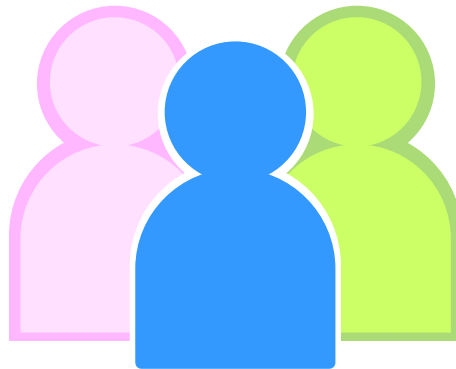
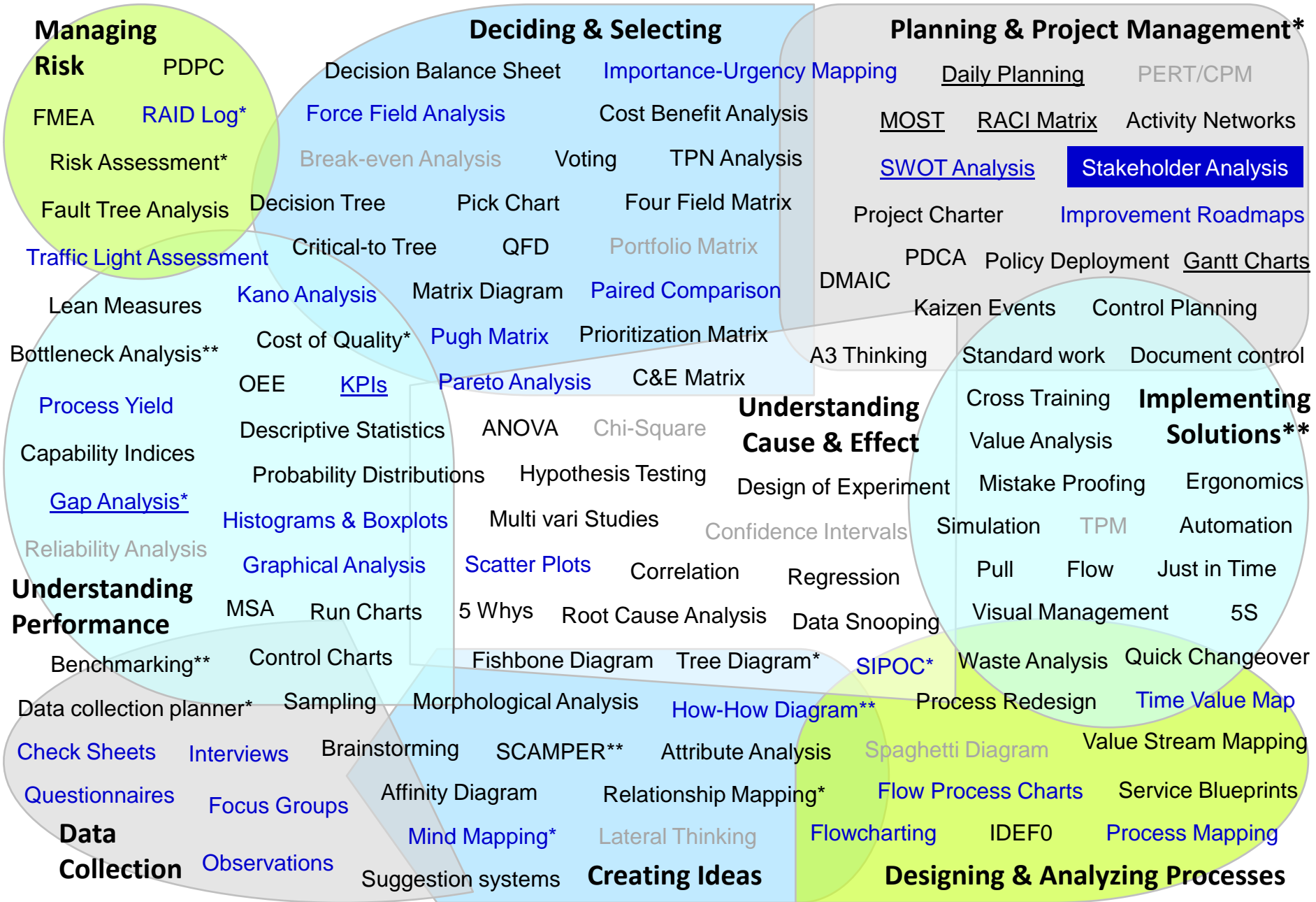


