

INFO 6245

Planning &

Managing

Information

Systems

Development

Module 12

Project Stakeholder Management

Topics of Discussion

- Importance of Stakeholder Management
- Identifying Stakeholders
- Planning Engagements
- Managing Engagements
- Monitoring Engagements

Importance

Stakeholder management is so important to project success that PMI created an entire knowledge area devoted to it in 2013.

The purpose is to identify all people or organizations affected by the project, to analyze stakeholder expectations, and to effectively engage stakeholders.

Projects often cause changes in organizations, and some people may lose their jobs when a project is completed.

Sometimes PMs can be viewed as enemies, and other times as allies, especially if they lead a project that helps increase profits, produce new jobs, or increase pay for certain stakeholders.

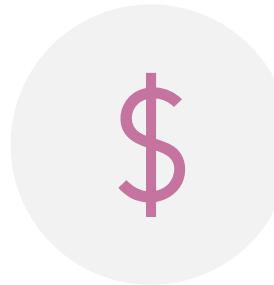
PMs must learn to identify, understand, and work with a variety of stakeholders.



Project Sabotage Situations



Buy-in blues: Top-down support and early buy-in for projects is crucial. Allowing negativity to fester will decrease the likelihood of project success. Deal with protesters early.



Short-term profits: Cutting costs by any means possible for immediate payoff will sacrifice the future health of an organization and its employees. Avoid projects that focus only on the short term.



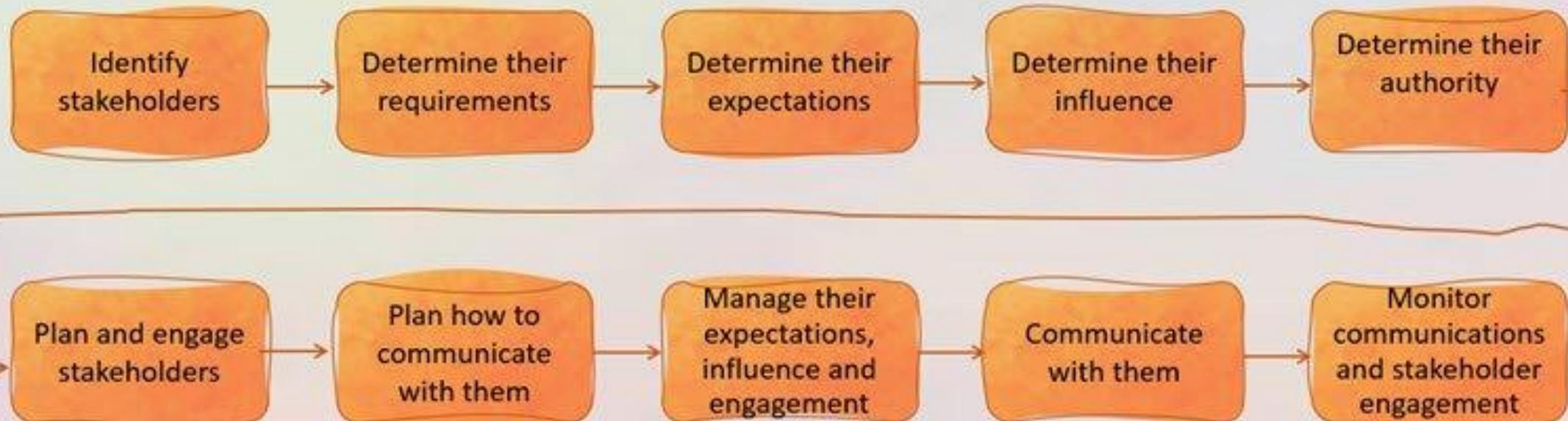
Overachieving: Trying to do too many things at the same time introduces waste and significantly slows down progress. Focus on the most important projects first.



Lack of respect: Disrespect people, and they will retaliate with apathy, boredom, absenteeism, outright sabotage and other maladies. Disrespect customers, and they'll find someone who will treat them better.

