What does Stakeholder Management involve?

- **Stakeholder management** is a critical component to the successful delivery of any project, programme or activity. A **stakeholder** is any individual, group or organisation that can affect, be affected by, or perceive itself to be affected by a programme.
- Effective Stakeholder Management creates positive relationships with stakeholders through the appropriate management of their expectations and agreed objectives. Stakeholder management is a process and control that must be planned and guided by underlying principles. Stakeholder management within businesses, organisations, or projects prepares a strategy utilising information (or intelligence) gathered during the following common processes.
- Start with Goal Setting and Objectives. Stakeholders are most likely to involve themselves actively in a set of goals and objectives aimed at improving business performance and thereby take an interest in the project.
- Agree Deliverables. Projects need a clear set of deliverables designed to achieve the project goals and objectives. These should be communicated clearly to the stakeholders and efforts made to ensure that there is a clear understanding regarding the quality and composition of each deliverable. Prototypes and samples can be prepared to achieve this understanding and avoid misunderstandings or disappointment later.
- Communication is key. Before aiming to engage and influence stakeholders, it's crucial to first seek to understand so as to ensure the intended message is understood and the desired response achieved. Once your project is running, there are two groups of people who you should keep informed of progress, the project team and the stakeholders. The most efficient way of communicating progress is via regular status reports. The reports provide a good record of the project and can be emailed to all relevant parties and placed in a central repository to which everyone has access.
- Consult, early and often. Ask the right questions so as to gain useful information and ideas. To engage their support, ask stakeholders for their advice and listen to how they feel. Always stay close to your stakeholders, they are the most important people on your project. Watch for differences of opinions, personal agendas and knowledge gaps.
- Operate with an awareness of human feelings/potential personal agendas. Accept that humans do not always behave in a rational, reasonable, consistent or predictable way.
- A more deliberate approach to stakeholder engagement is encouraged. Careful planning and investment of time in this area has significant payoff.
- Relationships are key so commit energy and time to building high-level relationships – this engenders trust. Seek out networking opportunities.
- Effective stakeholder engagement is simple but not easy and it requires subtle skills such as being empathetic. Engage, interact, listen – show you care.
- Stakeholders can be treated as a category of (and/or a mitigation of) risk and opportunities that have probabilities and impacts. It can be considered just another part of managing risks.
- Find the best compromise across a set of stakeholders' diverging priorities. Assess the relative importance of stakeholders to establish a weighted hierarchy
- Understand what success is by examining the value of the project to the stakeholder. Ask what their success criteria are. Seek to clarify expectations - perception of success is influenced by the who, what and how?
- Take responsibility as good project governance is key to any project. It's the responsibility of everyone to maintain an ongoing dialogue with stakeholders.
- The Stakeholder Management Process involves 4 elements:

IDENTIFY STAKEHOLDERS

- Identify the name of each stakeholder and determine their interest in the objective and what information they will require;
- Use proven techniques (meetings and expert judgement) for identifying stakeholders, analysing their influence on the project, and developing strategies to communicate, set boundaries, and manage competing expectations;
- Create a Stakeholder Register:

- Take inputs from the Corporate Enterprise Environment: and Organisational Processes when creating the Stakeholder Management Plan and updating Project Documents.

ASSESS & PRIOITISE STAKEHOLDERS

- Understand the level of interest, influence and commitment of the stakeholders to appropriately manage them. Score group influence and acceptance attributes;
- High Power & High Interest = Manage Closely (personal briefings, workshops, risk & issue awareness, presentations):
- High Power & Low Interest = Keep Satisfied (Leverage existing meetings, presentations, organisational briefings):
- Low Power & High Interest = Keep Informed (Newsletters, Posters, Flyers, Websites, Programme email address):
- Low Power & Low Interest = Monitor (No specific communications, monitor messages from this group).

PLAN STAKEHOLDER ACTIONS

- Record the required level of engagement, any change needed and name of the gatekeeper in the Stakeholder Management Plan. Creation of a Stakeholder Map helps to visualise groupings and relationships;
- Evaluate engagement priority following the classification and also evaluate evolution of stakeholders over time;
- Link into other Project Artefacts (Communication Management Plan, Change Log, Organisational Process Assets);
- Determine strategy modes, connecting interventions and plan/organise interventions.

ACT / ENGAGE WITH STAKEHOLDERS

- Engage with the Stakeholders as planned. Undertake regular reviews and update the Stakeholder Management Plan;
- Follow stakeholder attributes by iterative assessments;
- Follow intervention reactions and record outputs;
- Report on achievement of strategies - communicate results and performance variances.
- Establish new internal targets and decide alternative strategy and scenarios.
- Maintain up to date Stakeholder Register and watch for people moving roles, leaving the organisation and new stakeholders joining your organisation including those of you customers, suppliers and partners..
- Techniques for identifying stakeholders, analysing their influence on the project, and developing strategies to communicate, set boundaries, and manage competing expectations.
- Get someone to do an internal review of your processes, or assess another project in order to help capture new lessons learnt or look for new opportunities.

- Experience with the tools and processes available for getting to grips with stakeholder management on their projects (stakeholder identification, analysis and perception matrices, power models, stakeholder maps, RACI etc).
- Understanding that tools use alone don't not tell us enough about individual behavioural skills. It is these behavioural skills that make a real difference in stakeholder management, skills such as influencing; understanding behavioural traits of others; managing conflict; relationship management and negotiation. All of these behavioural skills need to be clearly conveyed in conjunction with the tools and processes are used.
- Conducting Stakeholder Interviews in order determine unknown information - Mastering the behavioural competences of project management is something that all project management professionals strive for; mastering the so-called "soft skills" is often the difference between a successful and unsuccessful project.
- It is one of the top common causes of project failure attributed to project managers not undertaking sufficient stakeholder management and then consulting appropriately. It can be considered on of the arts of project management - not a science, because it covers relationships and communication aspects of the project

What personal skills will you need?

- Need to be able to manage the expectations of stakeholders throughout the lifecycle of the project.
- Experience of dealing with multiple stakeholders.
- Be politically savvy.
- Ensure that information systems are put in place to meet the information requirements of all stakeholders.
- Coordinate effective communication among teams and stakeholders.
- Produce stakeholder analysis.
- Undertake critical assessments - Who their stakeholders are (upwards, outwards and sideways); establish the success criteria for the project and how much of this is dependent on the stakeholders; how many interested parties have to be considered; what drivers their stakeholders (when sometimes they don't know themselves); what power do stakeholders have? What influence can/do they exert? Are there conflicting interests amongst the stakeholders?
- The need to know when and how to adopt new strategies, and the actions that are needed from stakeholders and how those actions will ultimately affect the outcome of the project.
- Being able to keep a lid on scope creep, ensure project requirements are aligned, understand tolerance for risk, and mitigate issues that would otherwise delay the project. Good stakeholder management is a testimony to your influence in an organisation, and a key component to a healthy project environment.

What qualifications will you need?

- Stakeholder Management is a topic area within Project Management Qualifications.
- There is no universally accepted qualification for this subject, however a number of companies run training courses that involve:
- Stakeholder Engagement Certification.
- Managing Stakeholder Expectations.