

Continuous Improvement Toolkit

Stakeholder Analysis

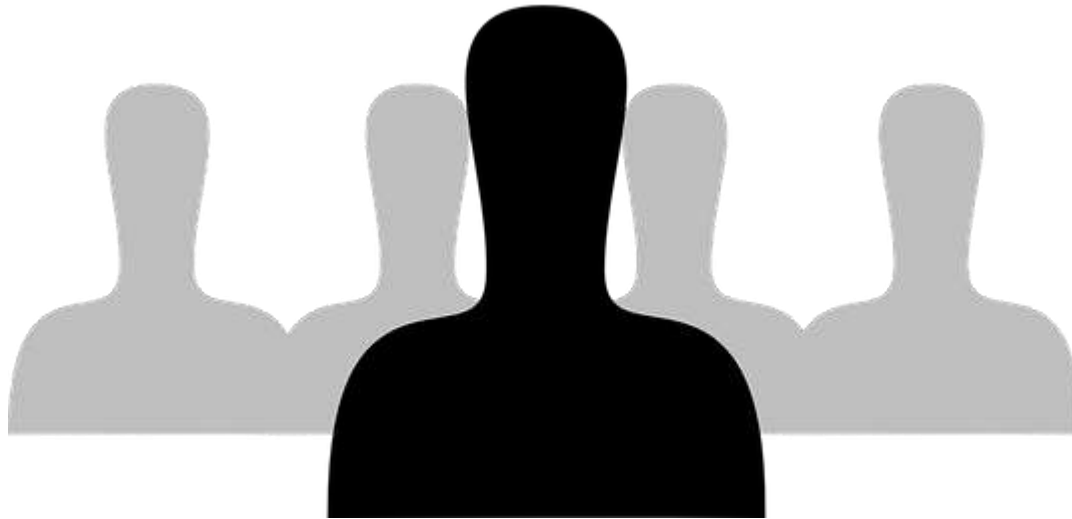


The Continuous Improvement Map



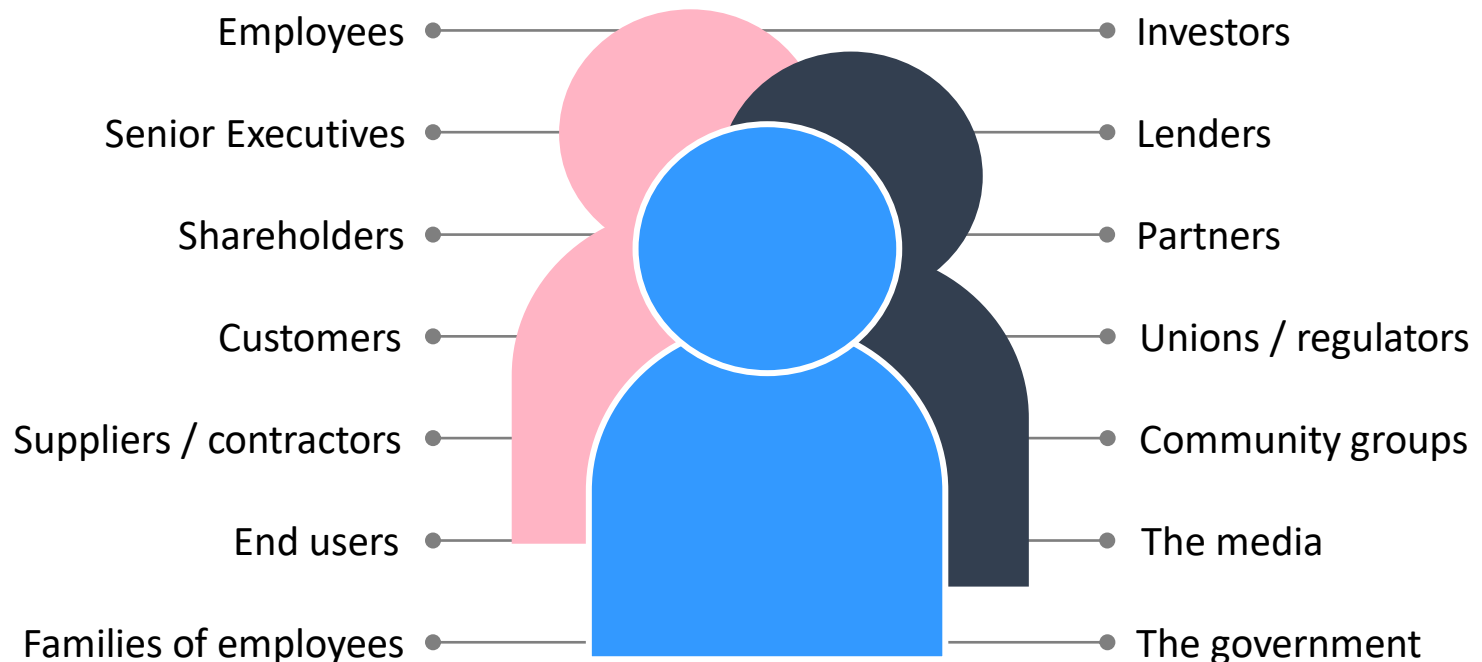
Stakeholder Analysis

A **Stakeholder** is any party who may have an interest in an organization's activity or could be affected by its outcomes



Stakeholder Analysis

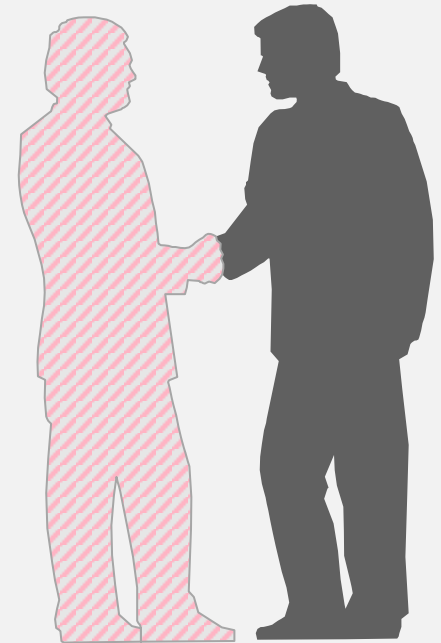
Stakeholders can be any internal or external individuals, groups, departments, business units, or organizations



Stakeholder Analysis

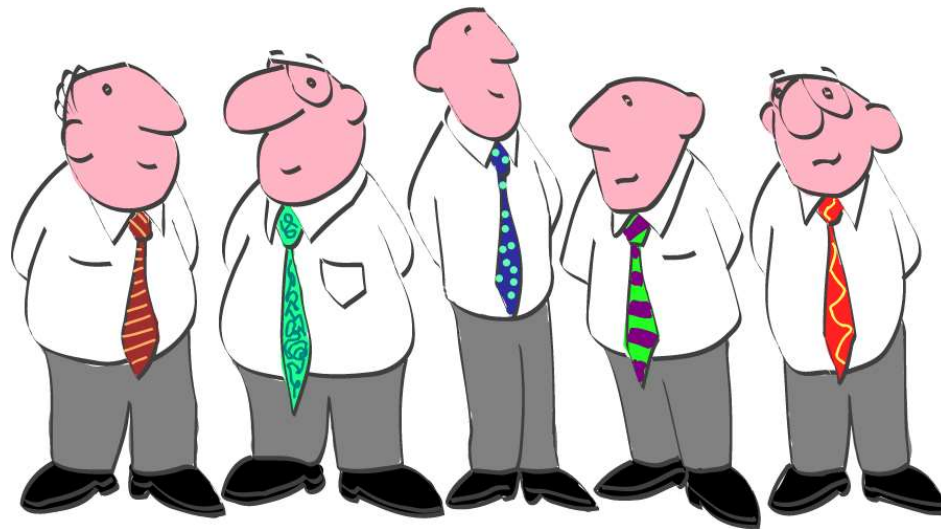
Primary stakeholders are those who are part of the economic transactions of the business