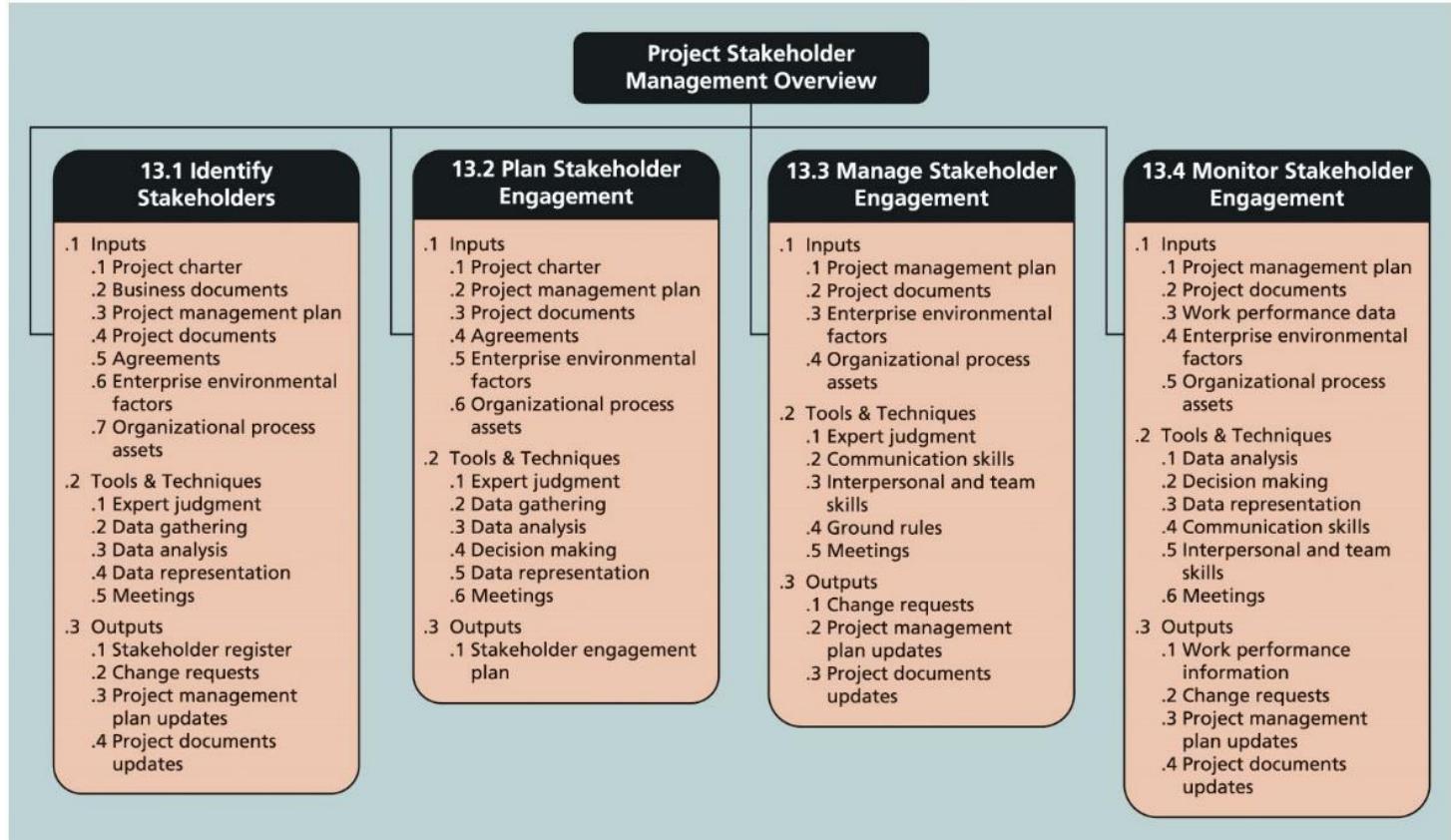
Stakeholder Engagement Life Cycle

The Stakeholder Engagement Life Cycle



Stakeholder Management

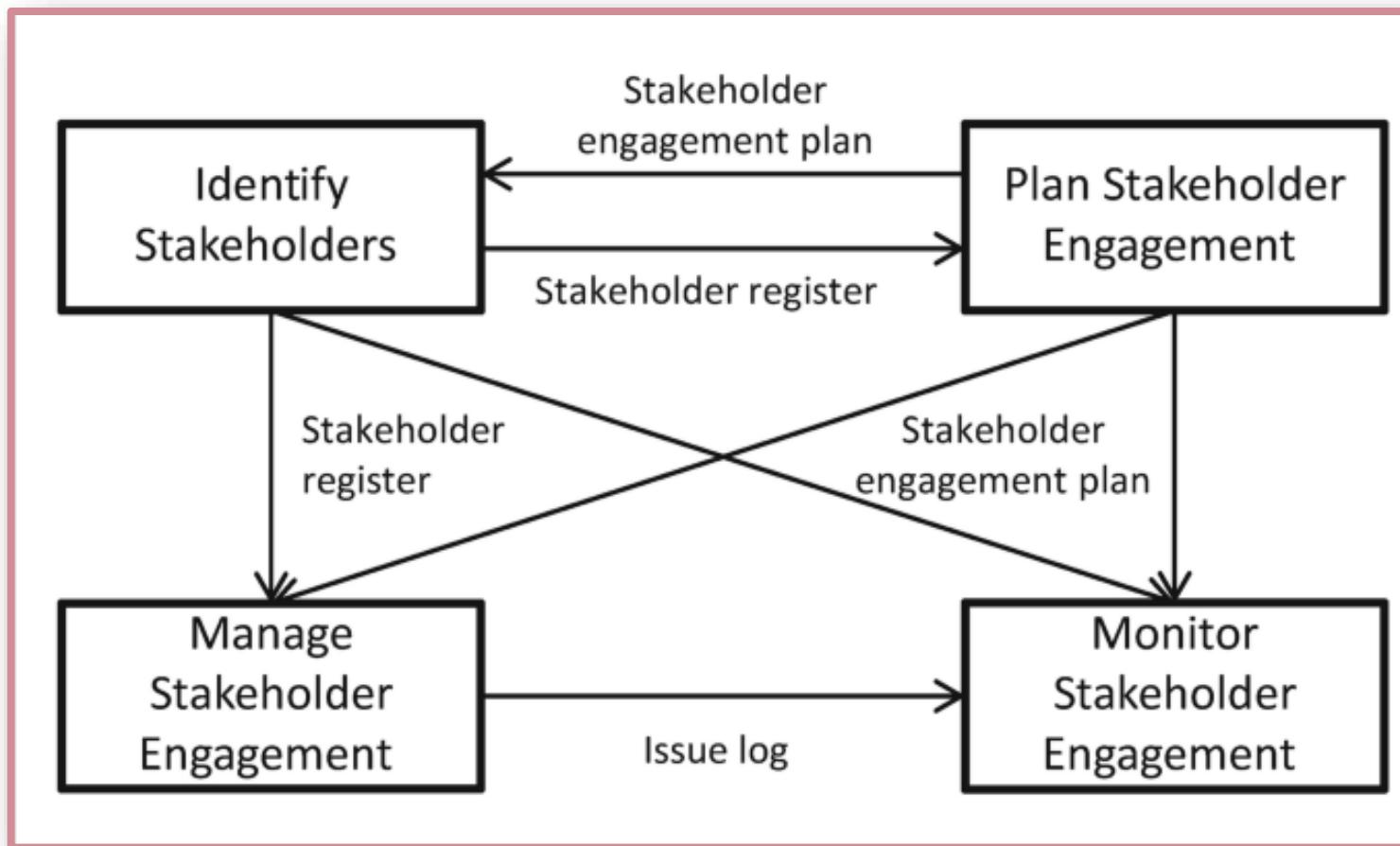
- **Identifying stakeholders:** identifying everyone involved in the project or affected by it and determining the best ways to manage relationships with them.
- **Planning stakeholder management:** determining strategies to effectively engage stakeholders
- **Managing stakeholder engagement:** communicating and working with project stakeholders to satisfy their needs and expectations, resolving issues, and fostering engagement in project decisions and activities
- **Monitoring stakeholder engagement:** monitoring stakeholder relationships and adjusting plans and strategies for engaging stakeholders as needed



Source: PMBOK® Guide – Sixth Edition. Project Management Institute, Inc. (2017). Copyright and all rights reserved. Material from this publication has been reproduced with permission of PMI.

