

Mod. 2: Stakeholder Analysis



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Definition

Stakeholders are...

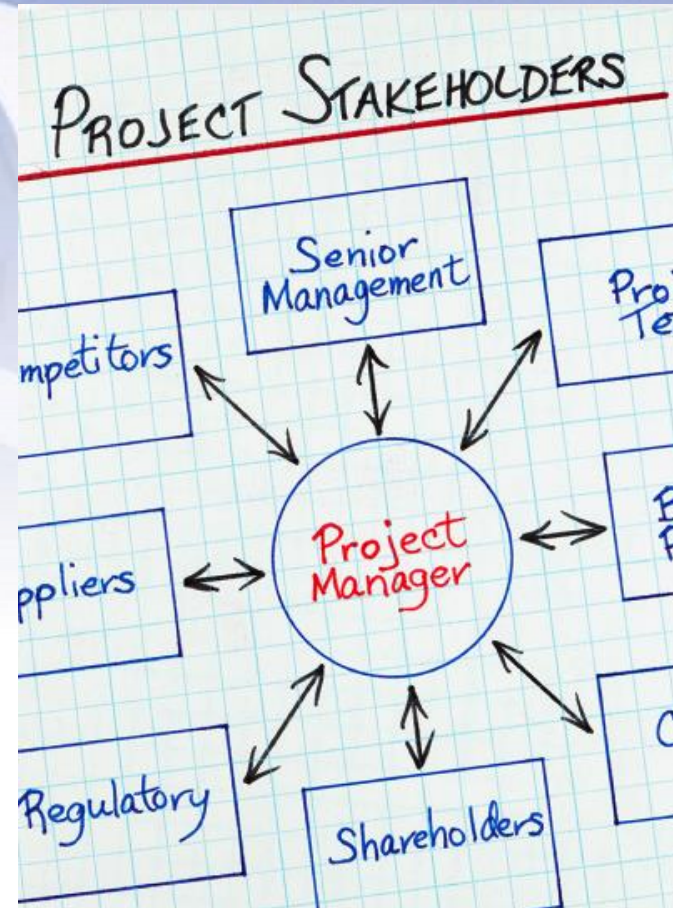
- Individuals and groups, both inside and outside the organization, who can influence the success of project implementation.
- Anyone who can be impacted by project implementation.



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Purpose of Stakeholder Analysis

- To assess which individuals or groups are likely to support, resist, or remain neutral during the project implementation.
- Why they are likely to respond this way.
- How they may be influenced to ensure a response most favorable to achieving project goals.



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Why Prepare Stakeholder Analysis?

- Lack of stakeholder buy-in is one of the most common project failure modes.
- Proactively analyzing stakeholder buy-in allows issues to be addressed early on, helping to ensure they don't hinder project success.



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Stakeholder Analysis

EXAMPLE

Stakeholder	Stakeholder's Interest	Perceived Problem	Resources	Mandate
Passengers	Safe, reliable, and reasonable public transport	<ul style="list-style-type: none"> • Many delays • Frequent bus breakdown • Frequent accidents with passenger injuries • Impolite drivers • Dangerous driving 	Willingness to pay for improved services	Not applicable
Union of Bus Drivers	Improved working conditions for bus drivers	<ul style="list-style-type: none"> • Low salaries • Unreasonable working hours • Poor road maintenance • Old and poorly maintained buses 	<p>Can mobilize bus drivers to go on strike (100% membership)</p> <p>Strong collective bargaining power</p>	To represent the interest of its members.

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Completing a Stakeholder Analysis

Step 1: Identify Stakeholders

- Who can influence the success of the project?
- Who can be impacted by the project implementation?
- Each “who” is an individual or a homogeneous group.
- Segment the stakeholders into meaningful clusters as appropriate.



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Kinds of Stakeholders

1. Primary or Direct Stakeholders

- Those who, because of power, authority, responsibilities or claims over the resources, are central to the initiative at hand.

2. Secondary or Indirect Stakeholders

- Those with an indirect interest in the outcome

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Kinds of Stakeholders

3. Opposition Stakeholders

- Those who have the capacity to affect outcomes adversely through the resources and influence they command.
- It is crucial to engage them in open dialogue.

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Kinds of Stakeholders

4. Marginalized Stakeholders

- These include women, indigenous peoples, and other impoverished or disenfranchised groups.

5. Key Stakeholders

- Those with significant influence upon or importance within an organization.

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Completing a Stakeholder Analysis

Step 2: Stakeholder's Interest

- Discuss the interests of each group with reference to the development problem—how and why they are involved.
- Reflect their dominant interests.



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Completing a Stakeholder Analysis

Step 3: Perceived Problems

- Clarify how each group perceives the development problems.
- The phrase should be a negative statement and not an implication of a solution, e.g., roads are poorly maintained.



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Completing a Stakeholder Analysis

Step 4: Resources

- State the resources a group puts forth in support or in opposition to the development problems.
- These can include labor, political influence, votes, strikes, and public pressure



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Completing a Stakeholder Analysis

Step 5: Mandate

- List the mandates or formal authority that stakeholders have to carry out a particular function.
- Generally, population groups, such as low-income groups, farmers, and women do not have mandates.