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 particular project or other organizational activity



This impact can be of **positive or negative** nature

Stakeholder Analysis

Used in project management, in conflict resolution, and in organizational transformation and change management



Stakeholder Analysis

Widely used in **project management** to develop engagement and cooperation between project team and project stakeholders

This will lead to less conflict and more cooperation during the implementation of the project



Stakeholder Analysis

A **Project Stakeholder** is any individual or group who is responsible for any of the project activities or will be affected by the project and its outcome



They either can influence the project or be influenced by it or its output, even if they are not directly involved in doing the project work

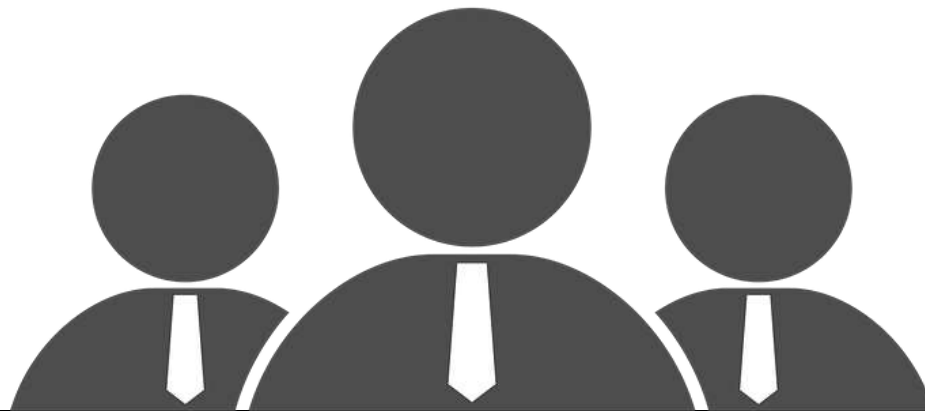
Stakeholder Analysis

In project management, stakeholder analysis helps to identify . . .

The people to be engaged and consulted

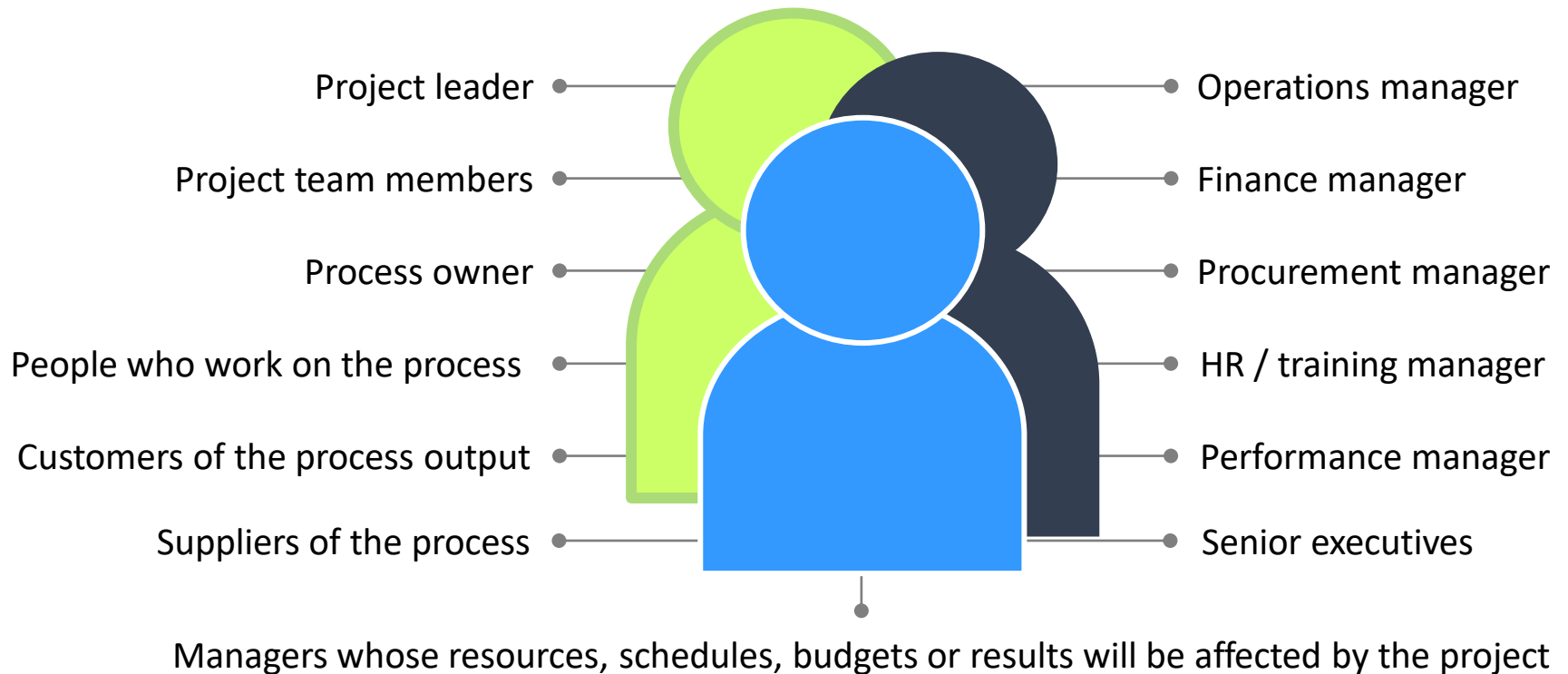
The people to be informed during implementation

