



PMP® Certification Training

Lesson 14: Project Stakeholder Management

The PMI Registered Education Provider logo is a registered mark of the Project Management Institute, Inc.



This course is based on the Project Management Institute, *A Guide to the Project Management of Body of Knowledge (PMBOK® Guide)* – Sixth Edition.

PMP, PMI, and PMBOK are registered marks of the Project Management Institute, Inc.



Objectives

- ▷ Define stakeholders
- ▷ Identify different stakeholders on a project
- ▷ Describe stakeholder classification models and stakeholder engagement assessment matrix
- ▷ List the skills needed to manage stakeholders
- ▷ Describe the Project Stakeholder Management processes

Stakeholders

The definition of a ***Stakeholder** is as follows:

An individual, group, or organization who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project, program, or portfolio.

A stakeholder can have a positive or negative impact. Therefore, it is necessary to engage and involve the stakeholders in the project to ensure project success.

*Definition taken from the Glossary of the Project Management Institute, *A Guide to the Project Management Body of Knowledge, (PMBOK® Guide)* – Sixth Edition, Project Management Institute, Inc., 2017, Page 722

Stakeholders: Example

Different examples of stakeholders are as follows:

- Project managers
- Project team members
- Senior management
- Sponsors
- Customers
- End users
- Vendors
- People affected by project's output
- Competitors
- Social groups
- Government and political leadership

Classification Models for Stakeholder Analysis

Stakeholders have power and influence over the project, and the best way to manage each stakeholder is to calibrate a proper classification.

The power, interest, influence, and impact that stakeholders have on projects can be mapped through power/interest, power/influence, or influence/impact grids, and Salience model.

A Salience model describes the classes of stakeholders based on their power, urgency, and legitimacy.

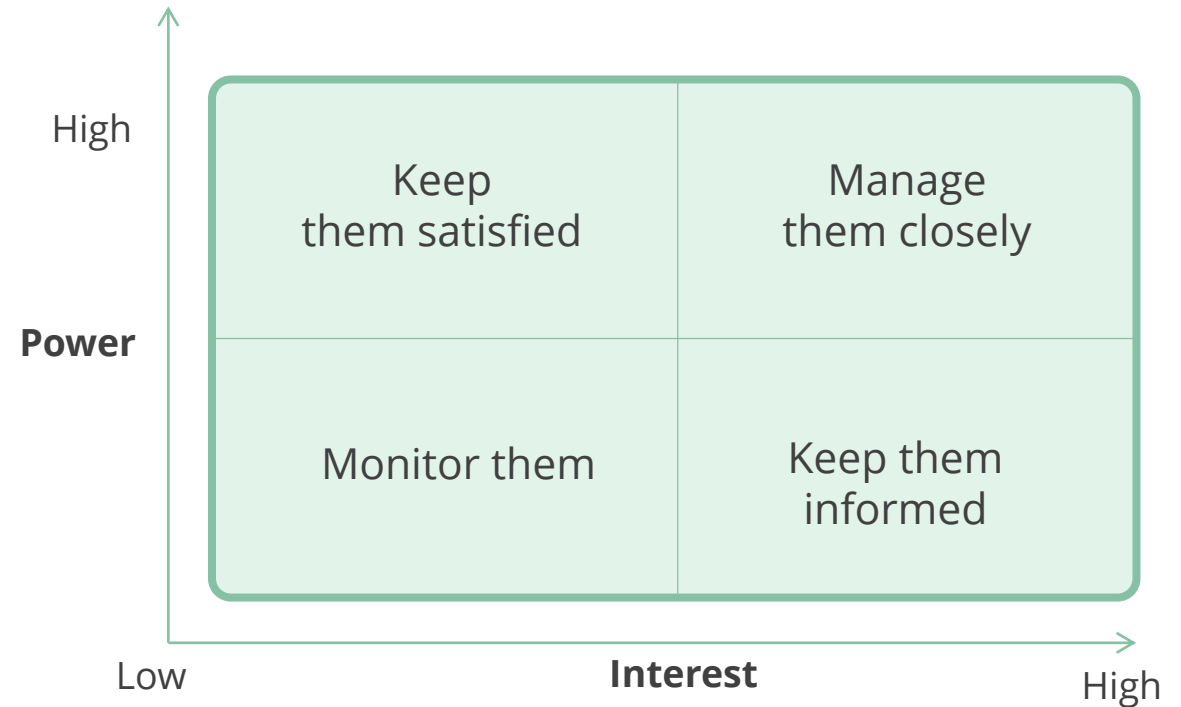


Figure 13-4. Example Power/Interest Grid with Stakeholders



Practice creating power grid for business scenarios. This will help in understanding the level of engagement a project manager needs to maintain with various stakeholders.