FIGURE 13-1 Project stakeholder management overview

Stakeholder Management

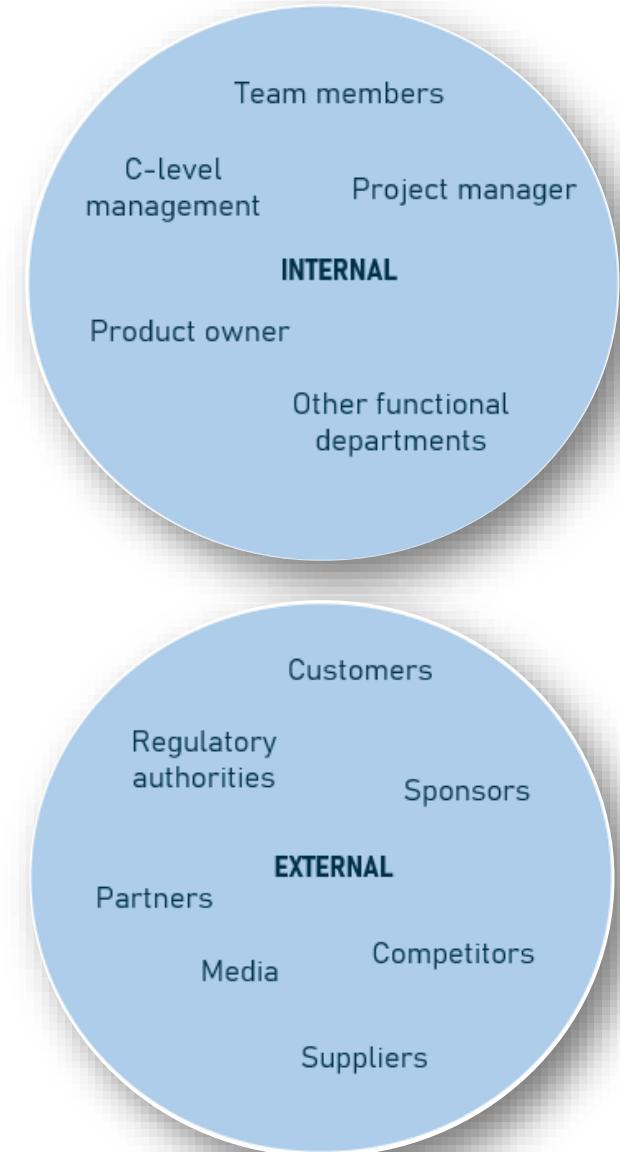


Identifying Stakeholders



Project Stakeholders

- Stakeholders are the people involved in project activities or affected by them.
- The ultimate goal of project management is to meet or exceed stakeholder needs and expectations for a project.
- **Internal project stakeholders** generally include the project sponsor, project team, support staff, and internal customers for the project. Other internal stakeholders include top management, other functional managers, and other project managers because organizations have limited resources.
- **External project stakeholders** include the project's customers (if they are external to the organization), competitors, suppliers, and other external groups that are potentially involved in the project or affected by it, such as government officials and concerned citizens.



Stakeholder Register

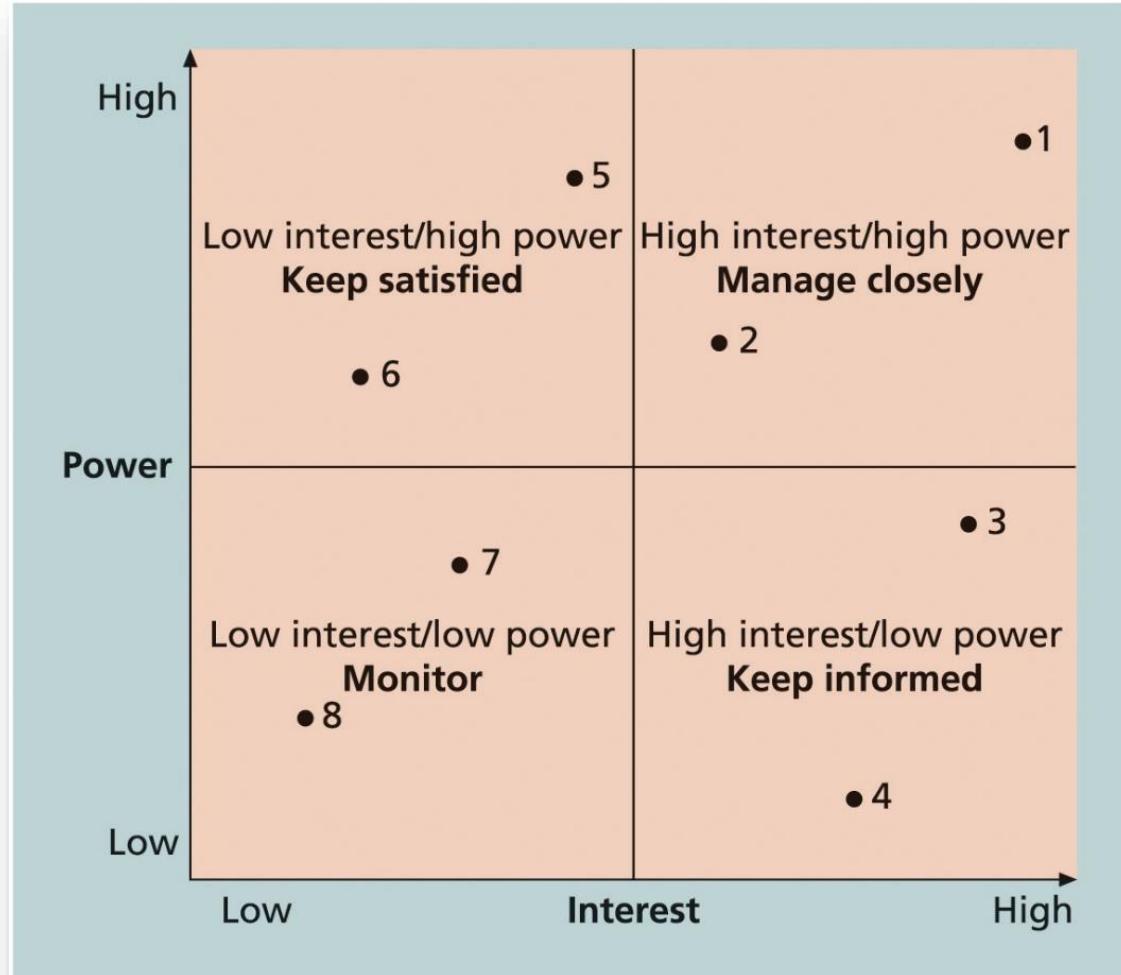
- A stakeholder register includes basic information on stakeholders.
- **Identification information:** Stakeholders' names, positions, locations, roles in the project, and contact information
- **Assessment information:** Stakeholders' major requirements and expectations, potential influences, and phases of the project in which stakeholders have the most interest
- **Stakeholder classification:** Is the stakeholder internal or external to the organization? Is the stakeholder a supporter of the project or resistant to it?
- Notice that the example includes only basic stakeholder information. Because this document is available to other people in the organization, the project manager must be careful not to include sensitive information, such as how strongly the stakeholders support the project or how much power they have.