The people who may have potential positive or negative impact



Stakeholder Analysis

Examples of stakeholders for a particular project



Stakeholder Analysis

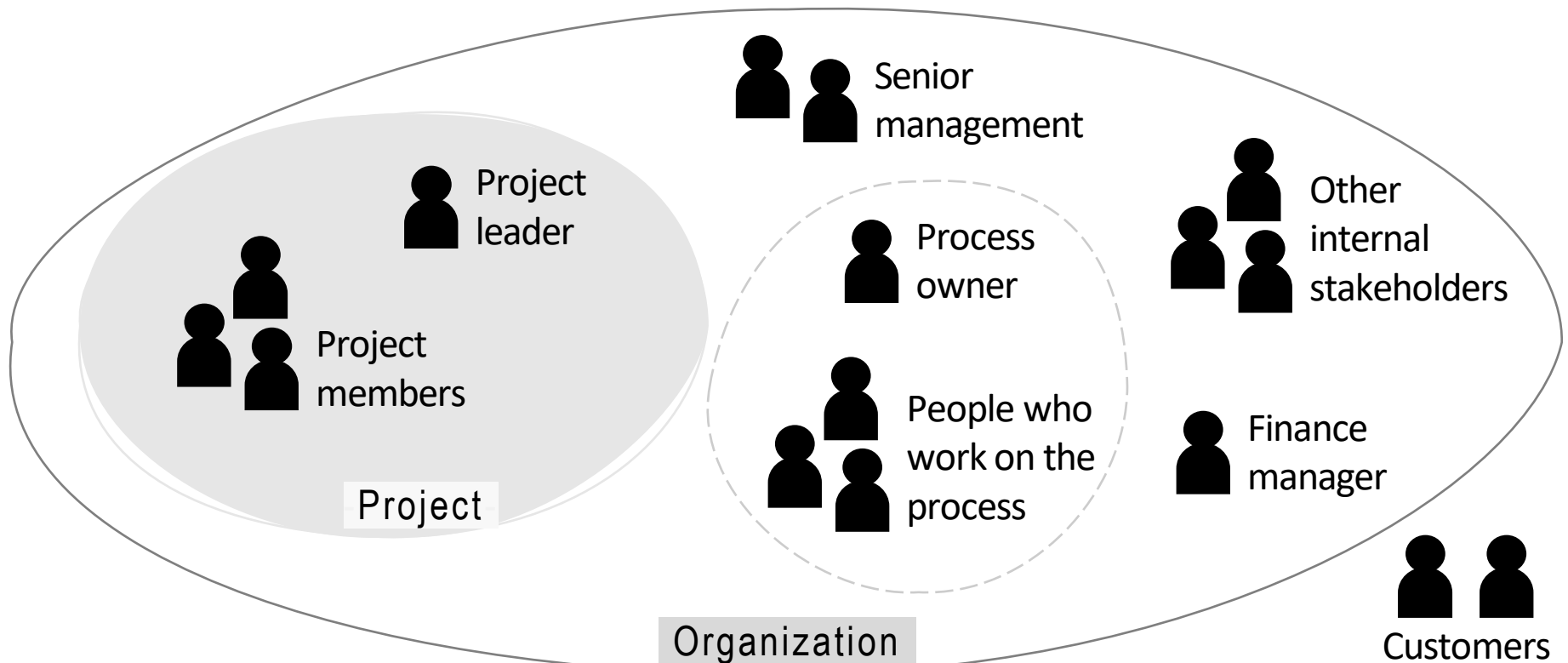
The first step is to **identify** stakeholders of the project



Start by brainstorm and **listing** the individuals and groups who may have a stake in the project

Stakeholder Analysis

Once you have completed the list of stakeholders, you can group them into **logical categories** . . .



Stakeholder Analysis

Key project stakeholders need to be **involved** to better achieve project outcomes



Stakeholder involvement throughout the life cycle of the project is critical to the success of the project

Stakeholder Analysis

Stakeholder analysis involves studying multiple stakeholder characteristics . . .



The **power** and influence they hold as determined by their positions



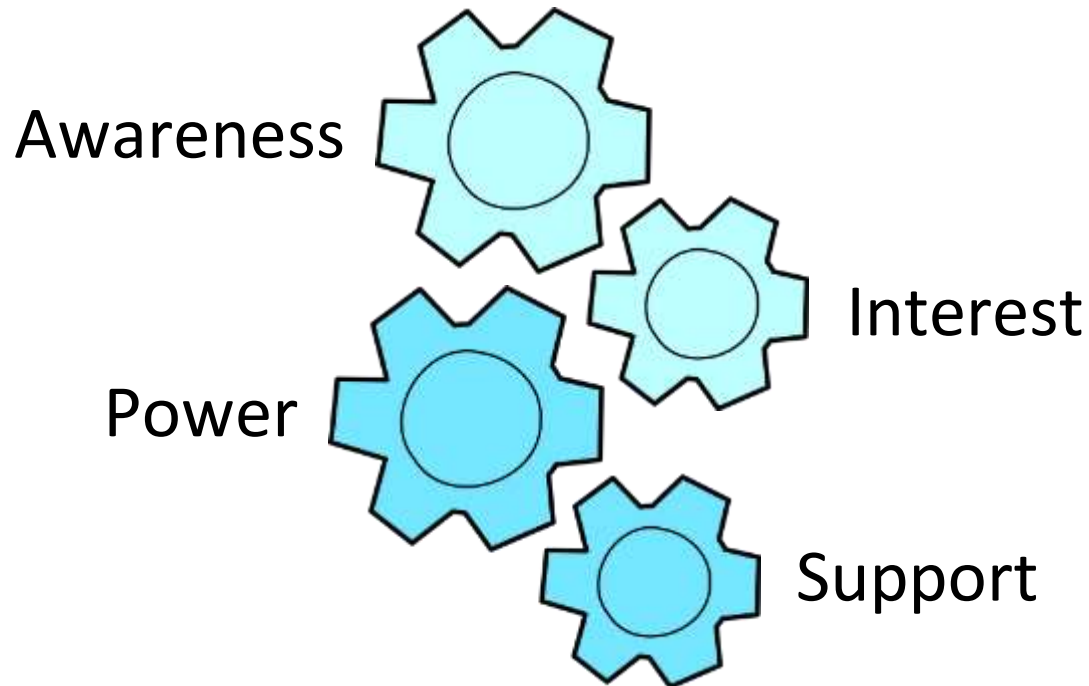
Whether they are **aware** and **interested** in the project outcomes



Whether they are **supportive** or resistant to the project or change

Stakeholder Analysis

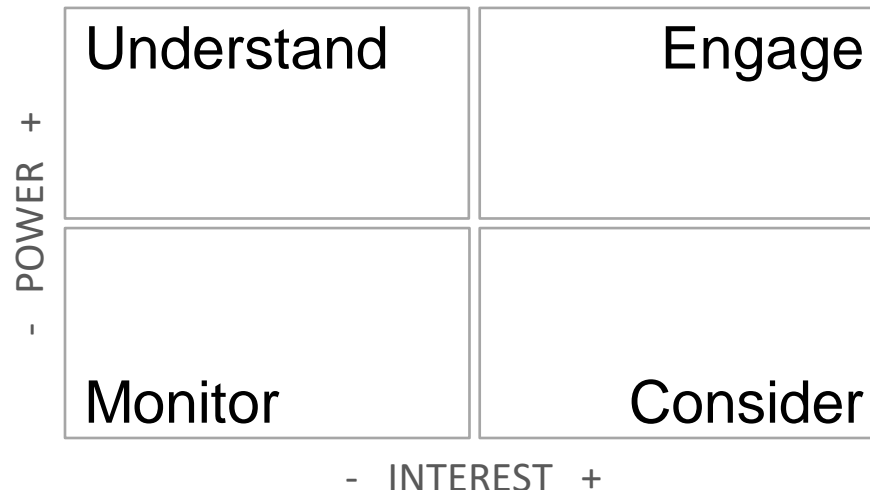
Four Stakeholder Characteristics



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

One of the most widely used tools for analyzing stakeholders is the power-interest matrix