Stakeholder Engagement Assessment Matrix

Stakeholder engagement assessment matrix helps in visualizing the current and desired states of a stakeholder's involvement in a project.

Unaware

Stakeholder is not aware of the project and its impact.

Resistant

Stakeholder is aware of the impact and is resistant to change.

Neutral

Stakeholder is aware of the project, but is neither supportive nor has resistance.

Supportive

Stakeholder is aware of the project and is supportive of change.

Leading

Stakeholder is aware of the project and is actively engaged to ensure project's success.

Stakeholder Engagement Assessment Matrix (Contd.)

The table given here shows a sample stakeholder engagement assessment matrix:

Stakeholder	Unaware	Resistant	Neutral	Supportive	Leading
Stakeholder 1	C			D	
Stakeholder 2		C	D		
Stakeholder 3			C	D	
Stakeholder 4			C		D
Stakeholder 5				D, C	

Figure 13-6. Stakeholder Engagement Assessment Matrix

Stakeholder Management Skills

Project managers need to demonstrate the following traits while managing stakeholders:

Interpersonal Skills

The project manager must possess the following interpersonal skills to manage stakeholder:

- Building trust
- Resolving conflict
- Active listening
- Overcoming resistance to change

Managerial Skills

The project manager has to use the following managerial skills to accomplish the project objectives:

- Facilitate consensus
- Influence people
- Negotiate agreements
- Modify organizational behavior

Project Stakeholder Management Processes

Knowledge Areas		Project Integration Management	Project Scope Management	Project Schedule Management	Project Cost Management	Project Quality Management	Project Resource Management	Project Communications Management	Project Risk Management	Project Procurement Management	Project Stakeholder Management
Project Management Process Groups	Initiating	4.1 Develop Project Charter									13.1 Identify Stakeholders
	Planning	4.2 Develop Project Management Plan	5.1 Plan Scope 5.2 Collect Requirements 5.3 Define Scope 5.4 Create WBS	6.1 Plan Schedule Management 6.2 Define Activities 6.3 Sequence Activities 6.4 Estimate Activity Durations 6.5 Develop Schedule	7.1 Plan Cost Management 7.2 Estimate Costs 7.3 Determine Budget	8.1 Plan Quality Management	9.1 Plan Resource Management 9.2 Estimate Activity Resources	10.1 Plan Communications Management	11.1 Plan Risk Management 11.2 Identify Risks 11.3 Perform Qualitative Risk Analysis 11.4 Perform Quantitative Risk Analysis 11.5 Plan Risk Response	12.1 Plan Procurement Management	13.2 Plan Stakeholder Engagement
	Executing	4.3 Direct and Manage Project Work 4.4 Manage Project Knowledge				8.2 Manage Quality	9.3 Acquire Resources 9.4 Develop Team 9.5 Manage Team	10.2 Manage Communications	11.6 Implement Risk Response	12.2 Conduct Procurements	13.3 Manage Stakeholder Engagement
	Monitoring and Controlling	4.5 Monitor and Control Project Work 4.6 Perform Integrated Change Control	5.5 Validate Scope 5.6 Control Scope	6.6 Control Schedule	7.4 Control Costs	8.3 Control Quality	9.6 Control Resource	10.3 Monitor Communications	11.7 Monitor Risks	12.3 Control Procurements	13.4 Monitor Stakeholder Engagements
	Closing	4.7 Close Project or Phase									

Table 1-4. Project Management Process Group and Knowledge Area Mapping

Identify Stakeholders

“Identify Stakeholders is the process of identifying project stakeholders regularly and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success.” It belongs to the Initiating Process Group.