TABLE 13-1 Sample stakeholder register

Name	Position	Internal/ External	Project Role	Contact Information
Stephen	VP of Operations	Internal	Project sponsor	stephen@globaloil.com
Betsy	CFO	Internal	Senior manager, approves funds	betsy@globaloil.com
Chien	CIO	Internal	Senior manager, PM's boss	chien@globaloil.com
Ryan	IT analyst	Internal	Team member	ryan@globaloil.com
Lori	Director, Accounting	Internal	Senior manager	lori@globaloil.com
Sanjay	Director, Refineries	Internal	Senior manager of largest refinery	sanjay@globaloil.com
Debra	Consultant	External	Project manager	debra@gmail.com
Suppliers	Suppliers	External	Supply software	suppliers@gmail.com

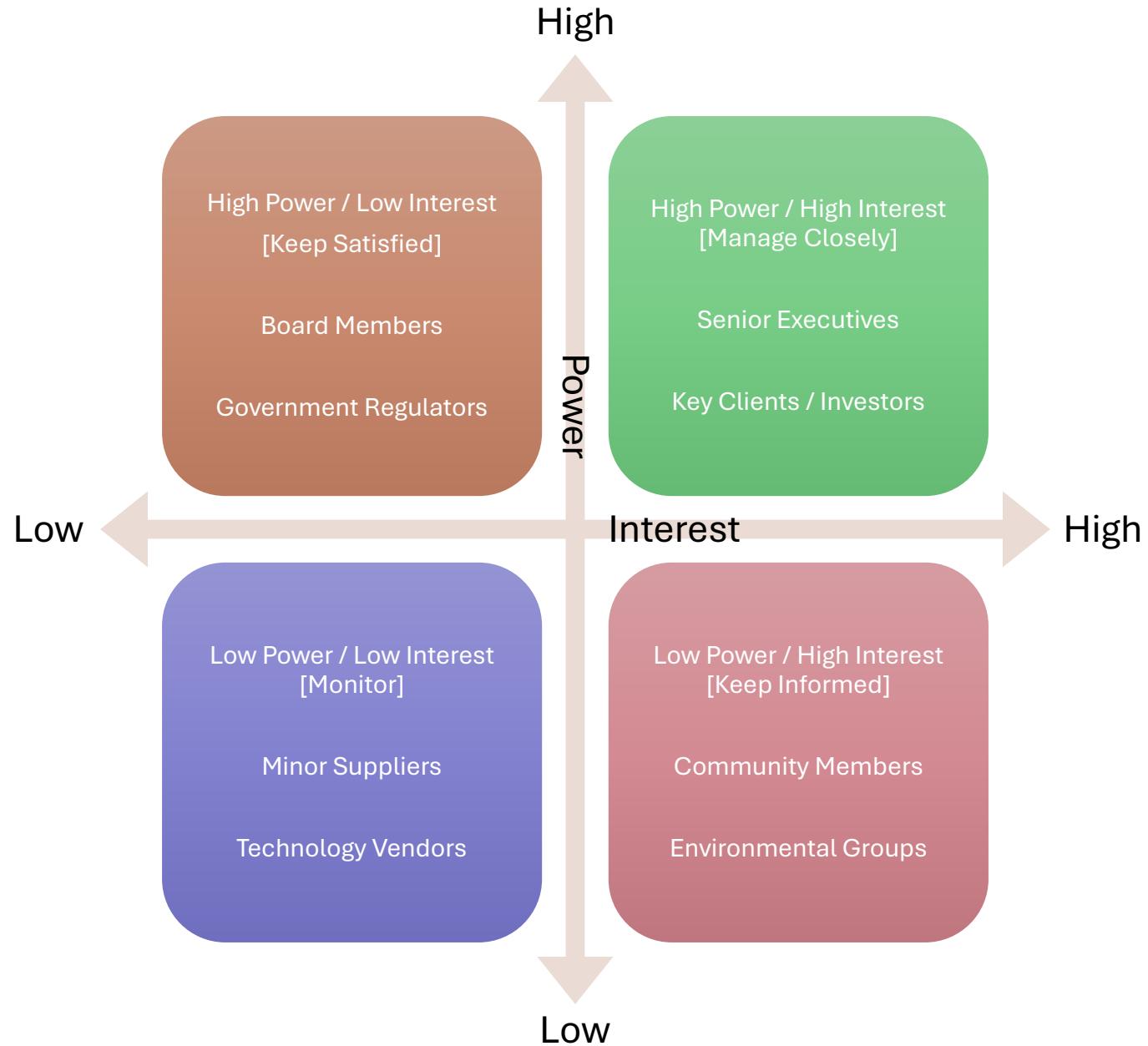
Classifying Stakeholders

- **Stakeholder analysis** is a technique for analyzing information to determine which stakeholders' interests to focus on and how to increase stakeholder support throughout the project.
- After identifying key project stakeholders, you can use different classification models to determine an approach for managing stakeholder relationships
- A **power/interest grid** can be used to group stakeholders based on their level of authority (power) and their level of concern (interest) for project outcomes