Continuous Improvement Toolkit

Stakeholder Analysis

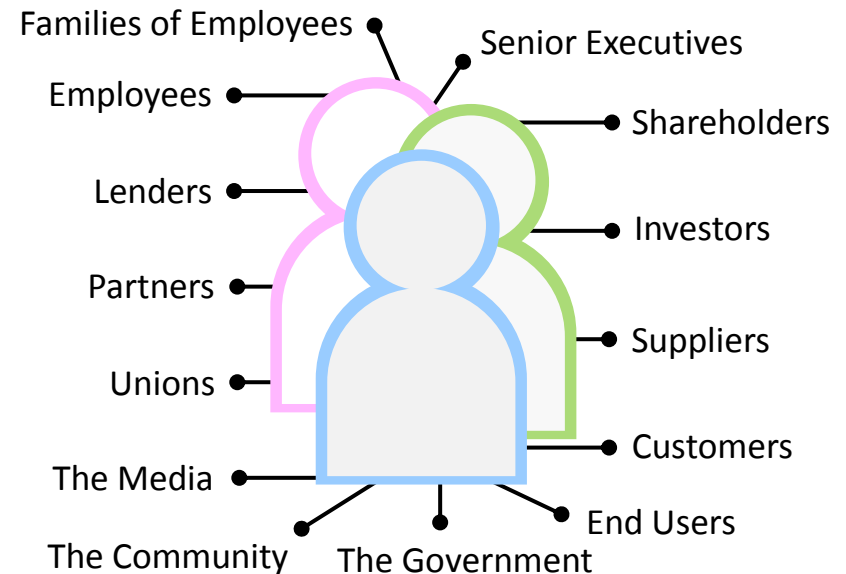


The Continuous Improvement Map



- Stakeholder Analysis

- ❑ A **Stakeholder** is any party who may have an interest in an organization action or will be affected by its outcomes.
- ❑ Stakeholders can be organizations, business units, departments, groups or individuals.



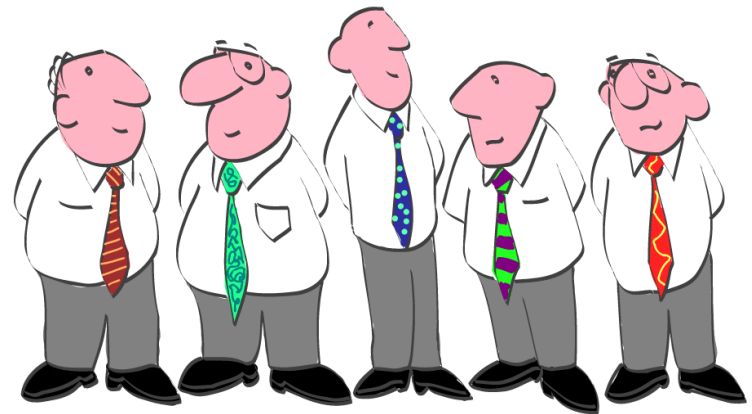
- Stakeholder Analysis

- ❑ **Primary stakeholders** are those who are part of the economic transactions of the business.
- ❑ **Secondary stakeholders** are those who are affected by or can affect the business in some way.



- Stakeholder Analysis

- ❑ **Stakeholder analysis** is the process of identifying and analyzing the stakeholders that are likely to affect or be affected by a proposed action (**positively or negatively**).
- ❑ This is useful to manage them appropriately and effectively.
- ❑ **It can be done once or on a regular basis to track the attitudes of stakeholders overtime.**
- ❑ Widely used in project management.



- Stakeholder Analysis

When it is Used?

