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SE-054

Assignment No: 03

Q: Explain the role and working of different stakeholders for successful Project Management.

Stakeholders:

Stakeholders are those who have some interest in the project's results. They are people or organizations who may affect the project by actively involving in the project and their interests may be positively/negatively affected as a result of the project.

TYPES OF STAKEHOLDERS:

Project stakeholders can be categorized into two types:

1. Internal Stakeholders:

These are the people who are involved in the project from within your organization. They include:

a) Sponsors:

A sponsor is an individual or organisation who finances and supports the project and is responsible for its progress. He may be external or internal to the company. The project sponsor oversees project budgets, approves ideas and changes to the project's environment, makes important decisions related to the project, manages participation and communication procedures, helps in creating the project's scope and project charter, and manages and negotiates with other stakeholders. He also evaluates the project's success once it is completed.

b) Resource Manager:

Resources like funds,materials, manpower etc. are required for every project.The producer's resource manager is in charge of acquiring or handling the resources. They help project managers in hiring staff and planning human resources. They assess a company's capacity to fulfil project manpower needs, appoint people to projects, and recruit new workers. They might also be in charge of accounting and training employees.

c) Project Management Office (PMO):

A PMO is a group that determines and maintains standards for managing a project in an organization. It provides project managers with guidance and determines measures for project management. It defines project requirements, chooses projects that comply with the company's goals, and advises managers on cost-benefit ratios. It also manages resources across projects and supplies tools to help in managing the projects.

d) Portfolio Steering Committee:

It is a committee of high level clients and other members in charge of prioritising work, guiding the portfolio, prioritising work for the portfolio, and monitoring the portfolio over the year. It assesses the effect of new work or modifications in the approved workload on the portfolio and makes necessary adjustments.

e) Project Manager of other projects:

A company can take guidance from project managers of other projects if they have done some similar projects in the past and can take an idea of how to execute a project by looking at their portfolio. Moreover, these stakeholders also provide estimation data and other valuable info about other projects like: process flow, risk management etc.

f) Team Members:

The team members working on the project and carrying out specialised tasks for the project to accomplish defined goals are also important stakeholders. Project team members should work together to achieve the project's goals within the time period allotted. They contribute in achieving project's objectives as a whole by completing individual deliverables, providing expertise,collaborating with users to identify and fulfil market requirements, and tracking and documenting the entire process. They assist in specifying requirements and are also involved in testing and training. They monitor the work quality throughout the project and are responsible for its effectiveness.

g) Program Manager:

The role of a Program Manager is related to the program's general consistency and coherence, as well as establishing and maintaining the program environment to sustain each project within it. He must ensure that each part of the project i.e: program is delivered successfully. The position necessitates good management of the project and interdependencies, as well as any threats and other problems that may emerge. In the absence of a senior supplier, the program manager will also perform his duties.

2. External Stakeholders:

External stakeholders are the one who are not directly involved, but are impacted by the project's results. They are external to the organization and may include:

a) Customers:

Project customers or beneficiaries are individuals or organisations who purchase a product and get the profit from the project's results. They are stakeholders since they are affected by the quality and value of the product. Customers provide the revenue which is necessary for the company to earn profit and continue operations. They determine the direction of a business as their purchases guide the company in which product they should invest. Their role is of final approval; they either pay or don't pay for the final product.

b) End-users:

End users are those who are most affected by the software as they will directly use the product. They will tell the requirements, provide feedback and also give ideas on how to enhance the product. They determine how well a product really works and how much value it produces. Their training and acceptance is very important for ensuring the success of the software produced.

c) Suppliers:

Suppliers are individuals or companies that supply the raw materials, goods and services to your company to complete the project and depend on the company to generate money from such sales. At any point of the product life cycle, suppliers play a critical role. Suppliers are also concerned with protection as their goods may have a significant effect on the company's operations.

d) Shareholders:

The shareholders are the owners of the company who invest money in the project and have a financial interest in the project. They check and approve the company's financial statements. They make decisions related to the company's performance and changes to the organization's constitution. They declare dividends and decide the amount of money directors would be paid.

e) Regulatory Bodies:

These are the bodies that supervise, track, and regulate the organization’s activity. They are concerned with workplace safety and financial and operational control. They monitor whether the project complies with the users contractual commitments, legislative and administrative requirements. They set up the standards for an organization. They also establish and review technical, safety, and quality requirements (if not specified in the contract agreements).

f) Competitors:

Competitors target a company’s customers or market share and hence a company's performance is influenced by what its competitors do and every company has an indirect impact on its competitors' performance. They tend to predict what opponents will do and how customers will respond. Competitors help in enhancing project managers' approach by making them realize that only fittest can survive in the market. This boosts product efficiency and lowers costs for customers, while still maintaining or increasing market share.

Conclusion:

Stakeholders are individuals who are influenced or are interested in the project in any way and can’t be neglected . In order to effectively complete a project, all of these stakeholders should fulfill their roles and responsibilities.