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

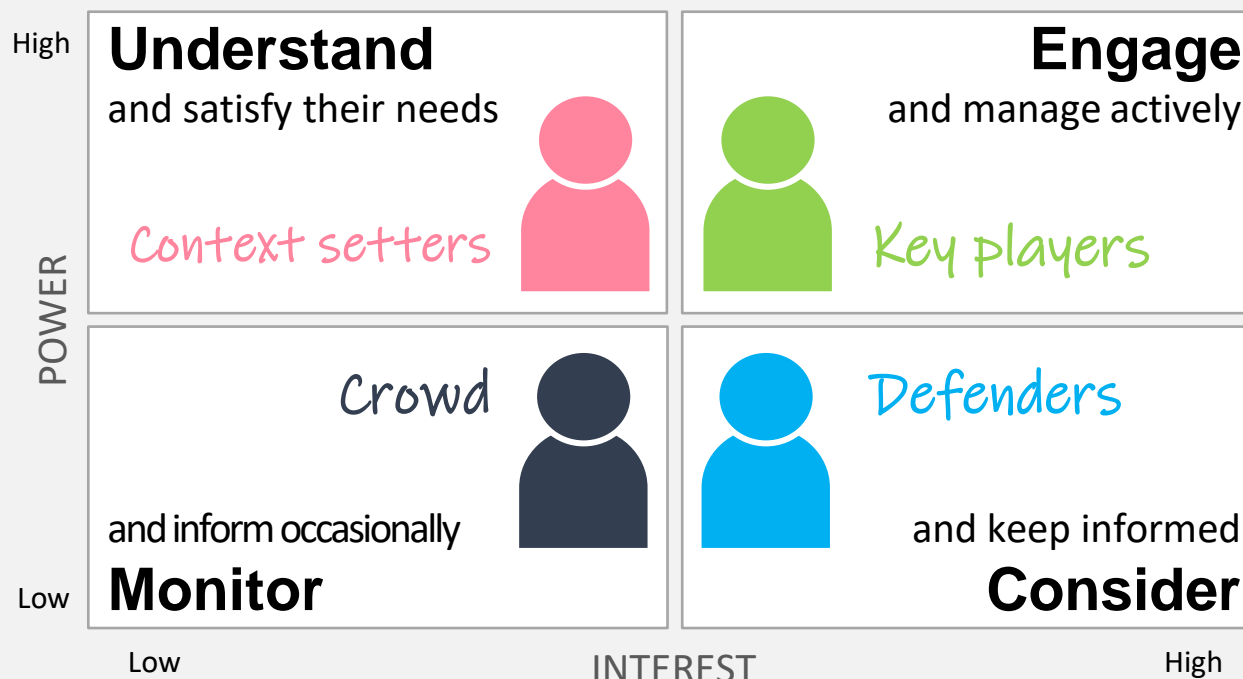
Stakeholders are divided based on the degree of interest and power



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

Classifies stakeholders into four groups according to the power they hold and whether they are interested in the project or not



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

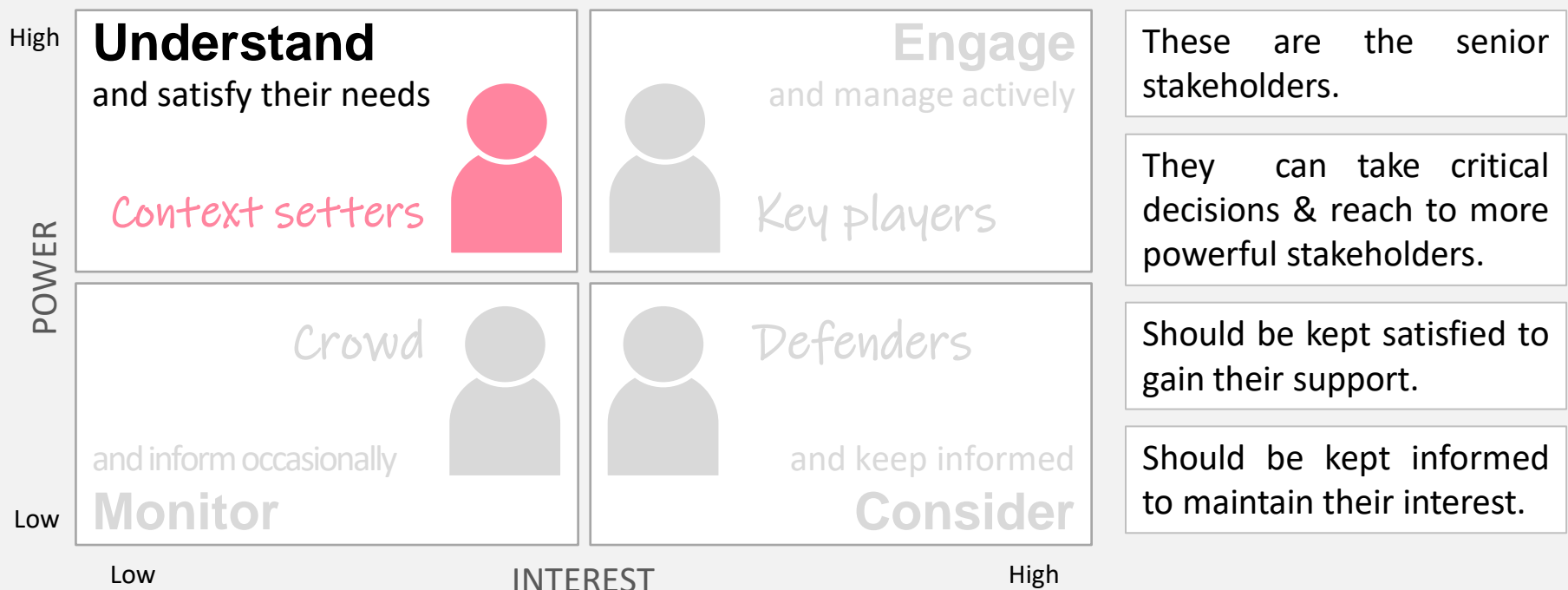
High Power and High Interest Stakeholders



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

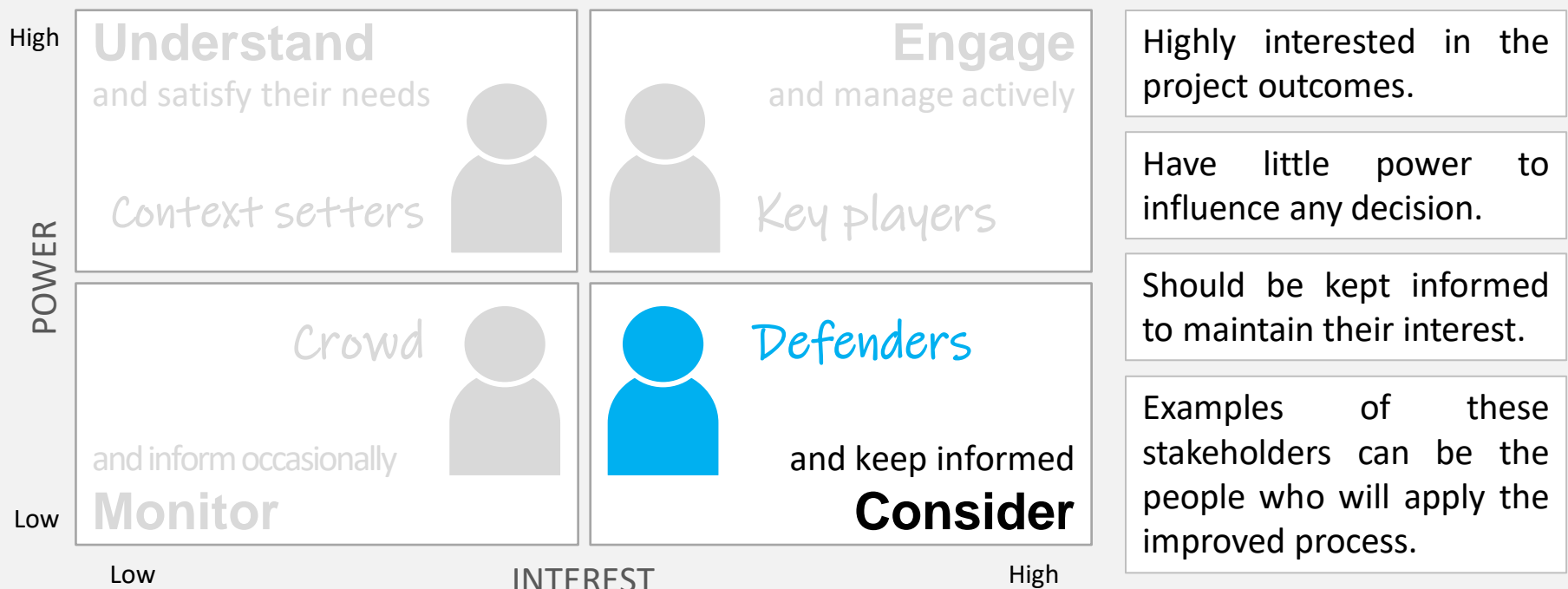
High Power and Low Interest Stakeholders