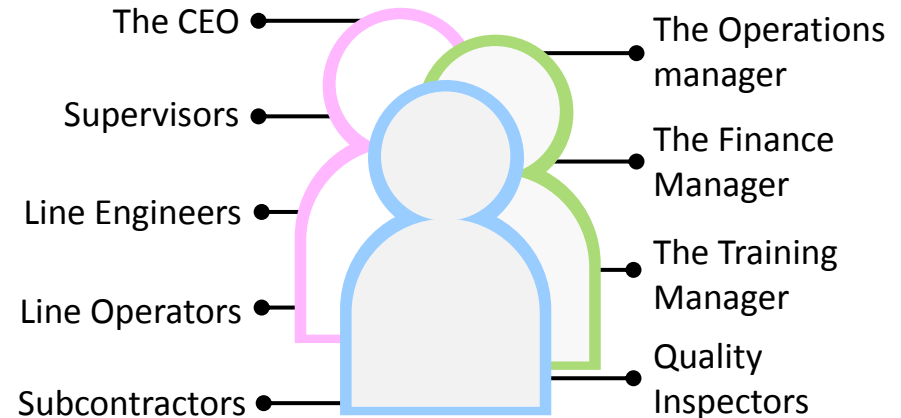
- ❑ In **project management** to develop cooperation between the stakeholders and the project team. It helps to identify:
 - The people to be informed during implementation.
 - The key people to be involved and consulted.
 - The people who may have potential negative impact on the project.
- ❑ In **conflict resolution**.
- ❑ In **organizational transformation**.



- Stakeholder Analysis

□ Examples of stakeholders for a particular project:

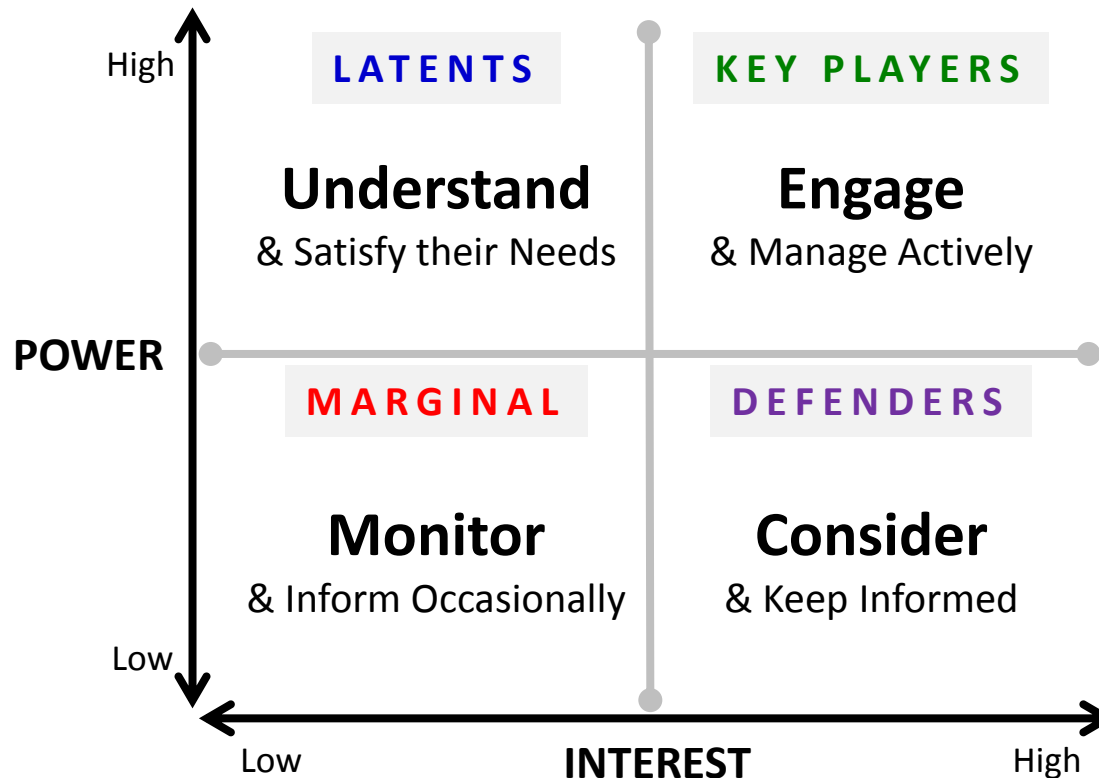
- The project leader.
- Project team members.
- Users of the project outputs.
- Quality inspectors.
- The training manager.
- The finance manager.
- HR personnel.
- Procurement personnel.
- Senior executives.