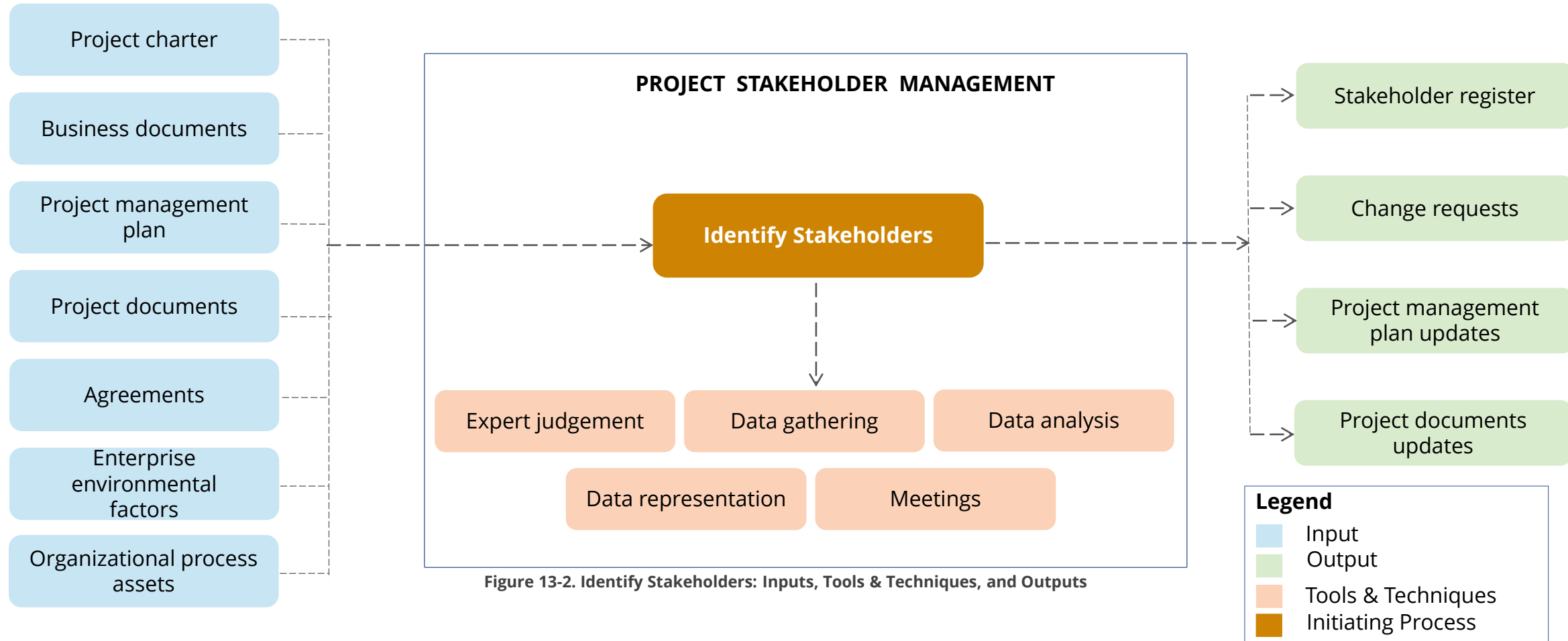


Figure 13-2. Identify Stakeholders: Inputs, Tools & Techniques, and Outputs

Plan Stakeholder Engagement

“Plan Stakeholder Engagement is the process of developing approaches to involve project stakeholders based on their needs, expectations, interests, and potential impact on the project.”

It belongs to the Planning Process Group.