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

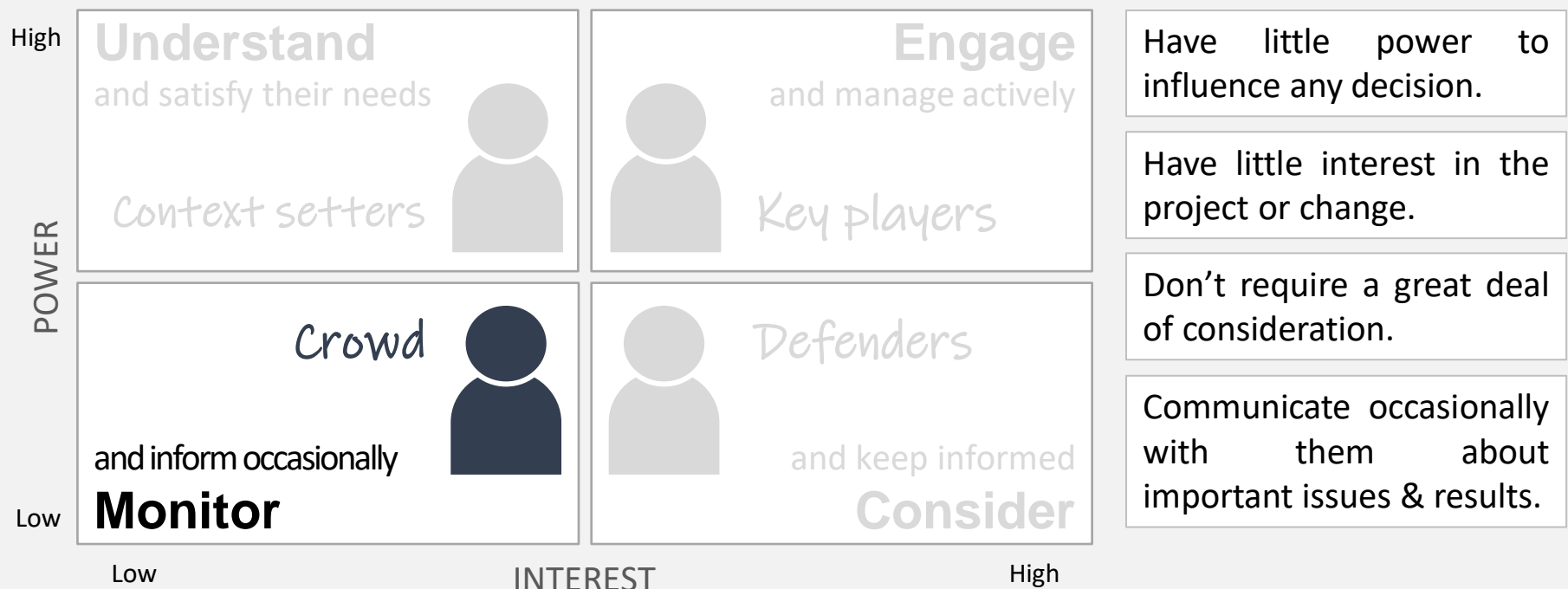
Low Power and High Interest Stakeholders



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

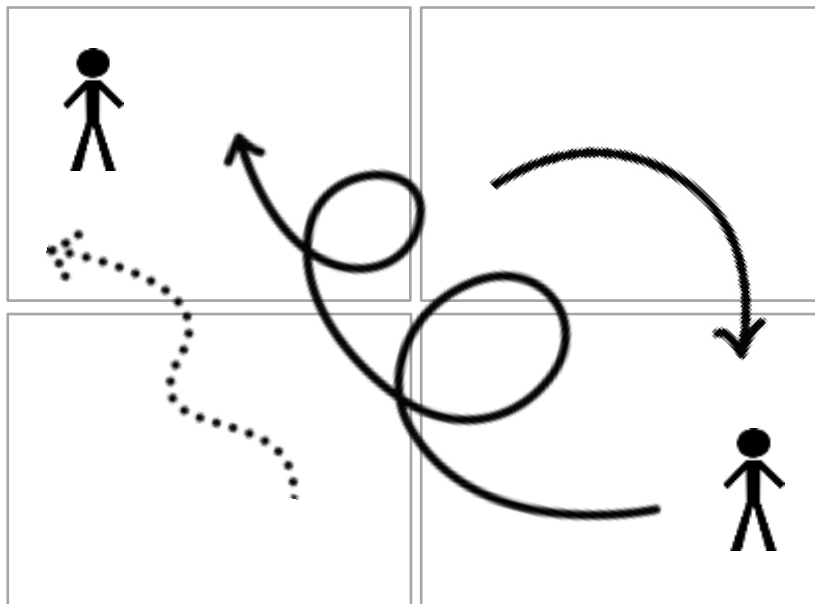
Low Power and Low Interest Stakeholders



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

Stakeholders often move around the matrix



Some stakeholders will become more interested as the implementation progresses and they start to see that the changes will affect them.

Others will be more powerful through internal promotion or transfer.

Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

The analysis needs to be carried out regularly throughout the project to monitor stakeholders' involvement over time



Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix)

The four characteristics of stakeholders can be summarized in a table like the following . . .

Stakeholder	Position	Project role	Power	Aware?	Interested?	Supportive?

