Assignment No. 03

Software Project Management
(SE-310)

Name: **IQRA FAROOQ MALIK**

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Section: **TESE - A**

Department: **SOFTWARE ENGINEERING**

NED University of Engineering & Technology,

Karachi – 75270, Pakistan

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

STAKEHOLDERS

A project can be described as a temporary venture which is undertaken or started to produce a unique service or product. There are many people involved in this venture which may belong to the organization creating this product or they may be unrelated to the organization and are just related to the product. These people are called stakeholders. So, stakeholders can be defined as the people who are actively involved in a project and are affected by the development of a project and have an interest invested in the final product of this temporary venture. The successful or unsuccessful completion of a project determines whether the stakeholders will have a benefit or a loss by investing in this project. Since, they have their investments and responsibilities in the project so they are authorized to take part in the decision making of the project's resources, schedule and other features of a project.

CATEGORIES OF STAKEHOLDERS:

There are 2 main and important categories of stakeholders for a project, these are;

- **Internal Stakeholders**
  These are the people that are from within the organization that is developing the project and are mostly involved in the development phases of the project.

- **External Stakeholders**
  These are the people that are from outside of the organization that is developing the project and are mostly related with the outcome of the project. They can be further subdivided into;
    - External to project team and within same organization.
    - External to both project team and organization.

ROLE AND WORKING OF DIFFERENT STAKEHOLDERS FOR SUCCESSFUL PROJECT MANAGEMENT

The role and working of these different types of stakeholders in the project is mostly defined by the type and amount of their investment in the project and their position or importance within or outside of the organization. This is described below for each stakeholder;

• INTERNAL STAKEHOLDERS
The different types of internal stakeholders are described below along with their role and working for successful project management.

1. Sponsors
Description:
The sponsors for a project can be defined as the stakeholders or the owners that provide the financial resources for a project and the project team and therefore have a right to participate in the important managerial decisions also. They are mainly concerned with the financial returns of the project.

Role and Working:
Their role and working can be defined as;
- They are a part of defining the statement of work for the project.

- ➢ Gather and provide financial resources, project guidance and support to the project manager.
- ➢ Developing the project plan and the project charter.
- ➢ Prioritizing and defining constraints on the project and also act as an important decision maker for the project.
- ➢ Determining the risk management policies and selecting tradeoffs between different managerial and risk factors for the project.
- ➢ Evaluating and tracking progress with the project manager.
- ➢ Ensuring the quality of the product by taking part in the SQA and testing activities.

2. Resource Manager

Description:

The resource manager is solely responsible for managing and allocating the resources for example cost, staff etc. to the project and its various phases.

Role and Working:

The role and working of resource managers can be defined as;
- ➢ They hire staff members to meet the requirements for the project.
- ➢ Arrange training sessions for the staff if they require any additional skills for the project development subject to the constraints on the project.
- ➢ Arrange meetings between staff members or between stakeholders.
- ➢ Allocate resources like staff and money etc. to various phases of the project according to the requirements.
- ➢ Resolving conflicts between team members and managing the matters of payroll and bonuses for the members.

3. Project Management Office

Description:

These are defined as a team of people or a faculty or department in an organization who are responsible for the management projects ad the maintenance of standards (defined by the organization itself or by the governing bodies external to the organization) in the project development. They are also known as PMO.

Role and Working:

The role and working of project management office can be defined as;
- ➢ Monitoring the work and providing guidance and support to the project managers.
- ➢ Defining the frameworks, standards and policies for project management and ensuring the implementation of these standards in projects of the organization.
- ➢ Reviewing the project plans and other important document for project management.
- ➢ Prioritizing, defining and managing constraints and risks involved in a project to keep it aligned with the business goals of the organization.
- ➢ Providing feedback and training the project managers to help them work more efficiently.

4. Portfolio Steering Committee

Description:

This is a group or team of people formed to organize, manage and govern various types of projects and portfolios. It is a fixed committee and it consist of members and leaders from different parts of the organization of company that are related to the portfolios.

Role and Working:
> The role and working of portfolio steering committee can be defined as;
- ➢ They define and govern the portfolios and projects.
- ➢ They prioritize each factor in the portfolio according to the business goals.
- ➢ They are not allowed to interfere with the project management office and still tack and monitor the entire overall view and progress of the project.
- ➢ They help in the key decisions relating to the project and provide support and guidance to the project manager while monitoring his/her progress.

5. Program Manager

Description:
> It can be defined as a person who manages a program within an organization, a program may contain several projects so the program manager is responsible to manage all the projects in its program alongside the project manager.

Role and Working:
> The role and working of program manager can be defined as;
- ➢ Managing and monitoring the progress and activities of the project.
- ➢ Monitor the performance of the project manager, and provide support to him.
- ➢ Cooperate in budgeting, scheduling, planning and managing risks for the project.
- ➢ Be a part of the meetings with team and stakeholders to perform the above tasks and to represent the organization in front of external stakeholders.
- ➢ Review the project proposal, project plan and resource allocation and point out any possible slippages in them.
- ➢ Incase of risk occurrence, help in devising new strategies to manage and tackle the effects of risk.

6. Project Manager of Other Projects

Description:
There are several projects within an organization and each project has its own project manager. For a given project, the project managers of other projects are also a stakeholder who are on the same professional position as the project manager of the given project but are not directly a part of the given project's team. They are also known as Peers.