Source: Kathy Schwalbe, *An Introduction to Project Management*, Fourth Edition (2012)

FIGURE 13-2 Power/interest grid



Stakeholder Engagement Levels

- **Unaware:** Unaware of the project and its potential impacts on them
- **Resistant:** Aware of the project yet resistant to change
- **Neutral:** Aware of the project yet neither supportive nor resistant
- **Supportive:** Aware of the project and supportive of change
- **Leading:** Aware of the project and its potential impacts and actively engaged in helping it succeed

Example of a Stakeholder Engagement Matrix incl. Power / Interest Assessment

Stakeholder	Power / Interest	Unaware	Resistant	Neutral	Supportive	Leading
Stakeholder 1	high / low	C			D	
Stakeholder 2	high / medium			C	D	
Stakeholder 3	medium / high				D C	
...						
Stakeholder n	high / high				C	D

C = Current

D = Desired

Planning Stakeholder Engagement



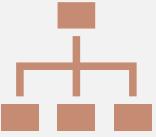
Stakeholder Management Plan

- After identifying and analyzing stakeholders, project teams should develop a plan for managing them.
- May be formal or informal, based on the needs of the project.
- **Current and desired engagement levels:** If these levels are not the same, the project team should develop a strategy to align engagement levels.
- **Interrelationships between stakeholders:** As you learned in earlier chapters, there are many interrelationships between project activities and stakeholders. The project manager must be in tune with the politics of the organization.
- **Communication requirements:** The communications management plan should specify stakeholder requirements, and the stakeholder register can expand on unique requests from specific people.
- **Potential management strategies for each stakeholder:** This critical section can contain very sensitive information.
- **Methods for updating the stakeholder management plan:** All plans need some process for handling changes and updates. Flexibility would be important as stakeholders change on the project.

TABLE 13-2 Sample stakeholder analysis

Name	Power/Interest	Current Engagement	Potential Management Strategies
Stephen	High/high	Leading	Stephen can seem intimidating due to his physical stature and deep voice, but he has a great personality and sense of humor. He previously led a similar refinery upgrade program at another company and knows what he wants. Manage closely and ask for his advice as needed. He likes short, frequent updates in person.
Chien	High/medium	Resistant	Chien is a very organized yet hardheaded man. He has been pushing corporate IT standards, and the system the PM and sponsor (Debra and Stephen) like best goes against those standards, even though it's the best solution for this project and the company as a whole. Need to convince him that this is okay and that people still respect his work and position.
Ryan	Medium/high	Supportive	Ryan has been with the company for several years and is well respected, but he feels threatened by Debra. He also resents her getting paid more than he does. He wants to please his boss, Chien, first and foremost. Need to convince him that the suggested solution is in everyone's best interest.
Betsy	High/low	Neutral	Very professional, logical person. Gets along well with Chien. She has supported Debra in approving past projects with strong business cases. Provide detailed financial justification for the suggested solution to keep her satisfied. Also ask her to talk to Chien on Debra's behalf.

Sensitive Information



Because a stakeholder management plan often includes sensitive information, it should not be part of the official project documents, which are normally available for all stakeholders to review



In many cases, only project managers and a few other team members should prepare the stakeholder management plan



Parts of the stakeholder management plan are not written down, and if they are, distribution is strictly limited



Managing Stakeholder Engagement

Expectations Management Matrix

- Project success is often measured in terms of customer/sponsor satisfaction.
- Project sponsors often rank scope, time, and cost goals in order of importance and provide guidelines on how to balance the triple constraint.
- This ranking can be shown in an expectations management matrix to help clarify expectations.

TABLE 13-3 Expectations management matrix

Measure of Success	Priority	Expectations	Guidelines
Scope	1	The scope statement clearly defines mandatory requirements and optional requirements.	Focus on meeting mandatory requirements before considering optional ones. In this case, following corporate IT standards is optional.
Time	1	There is little give in the project completion date. The schedule is very realistic.	The project sponsor must be alerted if any issues might affect meeting schedule goals.
Cost	3	This project is crucial to the organization. If you can clearly justify the need for more funds, they can be made available.	There are strict rules for project expenditures and escalation procedures. Cost is very important, but it takes a back seat to meeting schedule and then scope goals.
Technology/standards	2	There are several potential solutions available, but only one that meets all of the sponsor's technical requirements, especially for accounting.	While corporate IT standards are important, an exception makes sense in this case.

