Stakeholder analysis toolkit

1. What is Stakeholder Analysis

It is the identification of a project's key stakeholders, an assessment of their interests and the ways in which these interests affect the project and its viability.

A stakeholder is any person, group or institution with an interest in the project. A stakeholder may not necessarily be involved/included in the decision making process. Stakeholders should be identified in terms of their roles not individual names.

A stakeholder need not be directly affected by the project, for example one stakeholder could be a member of staff who will be using a new system that the project will implement, but the students who that member of staff provides a service to could also be stakeholders.

Stakeholder analysis results should be recorded carefully – the information can be very sensitive (e.g. a stakeholder may not like to be identified as a blocker). The audience for reporting results of stakeholder analysis must be considered very carefully if it is outside of the Project Board.

You should use workshops to carry out the information capture and analyses described below.

2. Why carry out a stakeholder analysis?

Stakeholder Analysis:

- Draws out the interests of stakeholders in relation to the project's objectives – stakeholders who will be directly affected by, or who could directly affect, the project are clearly of greater importance than those who are only indirectly affected;
- Identifies actual and potential conflicts of interest – a stakeholder who is vital to your project may have many other priorities and you need to know this so that you can plan how to engage with them;
- Identifies viability other than in pure financial terms (e.g. includes social factors) – for example staff who will be using a new system might be worried about the change;
- Helps provide an overall picture;
- Helps identify relationships between different stakeholders – helping to identify possible coalition.

3. Stakeholder Analysis for Small projects

Stakeholder analysis is not mandatory for Small projects, but it is advised so that you at least consider all those who will be directly affected and think about how the project might be affected by them.

The table below is an example of a simple stakeholder analysis.

Stakeholder	Stake in the project	Impact	What do we need from them?	Perceived attitudes / risks	Stakeholder Management Strategy	Responsibility
Registrar	Policy and process owner who determines institutional administrative policy and procedures	High	Experienced staff to be involved in user group and user acceptance testing. Commitment to implementing change.	Lack of clarity about preferred approach. Views project team as too technically oriented.	Involvement in Project Steering Board, Regular updating meeting with project leader.	Project Manager

Stakeholder	Stake in the project	Impact	What do we need from them?	Perceived attitudes / risks	Stakeholder Management Strategy	Responsibility
Faculty Managers	Manages School admin staff who will operate the new system at local level and academic staff who will indirectly input and directly extract data	Medium	Commitment to implementing change.	Lack of interest in project.	Involvement in briefing sessions at quarterly School meetings.	Registrar and Project Sponsor
Admin Staff	Will operate new system	High	Contribute to system and process design and testing.	Concern about increased workload. Worried about what training they will receive.	Involvement in user groups.	Project Team

Having identified stakeholders and the management strategy for them, you should ensure your project plan includes those management activities.

Having carried out the initial analysis, this should be revisited regularly throughout the project both as a reminder that stakeholder positions can change, so the management strategy may have to alter, and that new stakeholders may be identified as the project progresses.

4. Stakeholder Analysis for Medium and Major projects

For Medium and Major projects it is vital to carry out a more detailed stakeholder analysis, not least because the success or failure of the project can depend on ensuring key stakeholders are kept informed and "on side".

A four-step process is ideal, but at least you should carry out the first two steps below.

- Identify the stakeholders
- Create a Stakeholder Map
- Identify Stakeholder Allegiance
- Create a Stakeholder Management Strategy