Role and Working:
> The role and working of project manager of other projects can be defined as;
- ➢ Help in validating and evaluating the selected plan, resource allocation, and schedule for the project.
- ➢ Reviewing and devising the strategies to tackle the risks and any unexpected circumstances during the development of the project.
- ➢ Tracking whether the project and factors involved in its development (Resources, plan, schedule) are compatible with the business goals of the organization.
- ➢ Ensuring that the standards are followed while the development of the project thus helping in ensuring its quality.
- ➢ Help in identifying any possible pitfalls in project plan and the adopted process models.
- ➢ Help in resolving any major conflicts relating to the managerial decisions involved in the project if need be.

7. Team Members

Description:

These are the core part of the project development lifecycle. The team members can be the developers, designers of the architecture of the system, UI designers, testers, QA engineers, cloud-engineers and also the project manager. They are actually responsible for developing the required product which can become successful.

Role and Working:

The role and working of team members can be defined as;

➢ Dividing the actual work and assign it to relevant member of the team and then completing that task in given time.
➢ Ensuring good communication with the customer and other team members so that the product is according to the needs and goals of the business.
➢ Working according to the policies and laws that are applicable to them and not violating any law for example letting out the private or any other data of the client for personal gains.
➢ Responsive and cooperative to the managers and should be open to any constructive criticism that can be beneficial for them or the project.
➢ End-users are sometimes considered as part of the team to utilize their feedback in error correction.

• EXTERNAL STAKEHOLDERS

The different types of external stakeholders are described below along with their role and working for successful project management.

8. Customer

Description:

The customers can be defined as an individual or an organization or company that is directly related with the product and mainly describes the requirements for the products. They use the product themselves or use it to sell their services to other end users, either way they are directly related with the outcome of the project.

Role and Working:

The role and working of customers can be defined as;

➢ They mainly define the requirements for the product (functionalities, UI, non-functional requirements).
➢ Validate and approve the requirements document and the different increments of the product.
➢ Provide feedback for increments and prototypes of the products.
➢ Inform the development team about any constraints on the projects (deadlines, budgeting constraints).
➢ Communicate effectively and efficiently with the team members for any negotiation on the requirements of the project or incase of occurrence of any exceptional circumstances or risks.
➢ Take part in testing of the product and various deliverables or increments of the project.

9. End User

Description:

These are the actual users of the products who are benefited from the services or outcome of the project. The success of the project is very integral to their satisfaction. In come cases the customers and end users both are same but they are mostly separate.

Role and Working:
   The role and working of end users can be defined as;
➢ Main task is to provide feedback about the product.
➢ Review the increments, prototypes or any deliverables and inform the development team about their opinion or if they need any changes.
➢ Inform the development team about any constraints or special standards that must be followed in the project.
➢ Participation and cooperation in overall SDLC and especially in the testing phase of the product.

10. Suppliers
Description:
   They are defined as the vendors (Companies or individuals) that supply any product or service to the development team to develop the project. In simple words, they provide the raw materials for the development of the product.

Role and Working:
   The role and working of suppliers can be defined as;
➢ Gather the requirements of the team on what the development team wants from the supplier.
➢ Providing the needed (and customized) resources or services to the team involved in the development.
➢ Communicate with the team if they need any changes in the resources or services provided to them and negotiate in this regard.
➢ Monitor and check the position of the company to whom the services are provided, to ensure that the company is stable and can payback for the provided services.

11. Shareholders
Description:
   These are the people or organizations who buy the shares of the organization involved in the development of the project. They are secondary owners of the organization and are not directly involved in the decision making of the project.

Role and Working:
   The role and working of shareholders can be defined as;
➢ They are secondary owners of the organization, and are not directly involved in project level decisions of the organization.
➢ They impact the overall business strategy and goals of the organization.
➢ They play a role in formulating the organization level standards and business policies which in turn impact the individual projects of the organization.
➢ They affect the position of the organization in the overall market.
➢ They receive dividends from the profits earned by an organization due to its successful projects.

12. Regulatory Bodies
Description:
   They are the external organizations or committees (consisting of senior officials of a domain who have experience and working knowledge of a specific domain) that are responsible for the selection and implementation of standards in projects. They are domain specific and each regulatory body deal with a particular domain.

Role and Working:

The role and working of regulatory bodies can be defined as;

➢ Devise and Select standards for the development of the projects, by gathering present day field knowledge of that domain.

➢ Ensure the implementation of these standards.

➢ Gather feedback of the concerned and involved parties about the effectiveness of these standards, whether these standards are implementable or any changes are required in them.

➢ Formulate laws for the situations if any organization is not following the standards set by the regulatory body.

➢ Make sure the justified implementation of these laws to regulate the organization equally and fairly.

13. Competitors

Description:

They are other organizations in the market that provide similar services as your organization in the market thus are considered as the competitors or the business rivals of your organization.

Role and Working:

The role and working of competitors can be defined as;

➢ They play an important role in setting the market trends and new innovations in the projects.

➢ They impact the business strategies of an organization and which in turn affect the project management level decisions within the organization.

➢ A healthy competition with the competitor companies in the market helps the company to grow and adopt new methods and techniques which ultimately benefits the business of the company as well as the individual projects. Thus, it impacts the market position of the company.

CONCLUSION

Stakeholders play an important part in successful project completion by playing their due role in each phase of the project lifecycle. Some stakeholders impact the overall business goals and position of the organization while the others are not just related with the overall business but also the individual projects within the organization. The role and working of each of these stakeholders, whether that are internal to the organization or external to the organization or project or both, are described above. If each of these stakeholder plays their due role in the project then the project will be completed successfully and hence will benefit the not only the individuals related with it but also the overall business value of the organization.