Stakeholder Analysis

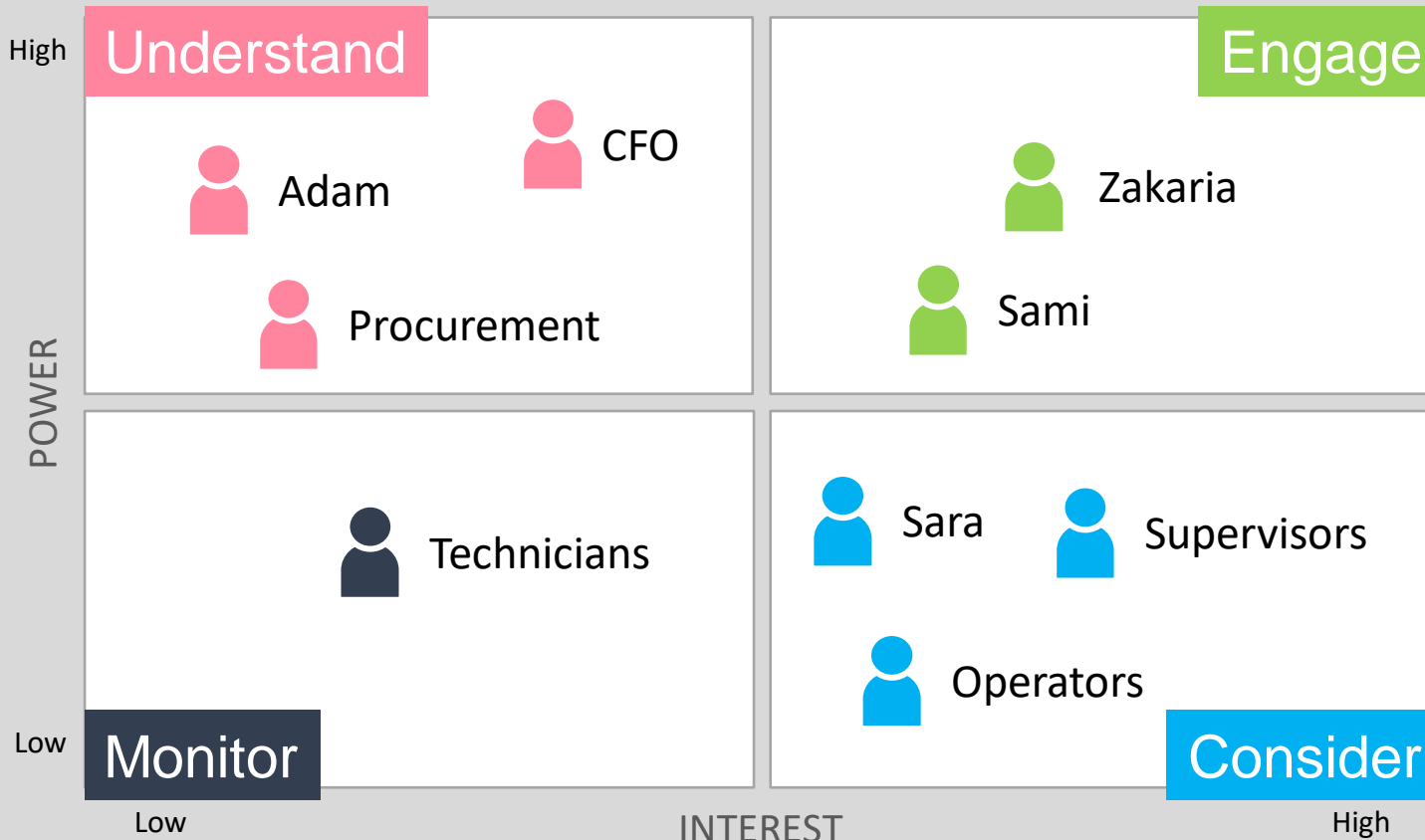
The Power-Interest Matrix (Stakeholder Matrix) - Example

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

Stakeholder	Position	Project role	Power	Aware?	Interested?	Supportive?
Adam	Finance manager	Financial adviser	High	Somehow	No	Resistant
Sami	Operation manager	Process owner	Medium	Somehow	Yes	Resistant
Operators	Line operators	Users of improved process	Low	Somehow	Yes	Neutral
Zakaria	COO	Project sponsor	High	Yes	Yes	Supportive
Procurement	Procurement	-	Medium	No	No	Neutral
Sara	Training manager	Training facilitator	Medium	Yes	Yes	Supportive

Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix) - Example

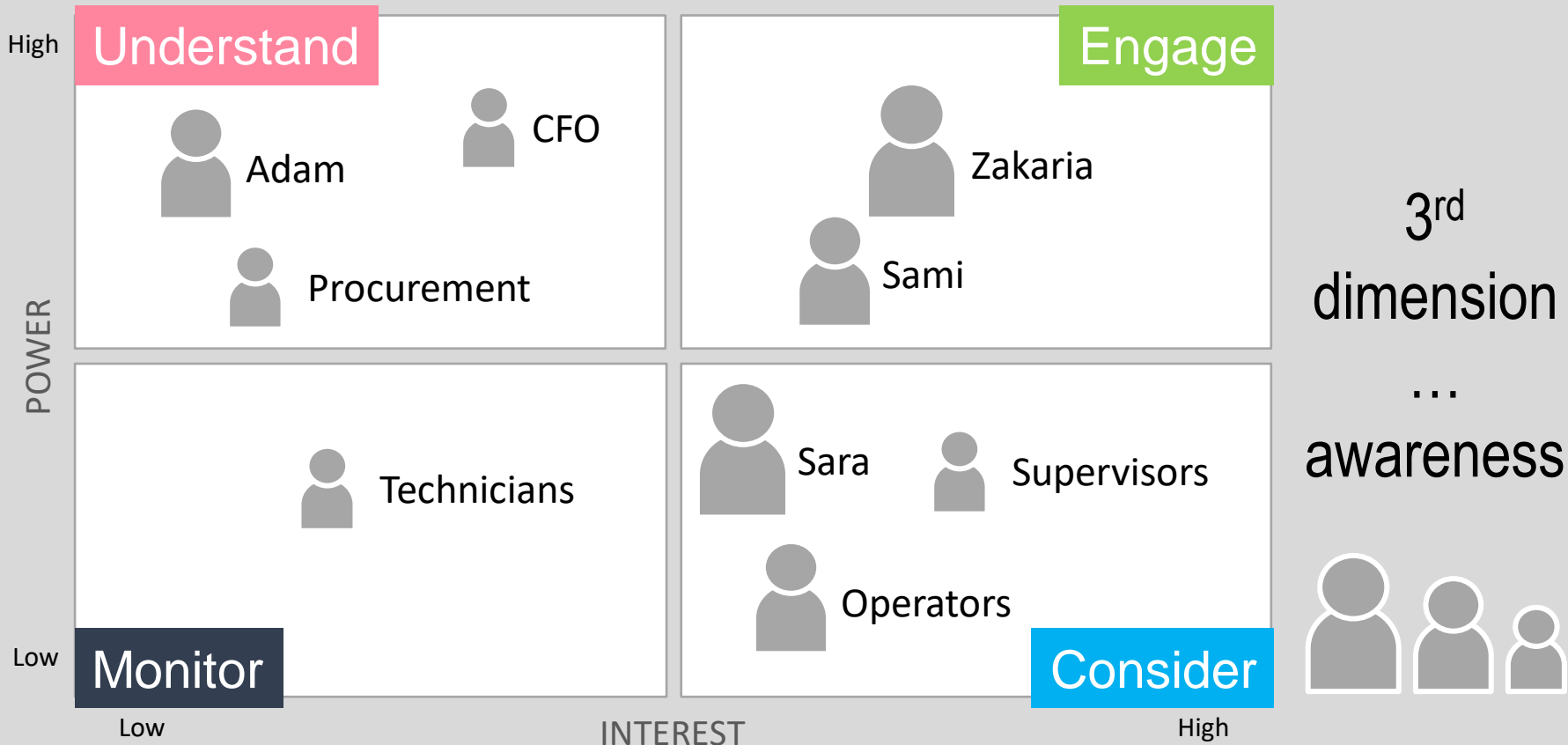


Two
dimensions

...
power &
interest

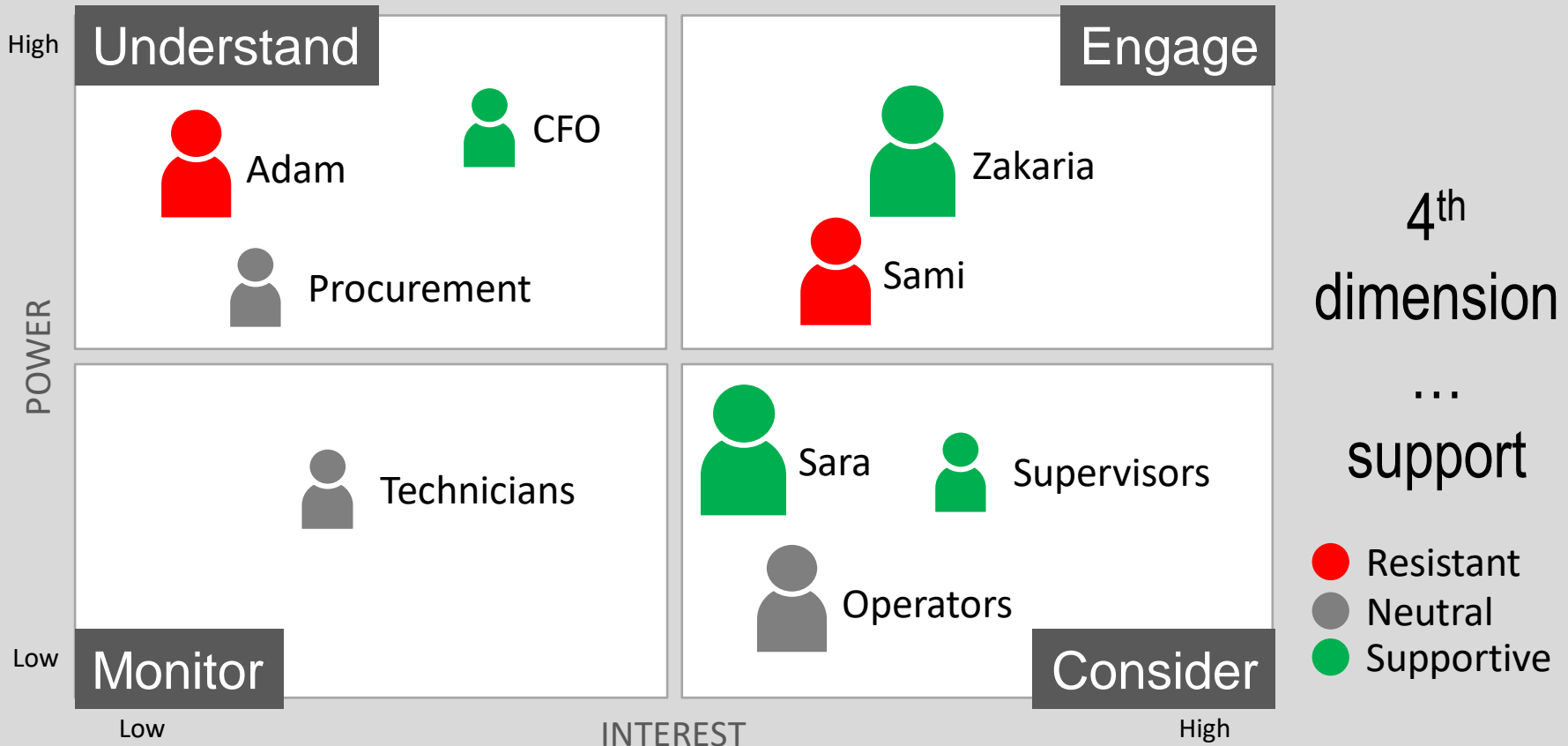
Stakeholder Analysis

The Power-Interest Matrix (Stakeholder Matrix) - Example



Stakeholder Analysis

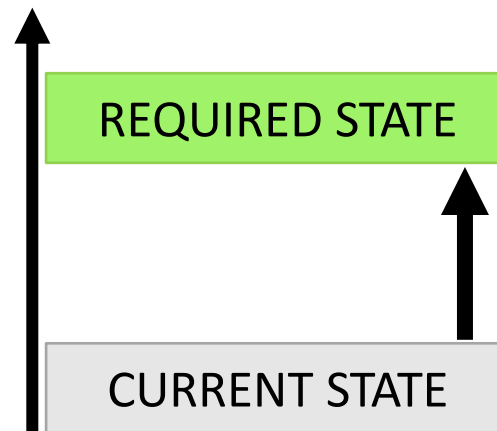
The Power-Interest Matrix (Stakeholder Matrix) - Example



Stakeholder Analysis

Next . . .

Gaps between the current and the desired involvement levels shall be identified, and actions and communication required to close those gaps shall be implemented



Stakeholder Analysis

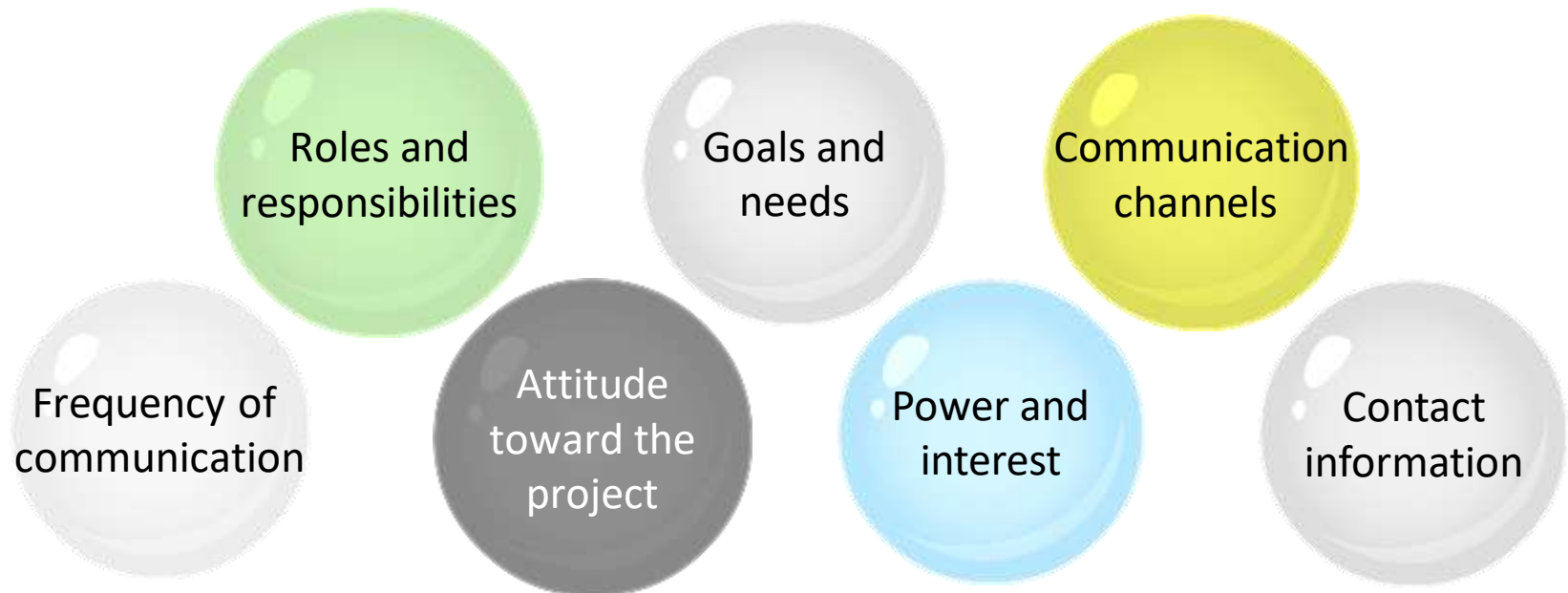
You may use the following **involvement planning worksheet** to assess where stakeholders are now as well as where they need to be in terms of project involvement