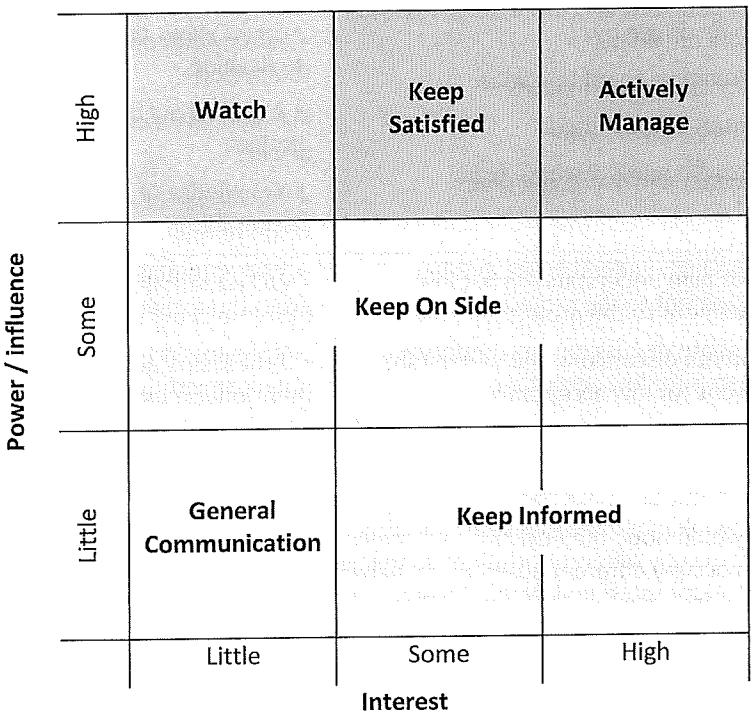
4.1 Identify the stakeholders

Stakeholder	Stake in the project	What do we need from them?	Perceived attitudes / risks	Risk if they are not engaged
Registrar	Policy and process owner who determines institutional administrative policy and procedures	Experienced staff to be involved in user group and user acceptance testing. Commitment to implementing change.	Lack of clarity about preferred approach. Views project team as too technically oriented.	Could close down the project. Could create significant uncontrolled scope change.

Stakeholder	Stake in the project	What do we need from them?	Perceived attitudes / risks	Risk if they are not engaged
Faculty Managers	Manages School admin staff who will operate the new system at local level and academic staff who will indirectly input and directly extract data	Commitment to implementing change.	Lack of interest in project.	Could create significant barriers to business adoption of project outcomes.
Admin Staff	Will operate new system	Contribute to system and process design and testing.	Concern about increased workload. Worried about what training they will receive.	Could become blockers to effective use of new system.

4.2 Create a Stakeholder Map

Map stakeholders on a Stakeholders Matrix according to the level of impact of the change on them and the importance these stakeholders to the success of the change project. Use the grid below and decide which part of the grid each stakeholder fits into, then follow the relevant management strategy for each one.



In this example, the Registrar would go in the top right box, the Faculty Managers in right/centre box and the Admin workers in the right/bottom box.

Note that stakeholder positions can change, so they should be regularly reviewed, and also that new stakeholders may emerge.

4.3 Identify Stakeholder Allegiance

The purpose of this step is to decide the extent to which each stakeholder (or stakeholder group) supports or opposes the project. The table below identifies the possible allegiances.

Assessment	Definition	How to Manage
Advocates	• Only group driving the change or project • Active communications, keep regularly involved	• 'Internal' champions and sponsorship • Input to key milestones and decisions • Use for internal promotion of objectives and benefits
Followers	• Have a low understanding of project aims and objectives • Increase their understanding for future benefit	• Support the project and tend to "go with the flow" • Keep informed and positive • Avoid the temptation to exploit
Indifferent	• Individual or groups yet to take a definitive position on the project • Identify gaps in knowledge and seek to fill them	• Seek their views on key issue and address concerns • Have a medium understanding and medium agreement • Be careful not to make them opponents
Blockers	Shows resistance to the project or its aims. Principally due to having a low understanding and low agreement. This can be driven by: • Proactive communication • Interview and meet • Explain and overcome fears	• Use conflict management techniques • A lack of communication • Seeks views once understanding starts to develop • A (perceived or actual) loss from project • Knowledge of error in project assumptions
Opponents	• Has high understanding but low agreement to the project • Initiate discussions and understand reasons for low acceptance	• Will potentially 'lose out' in some way from the activity • If the loss is perceived but not real, then convert using facts and data • Counter the reasons for low acceptance

In our example, one would hope the Registrar, our project Sponsor, is an Advocate. The Faculty Managers could each occupy different positions so manager A might be a Follower and manager B a Blocker. Similarly the Admin staff in different faculties may hold different positions.

4.4 Create a Stakeholder Management Strategy

The strategy basically spells out where you want each stakeholder to "go" in terms of the project, and how you will manage them in order to get them there. The table on the next page illustrates this. The faces indicate where the stakeholder sits at present, and the arrows represent what movement you want to try and achieve for each stakeholder.

Stakeholder management is not a one-off process, but should be continual throughout the project, with regular cycling through all the stages to identify new stakeholders and changes in known ones.