

Prioritizing stakeholders and generating their buy-in

In this lesson, you are learning to complete a stakeholder analysis and explain its significance. Let's focus here on how to prioritize the various types of stakeholders that can exist on a project, generate stakeholder buy-in, and manage their expectations.

Conducting a stakeholder analysis

Stakeholders are an essential part of any project. A project manager's ability to balance stakeholder requirements, get their buy-in, and understand when and how to involve them is key to successfully fulfilling a project.

It is key to keep stakeholders organized in order to understand when and how to involve them at the right time. In an earlier video, we introduced the **stakeholder analysis**, a useful tool that project managers use to understand stakeholders' needs and help minimize hiccups during your project life cycle.

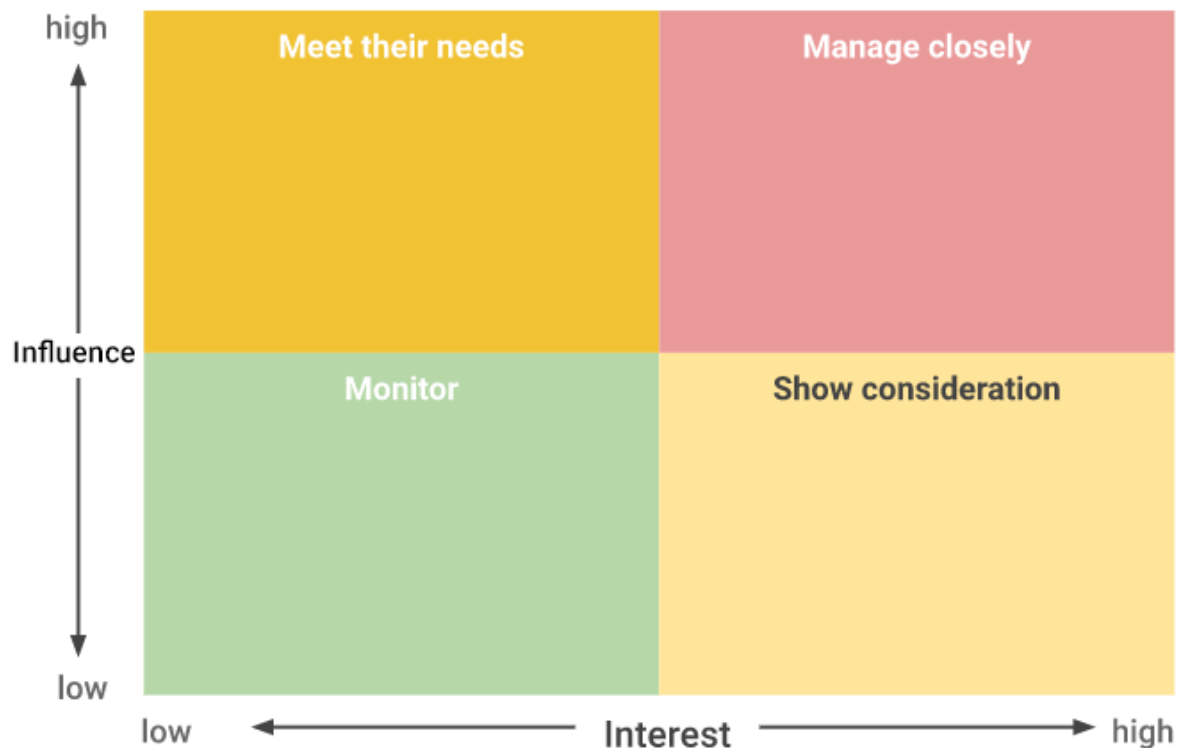
Let's review the key steps in the stakeholder analysis:

1. Make a list of all the stakeholders the project impacts. When generating this list, ask yourself: Who is invested in the project? Who is impacted by this project? Who contributes to this project?
2. Determine the level of interest and influence for each stakeholder—this step helps you determine who your key stakeholders are. The higher the level of interest and influence, the more important it will be to prioritize their needs throughout the project.
3. Assess stakeholders' ability to participate and then find ways to involve them. Various types of projects will yield various types of stakeholders—some will be **active stakeholders** with more opinions and touchpoints and others will be **passive stakeholders**, preferring only high-level updates and not involved in the day-to-day. That said, just because a stakeholder does not participate as often as others does not mean they are not important. There are lots of factors that will play a role in determining a stakeholder's ability to participate in a project, like physical distance from the project and their existing workload.

Pro tip: You might want to form a **steering committee** during some projects. A steering committee is a collection of key stakeholders who have a high level of power and interest in a project. A steering committee can influence multiple departments within the organization, which means that they have the potential to release a greater number of resources to the project manager.