Stakeholder	Current				Desired			
	Unaware	Aware	Interested	Supportive	Unaware	Aware	Interested	Supportive
		✓						✓
	✓					✓		

Involvement Planning Worksheet

Stakeholder Analysis

The last step is to create a communication plan to send the right message to the right stakeholder at the right time



Stakeholder Analysis

Communication Action Worksheet

Stakeholder	Contact info.	Method	Who?	How often?	Feedback log

Consider weekly informal chat, invite to team meetings, emails, and newsletters

Agree on who is going to communicate with each stakeholder

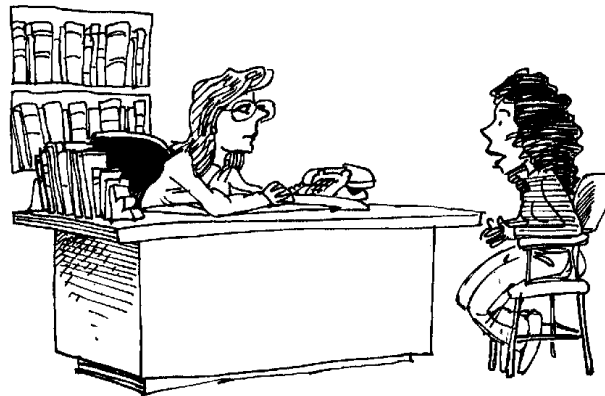
Stakeholder Analysis

When **talking directly** with stakeholders, consider asking . . .

What is their current **opinion** of the project or change?

What **information** do they want from you?

How do they want to receive information? How frequent?



Stakeholder Analysis

A **communication plan** can be helpful to . . .

Raise **awareness**
about the roles of
stakeholders

Know **what** and
when to
communicate

Clarify **who** will
communicate
with whom

Know **how** to
Interact with
stakeholders



Stakeholder Analysis

How to conduct a stakeholder analysis

Invite the project team and key representatives from management

Explain the **purpose** for conducting the stakeholder analysis



Stakeholder Analysis

How to conduct a stakeholder analysis

Brainstorm the individuals and groups who may **have a stake** in the project or change effort

Use the involvement table to help you list the stakeholders and determine their roles and involvement in the project

Stakeholder	Position	Project role	Power	Aware?	Interested?	Supportive?

Stakeholder Analysis

How to conduct a stakeholder analysis

Plot each individual or group on the **power-interest matrix**

Sort them by the power they have and by their interest in the project or change



Stakeholder Analysis

How to conduct a stakeholder analysis

Identify the **gaps** between the current and the desired involvement levels, and discuss how to **manage** unawareness, resistance and lack of interest

Use the **involvement planning worksheet**

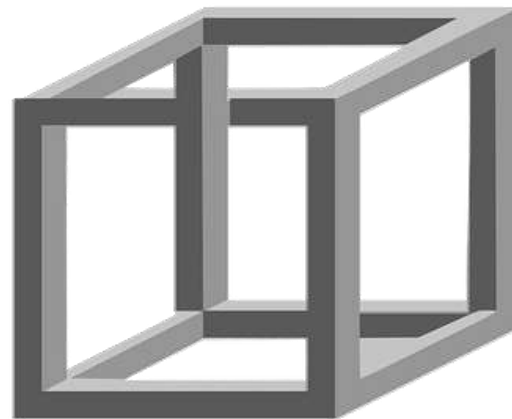
Create a **communication plan** to manage ongoing communication with stakeholders

Use the **communication action worksheet**

Stakeholder Analysis

Further Information

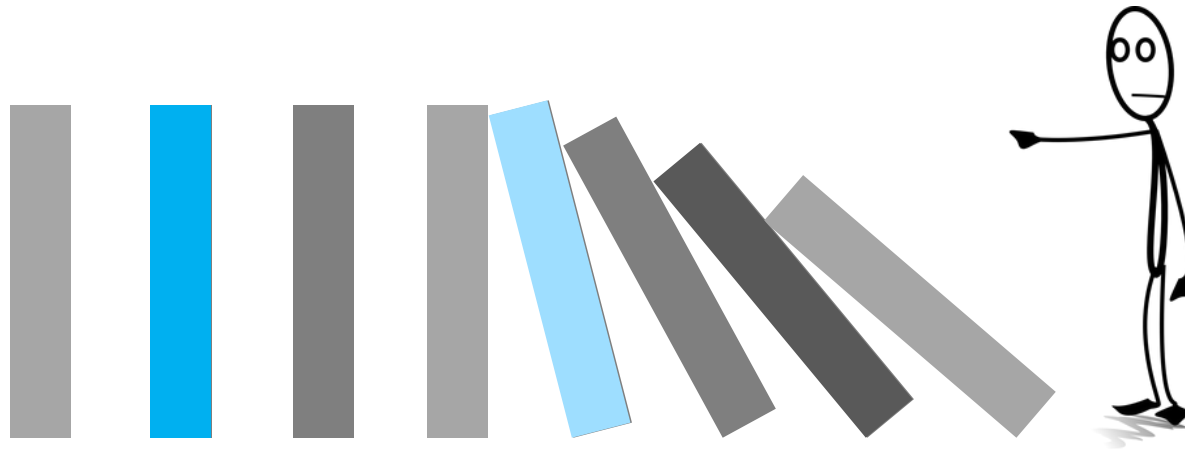
There are other complex versions of the stakeholder matrix, such as the one that uses a **multidimensional matrix** which can analyze three or more categories of stakeholders



Stakeholder Analysis

Further Information

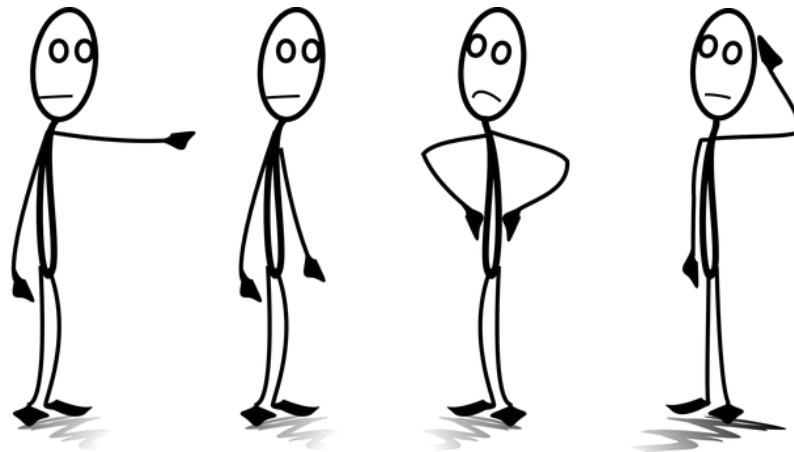
A variation of this technique is the **power-impact matrix** that is used when planning the implementation of change



Stakeholder Analysis

Further Information

Although individuals working at the operational level can have little influence, they can achieve **more power and influence** by banding together



Stakeholder Analysis

Further Information

Use the **commitment review worksheet** to identify how each stakeholder is **likely** to respond to the project or change

Stakeholder	Resist	No commitment	Help it happens	Make it happens

Commitment Review worksheet