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Stakeholder Management Action Plan

Stakeholder	Current Success in Collaboration			Actions to take to minimize or eliminate obstacles
	L	M	H	



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Completing a Stakeholder Analysis

Step 6: Rate current status of collaboration

- How favorably do they currently view the project?
- To what extent might they support, resist, or remain neutral to the project?
- Rate stakeholder collaboration as Low, Medium, or High.

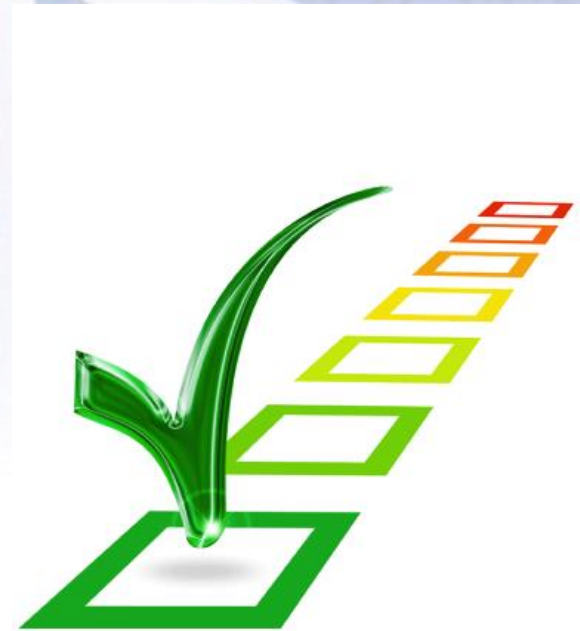


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Completing a Stakeholder Analysis

Step 7: Develop stakeholder strategy

- What can be done to strengthen their commitment to the project?
- What are their sensitivities?
- What can be done to maintain support, turn neutrality into support, or deal with resistance?



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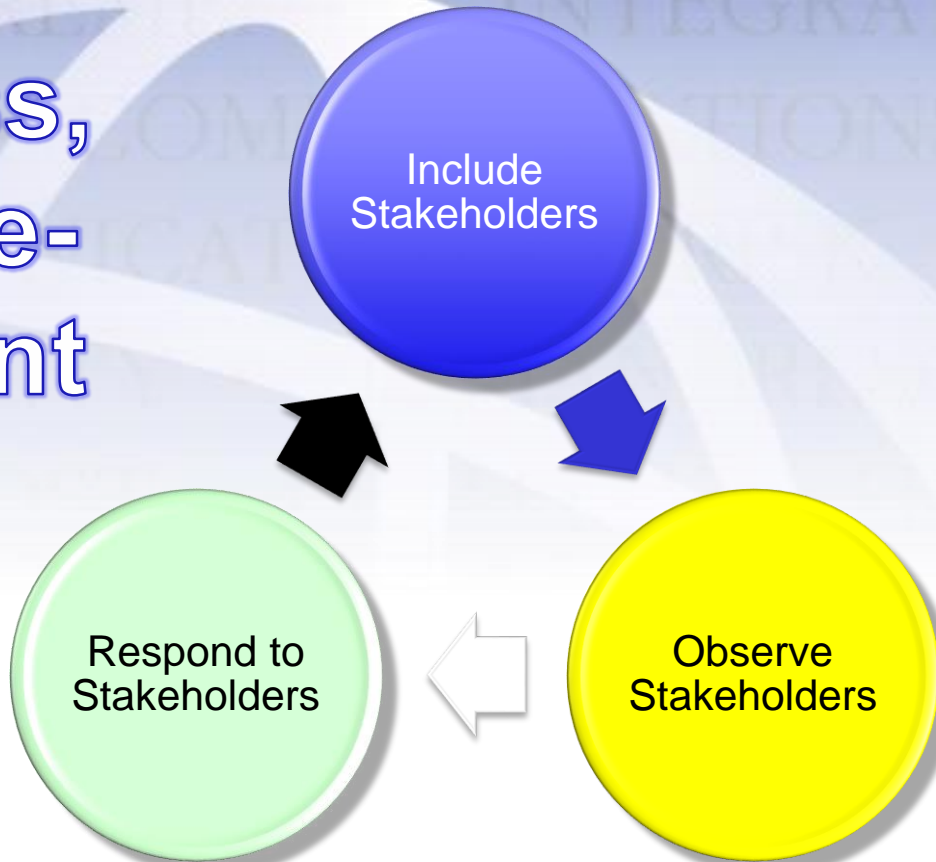
Utilizing Stakeholder Analysis Data

- Incorporate stakeholder strategies into the project implementation plan.
- Incorporate major risks into the project risk management plan.
- Incorporate stakeholder strategies into the communication plan.
- Review immediately if project appears stalled to assist in diagnosing roadblocks
- Avoid sharing the stakeholder analysis outside of the team that completed it!

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Stakeholder's Buy-in

- A process, not a one-time event



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End of Presentation



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