Issue Log

- Understanding the stakeholders' expectations can help in managing issues.
 - Issues should be documented in an issue log, a tool used to document, monitor, and track issues that need resolution.
 - Unresolved issues can be a major source of conflict and result in stakeholder expectations not being met.
 - Issue logs can address other knowledge areas as well.

TABLE 13-4 Sample issue log

Best Practices

Be clear from the start.

Project managers should emphasize the importance of their projects to the entire organization.

Explain the consequences.

Project managers must be able to explain the consequences of various decisions. Senior managers may not like a decision, but if you present the logic behind it, they are more open to accepting it.

Have a contingency plan.

There are many forms of contingency plans. If a project manager cannot reason with an important stakeholder, a more senior person might be asked to help, for example.

Avoid surprises.

It is much better to be honest about project challenges so that actions can be taken. One of the worst situations project managers face is telling sponsors something cannot be done after assuring them that it could.

Take a stand.

Project managers do make a difference in leading their projects, and part of the job is acknowledging the need for a change in course.



Monitoring Stakeholder Engagement

Monitoring Engagement

It is crucial that PMs focus on monitoring stakeholder engagement to meet their needs and expectations.

Project managers cannot control stakeholders, but they can control their level of engagement.

Engagement involves a dialogue in which people seek understanding and solutions to issues of mutual concern.

Project managers need to set the stage for engaging project stakeholders early in the project.

Key stakeholders should be invited to actively participate in meetings rather than merely attend it.

It is also helpful for the project manager to meet with important stakeholders before the project kick-off.

The project schedule should include activities and deliverables related to stakeholder engagement.

Surveys, reviews, demonstrations, sign-offs, and other items require stakeholder engagement.

On some IT projects, important stakeholders are invited to be members of the project teams.

In-Class Group Exercise



Document Lessons Learned

- Work with your teammates to identify lessons learned.
- Brainstorm as a team and as individuals.
- Think through what you could have done differently on the team project, how you could have made it better.
- Add key points from the class lectures that helped you in your team project.
- Use any format to document and present.

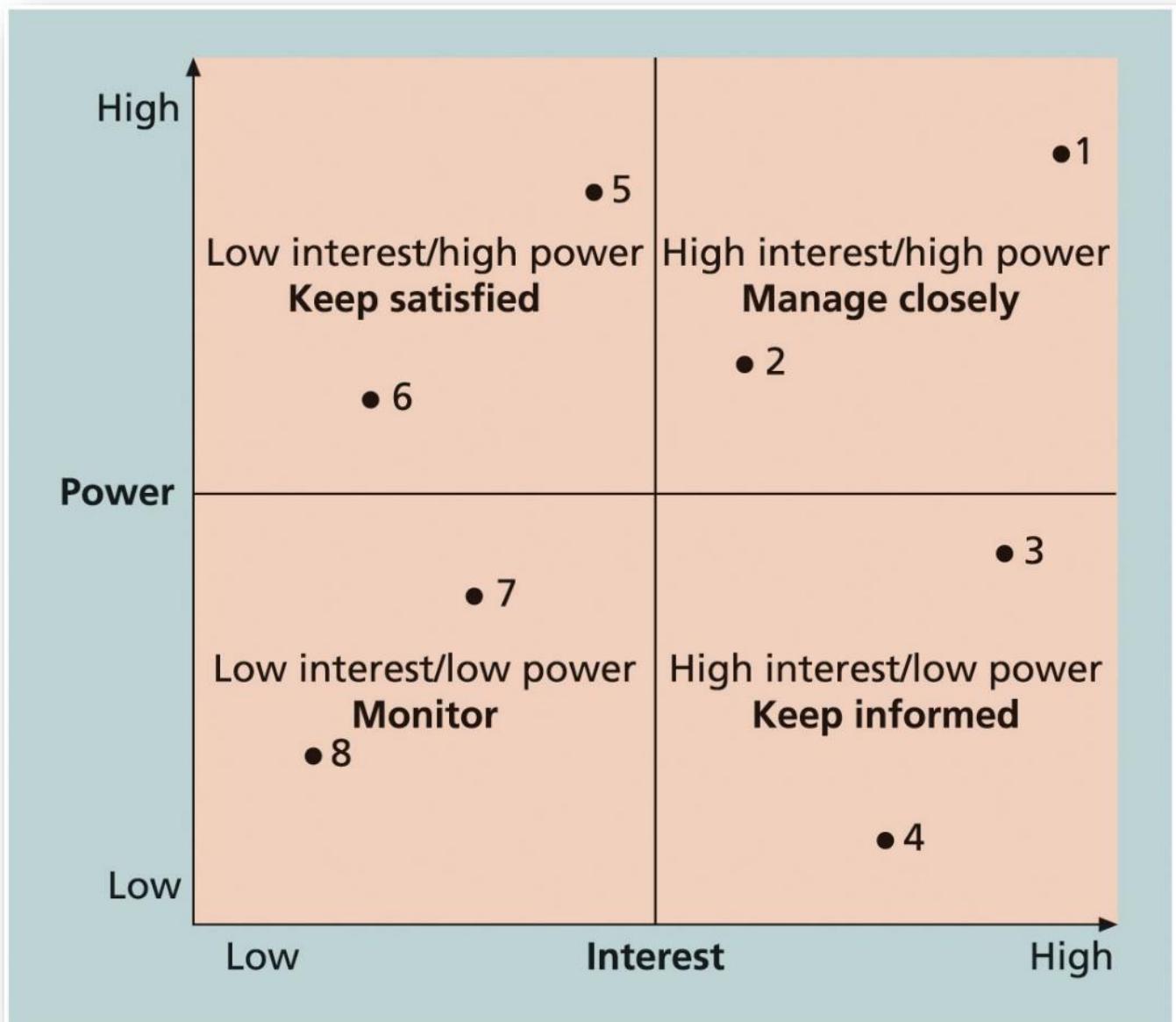
- 1 What were our team's goals at the outset of this project? Does our current progress align with those goals? If not, how can we best get back on track?
- 2 Which processes are working well? Which ones can we build on?
- 3 Which processes need improvement? How can we improve them?
- 4 Do you need any additional resources to complete this project?
- 5 Do you anticipate any issues based on current progress?
- 6 What has been the team's most significant achievement in this project so far?

