor Stakeholder Engagement

OUTPUTS

| **Work Performance Information** | • These are performance data collected from various monitor & control processes and processed. Such as **status of stakeholders engagement, level of current project support,** etc. |

| **Change Request** | • Analysis of project performance and interactions with stakeholders can generate **change request**. And it may result to **corrective or preventive actions.** |

| **Project Management Plan & Documents (Artifacts) Updates** | • The S**takeholder Engagement Plan, Resource Management Plan, Communications Management Plan,** may need to be updated as stakeholders engage with the project. Others are **Stakeholder register, Issue log, Lesson learned register** are the documents that may be updated during this process. |

Project Stakeholder Management