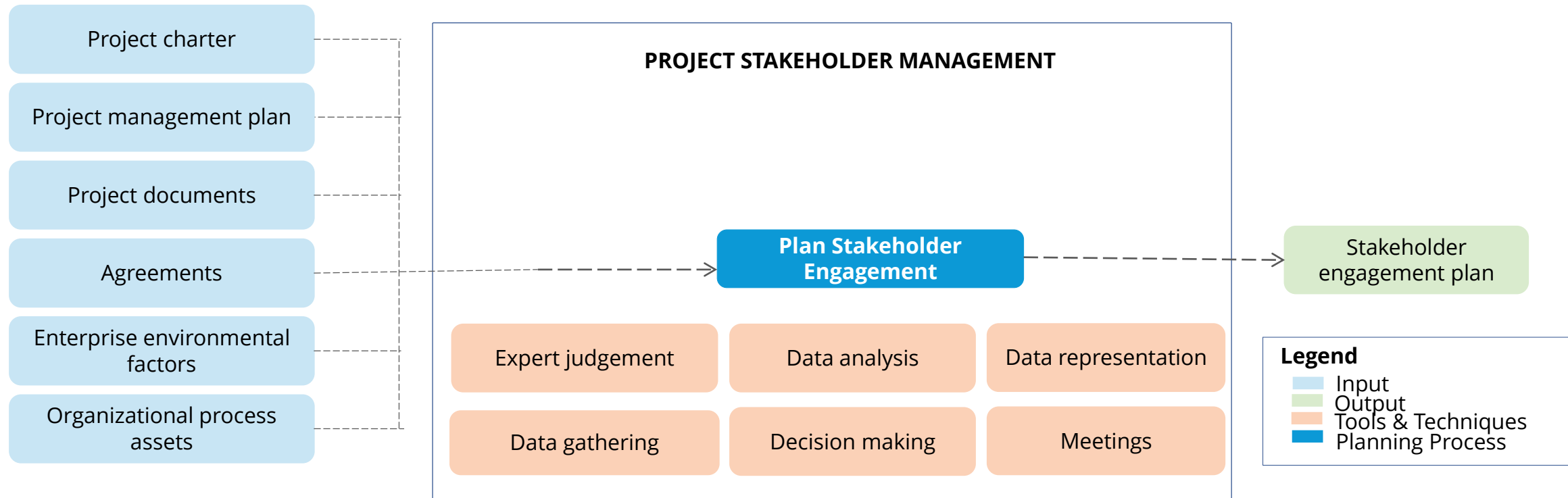
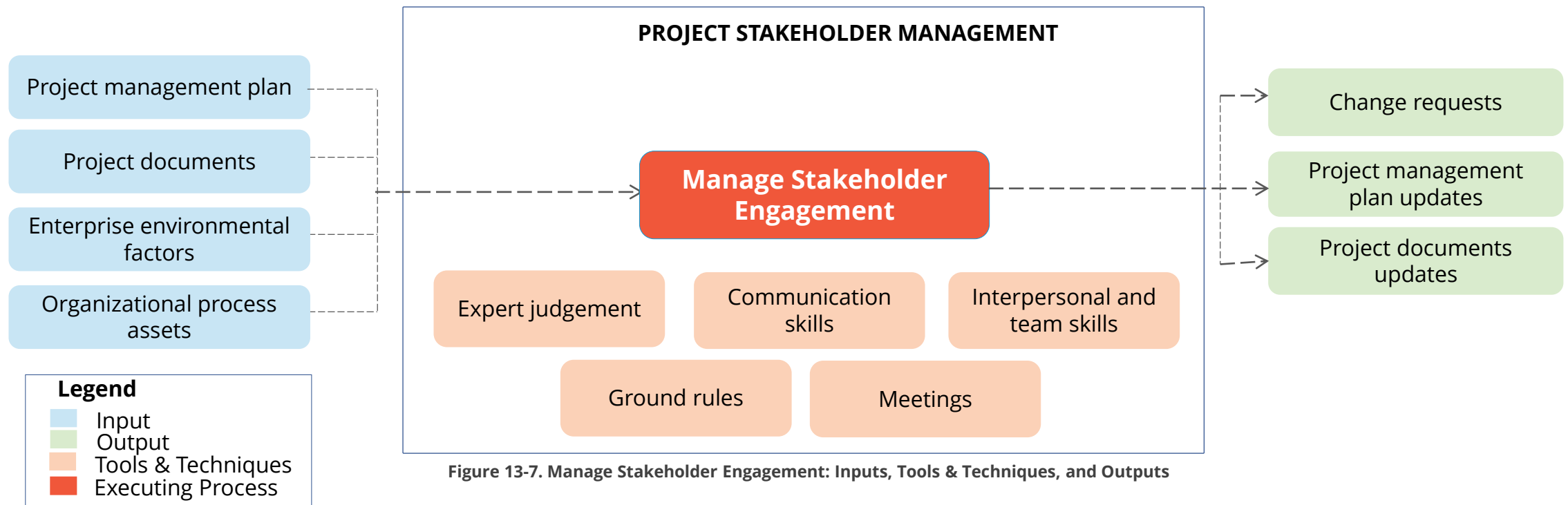