Visualizing your analysis

A **power grid** shows stakeholder interest *in* the project versus their influence over the project. This four-quadrant tool helps project managers evaluate how to manage their stakeholders. It is used to determine the appropriate level of engagement required by the project team needed to gain the stakeholders' trust and buy-in. The upper half of the grid represents higher influence, and the lower half of the grid represents lower influence. Meanwhile, the left half of the grid represents lower interest, and the right half of the grid represents higher interest. With that in mind, you'll find the upper left quadrant to be labeled "meets their needs," the upper right quadrant "manage closely," the bottom left quadrant is labeled "monitor," and the bottom right quadrant is labeled "show consideration."



Take the time at the start of the project to establish your stakeholder approach. List the stakeholders and then place them into the appropriate places on the grid. Being able to visualize their placement will help you manage communications and expectations. Having a quick reference tool to drive your communication actions will also allow you to have the ability to spend more time doing other tasks on your project.

To break it down further, here is the meaning of each quadrant:

Quadrant 1: High Influence, High Interest (Upper Right)

Stakeholders in this quadrant have a significant influence on the project and are highly interested in its outcome. They can greatly impact project decisions and success.

Examples might include project sponsors, key executives, or regulatory authorities.

Responses for this quadrant include:

1. Engagement and Involvement:

- Keep these stakeholders well-informed and engaged throughout the project lifecycle.
- Involve them in decision-making processes, seeking their input and feedback.
- Address their concerns promptly and effectively.

2. Regular Communication:

- Schedule regular meetings or updates to keep them informed about project progress and any issues.
- Tailor communication to their preferences and needs to ensure they remain supportive and engaged.

Quadrant 2: High Influence, Low Interest (Upper Left)

Stakeholders in this quadrant have high influence but may not be deeply interested in the day-to-day project details. They might include senior managers who need to be informed but may not be actively engaged. Responses for this quadrant include:

1. Executive Summaries:

- Provide high-level summaries of project progress and key decisions for their review.
- Focus on the impact of the project on organizational goals and objectives.

2. Periodic Updates:

- Provide periodic briefings or updates to ensure they are informed of major milestones and critical project changes.

Quadrant 3: Low Influence, High Interest (Bottom Right)

Stakeholders in this quadrant have a high interest in the project but relatively low influence on its outcome. They are typically looking for updates and information about the project. Responses for this quadrant include:

1. Regular Updates:

- Communicate project progress, risks, and updates to keep them engaged and informed.
- Address their queries and concerns promptly to maintain their interest.

2. Stakeholder Feedback:

- Seek their feedback on project plans, progress, and outcomes to ensure their perspective is considered.

Quadrant 4: Low Influence, Low Interest (Bottom Left)

Stakeholders in this quadrant have low influence on the project and limited interest in its details. They might include lower-level employees or departments not directly impacted by the project. Responses for this quadrant include:

1. General Communication:

- Share general updates about the project's overall progress without overwhelming them with details.
- Address any specific questions they may have, but avoid unnecessary inundation with project-related information.

2. Minimal Engagement:

- Maintain a basic level of communication and engagement to keep them aware of the project without distracting them from their regular responsibilities.

By understanding the influence and interest of stakeholders using a four-quadrant power grid, project managers can tailor their communication and engagement strategies to effectively manage stakeholder relationships throughout a project life cycle.

Pro tip: While these tools help organize information, they do not necessarily make the difference between successful and unsuccessful stakeholder engagement. What will make for successful stakeholder engagement is the project manager's ability to know their stakeholders' motivations and inspirations. This takes time, interpersonal skills, and insight into the organization's internal political workings. Remember, each project is different, and

your project may need tweaks along the way as you grow as a project manager. Making necessary changes means you are doing something right. Just make sure to check in and ensure that you are well on track, engaging your stakeholders successfully, and delivering on your project!

Generating stakeholder buy-in

Once you organize and assess your stakeholders, it is time to start making some decisions on whose buy-in is absolutely necessary for success, whose requirements deserve the most attention, and what level of communication each stakeholder will require.

Gaining key stakeholder buy-in is essential to ensuring that your project is not deprioritized or deprived of resources.

Tips for gaining key stakeholder buy-in include:

- Clearly mapping the work of the project to the goals of the stakeholder.
- Describing how the project aligns with the goals of the stakeholder's department or team.
- Listening to feedback from the stakeholder and finding ways to incorporate their feedback into the project's charter where appropriate.

Manage your stakeholders' expectations by presenting a realistic view of your team's abilities. Do not over-promise and under-deliver!