- Stakeholder Analysis

The Power/Interest Grid (Stakeholder Matrix):

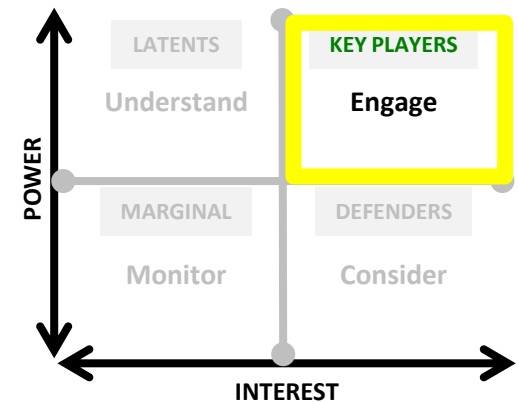
Stakeholders are divided based on the degree of interest and influence



- Stakeholder Analysis

High Power and High Interest Stakeholders:

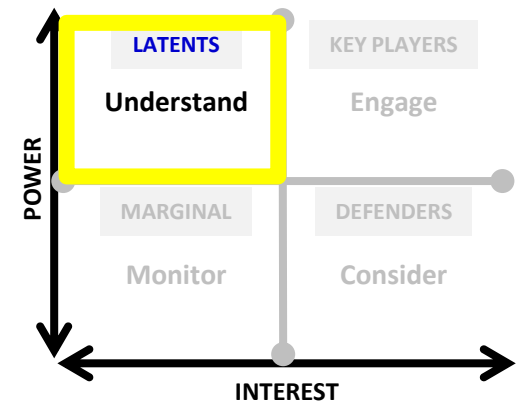
- ❑ They need to be closely involved in all project phases.
- ❑ Nothing should come as a surprise to them publicly.
- ❑ All recommendations and actions agreed should have been discussed with them.



- Stakeholder Analysis

High Power and Low Interest Stakeholders:

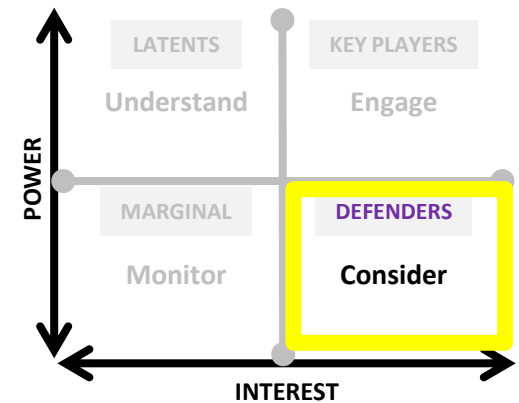
- ❑ These are the senior stakeholders who need to be kept satisfied to gain their support.
- ❑ They need to be kept informed where necessary to maintain their interest.
- ❑ They are able to reach to more powerful groups such as the organization's owners and the media.



- Stakeholder Analysis

Low Power and High Interest Stakeholders:

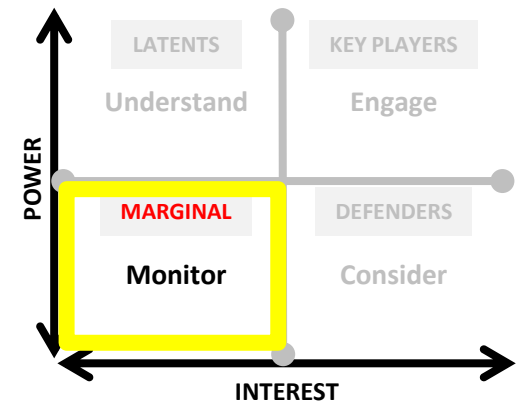
- ❑ They are highly interested in the project outcomes.
- ❑ They have little power as individuals to influence any decision.
- ❑ There should be regular communication with them so that they are kept as informed as is necessary.
- ❑ Examples are the staff who will apply the improved processes.