Assignment



Assn # 11

- ASSN#11: Chapter 13, Exercise 4, Page 559
- Review the information for using a power/interest grid. Find at least two articles that describe this grid or a similar one to help categorize stakeholders and how to manage them. Summarize your results in a memo to a new project manager who is interested in this tool.



Teammate Peer Review

- Fill out the Teammate Peer Review for each of your project team members.
- Copy the rubric to the answer entry, and grade them for each of the 5 criteria, either 1, 0.5, or 0

CRITERIA RUBRIC		
INVOLVEMENT: Participates actively in the class activities & discussions.		
1 pts: Full Marks Participated in most class activities & discussions.	0.5 pts: Some Marks Participated in some class activities & discussions.	0 pts: No Marks Did not participate in class activities & discussions.
RESPONSIBILITY: Takes ownership of tasks and completes assigned work in a timely manner.		
1 pts: Full Marks Takes responsibility of most tasks assigned.	0.5 pts: Some Marks Takes responsibility of some tasks assigned.	0 pts: No Marks Did not take responsibility of any tasks.
QUALITY: Produces work as expected per project requirements.		
1 pts: Full Marks Produces most work as expected per project requirements.	0.5 pts: Some Marks Produces some work as expected per project requirements.	0 pts: No Marks Produces unacceptable work, failing to meet project requirements.
INTERACTION: Communicates and relates to other team members.		
1 pts: Full Marks Communicates and relates to other team members most of the time.	0.5 pts: Some Marks Communicates and relates to other team members some of the time.	0 pts: No Marks Does not communicate or relate to other team members.
LEADERSHIP Demonstrates leadership skills while also fostering teamwork.		
1 pts: Full Marks Consistently demonstrates exemplary leadership skills.	0.5 pts: Some Marks Occasionally demonstrates some leadership skills.	0 pts: No Marks Does not demonstrate leadership skills.
TOTAL POINTS: xx out of 5		

TRACE Evaluations

- Please provide your TRACE Evals through the link sent by the university.
- Once completed, you will submit the corresponding course assignment with a “Yes” in the description box.
- This assignment will gain you 2% for your final grade.
- This is basically a free grade, as long as you turn in a TRACE Eval.

Exam Prep



Final Exam – What to Expect

- Exam will be 50 questions – all multiple choice.
- You will have 2 hours to complete the exam. (Plenty of time).
- All questions will be out of the PMBOK7 and the Textbook, but applied knowledge, not theoretical.
- You can study from the curriculum review file provided by the professor.
- Exam will be open book/notes/pages, etc. but will not be open for browsing the internet (no e-devices allowed).
- Exam will be available from Tuesday 12:01 am to Friday 11:59 pm of exam week.

Accessing the Exam

- Exam will be offered via Canvas.
- Exam will require your laptop, and we will use the Respondus App to close down your browser.
- Once you start the test, you will not be able to go out of the test screen until the test is complete.
- Please go to the Respondus App on the Canvas Homepage for INFO 6245.
- Access the Final exam only through the Respondus App.
- You will need to follow the proctoring rules set by Respondus.
 - Have a webcam and a desk available.
 - Show your ID
 - Provide a scan of the room and all material you're using as part of the exam.
 - Phones and other e-devices will not be allowed.