Figure 13-4. Plan Stakeholder Engagement: Inputs, Tools & Techniques, and Outputs

Manage Stakeholder Engagement

“Manage Stakeholder Engagement is the process of communicating and working with stakeholders to meet their needs or expectations, address issues as they occur, and foster appropriate stakeholder engagement in project activities throughout the project life cycle. It belongs to the Executing Process Group.”



Study the process of managing stakeholder engagement to answer concept based questions.

Monitor Stakeholder Engagement

“Monitor Stakeholder Engagement is the process of monitoring project stakeholder relationships and tailoring strategies for engaging stakeholders through modification of engagement strategies and plans.”
It belongs to the Monitoring and Controlling Process Group.

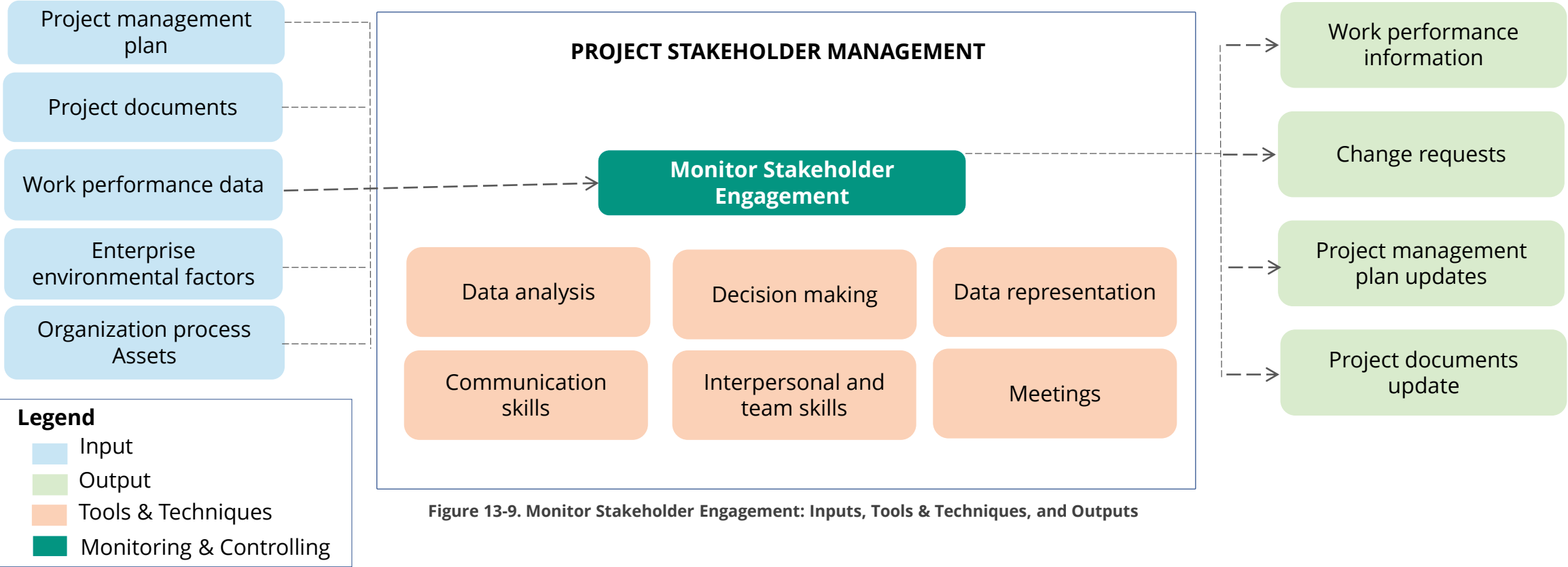


Figure 13-9. Monitor Stakeholder Engagement: Inputs, Tools & Techniques, and Outputs