- Stakeholder Analysis

Low Power and Low Interest Stakeholders:

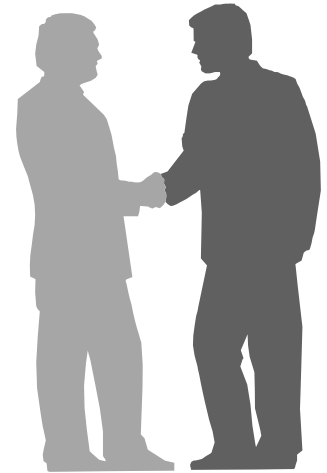
- ❑ They do not have a great deal of influence.
- ❑ Nor they have any interest in the proposed action.
- ❑ The results are likely to have little impact on them.
- ❑ They don't require a great deal of consideration.
- ❑ Communicate occasionally with them so that they are kept informed about important issues and changes.



- Stakeholder Analysis

- ❑ Stakeholders often move around the grid.
- ❑ Some stakeholders will become more interested as the implementation progresses and they begin to see that the changes will affect them.
- ❑ Others may become more powerful through internal promotion or transfer.

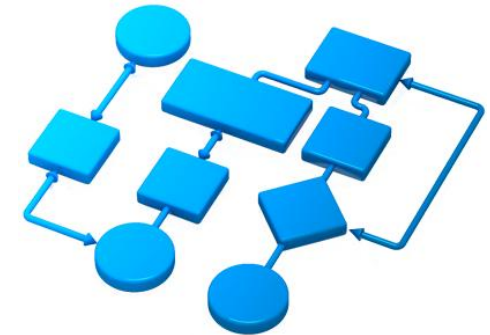
The analysis needs to be carried out regularly throughout the project



- Stakeholder Analysis

Approach:

- ❑ Brainstorm the individuals or groups who may have a stake in the project or change effort.
- ❑ Sort them by the power they have and by their interest in the proposed action.
- ❑ Plot each individual or group on the power/interest matrix.
- ❑ Use the **commitment review sheet** to identify how each stakeholder is likely to respond to the proposed action.



Name	Oppose	No commitment	Help it Happens	Make it Happens

Commitment Review Sheet

- Stakeholder Analysis

Approach:

- ❑ Discuss how to manage the opposition and lack of interest.
- ❑ Use the **communication action sheet** to plan how to engage and communicate with them. Consider:
 - Weekly informal chat.
 - Invite to team meetings.
 - Emails.



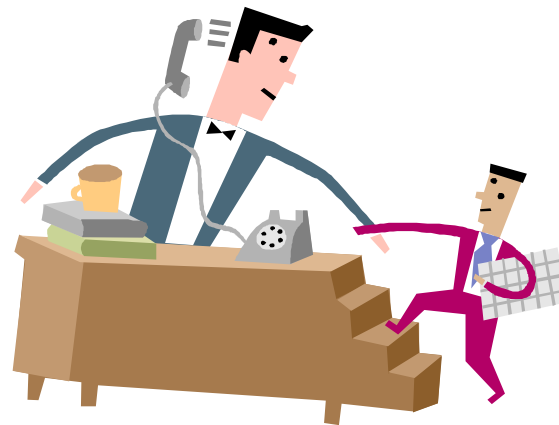
Name	Method	Frequency	Record feedback

Communication Action Sheet

- Stakeholder Analysis

Approach:

- ❑ Agree on who is going to communicate with each stakeholder.
- ❑ Talk directly with them. You may ask them:
 - What is their current opinion of the proposed action?
 - What information do they want from you?
 - How do they want to receive information?



- Stakeholder Analysis

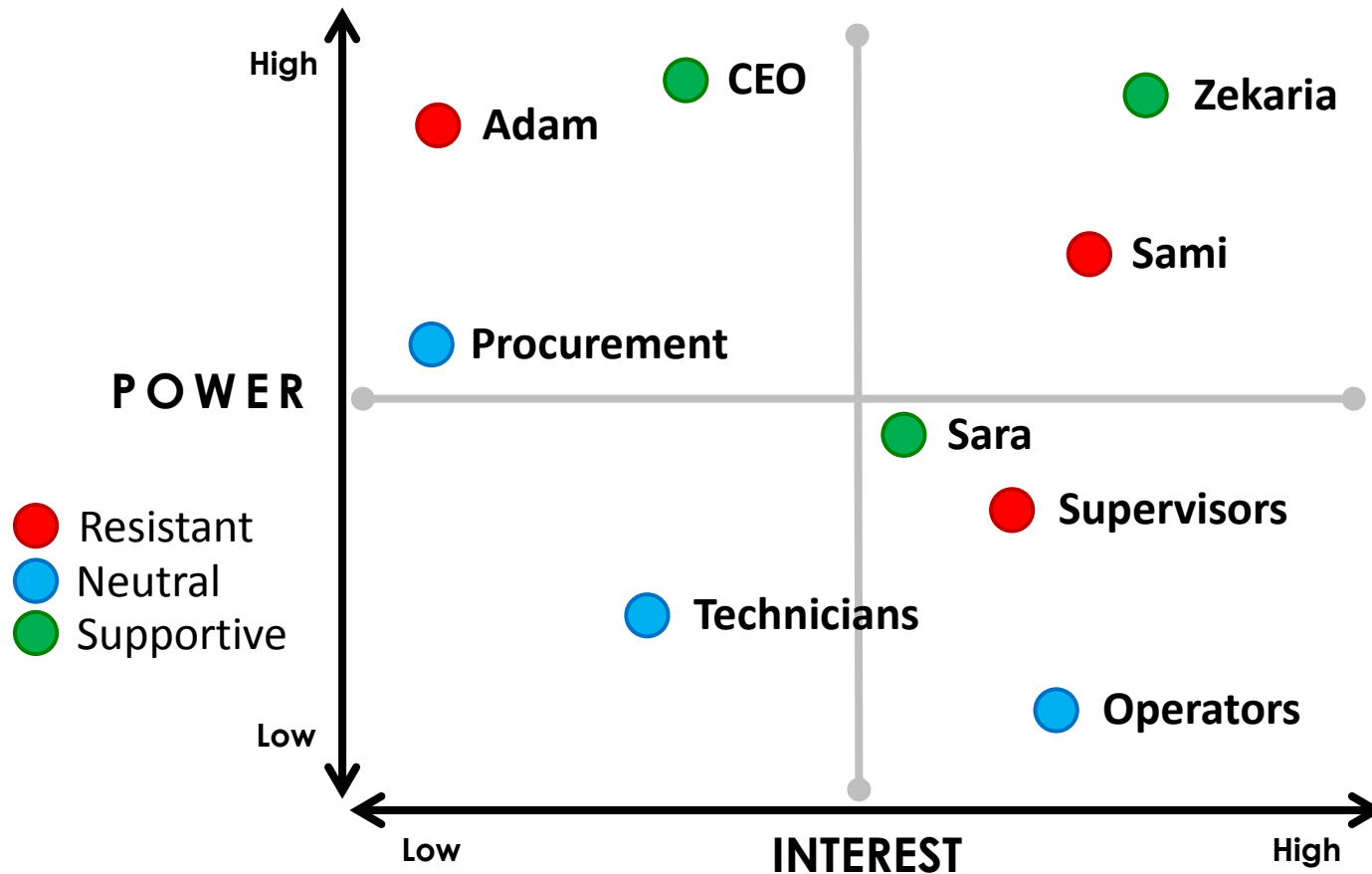
Example:

- Consider the below power/interest table, then plot the stakeholders on an empty power/interest matrix.

Stakeholder	Role / Position	Role in the project	Aware?	Interested?	Power
Adam	Finance manager	Financial Adviser	Somehow	No	High
Sami	Operation manager	Process owner	Yes	Somehow	Medium
Line operators	Line operators	Users of improved process	Somehow	Somehow	Low
Zekaria	COO	Project sponsor	Yes	Yes	High
Procurement	Procurement	-	No	No	Medium
Sara	Training manager	Training facilitator	Yes	Yes	Medium



- Stakeholder Analysis

Example:



- Stakeholder Analysis

- ❑ The example also illustrates assessing whether the stakeholder is likely to be an advocate or blocker.
- ❑ A good way of doing this is by color coding.
- ❑ The commitment review sheet can be used here to identify the attitudes of each stakeholder.

-  Resistant
-  Neutral
-  Supportive

- Stakeholder Analysis

Further Information:

- ❑ There are other complex versions of the grid, such as the one that uses a 3X3 matrix which divides the stakeholders into more categories.
- ❑ A variant of this technique is the **power/impact grid** that is used when planning the implementation of change.
- ❑ Although individuals working at the operational level can have little influence, they can achieve more power and influence by banding together.
- ❑ **You will analyze the stakeholders throughout the whole project.**