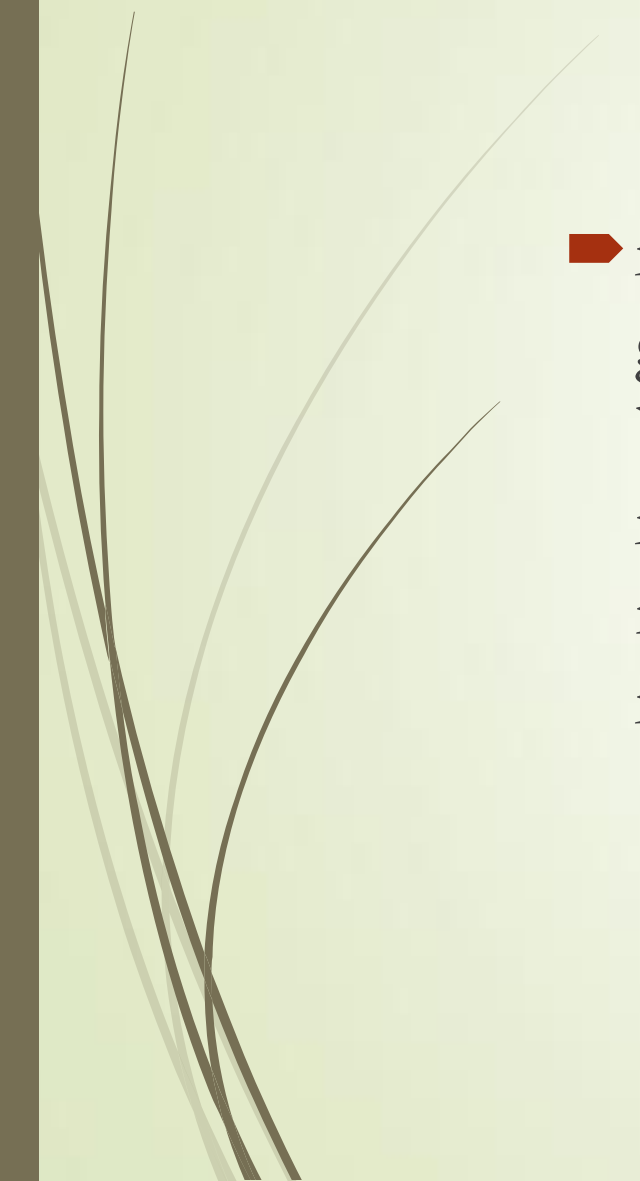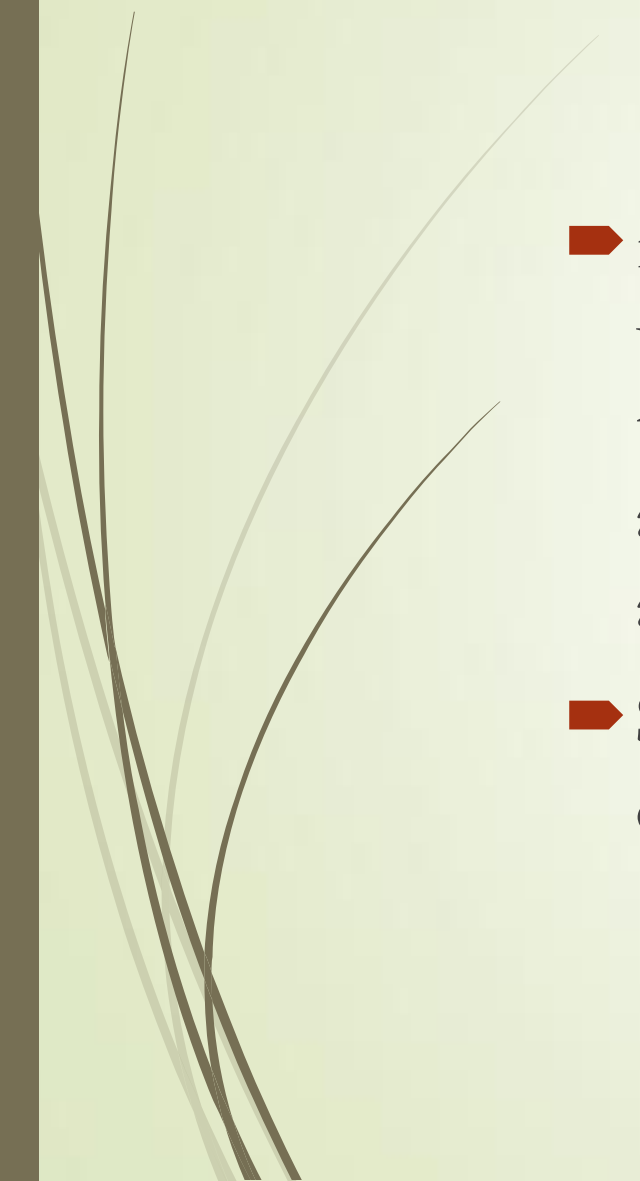# PROJECT STAKEHOLDER MANAGEMENT

PROJECT STAKEHOLDER MANAGEMENT

- includes the processes required to identify the people, groups, or organizations that could impact or be impacted by the project, to analyze stakeholder expectations and their impact on the project, and to develop appropriate management strategies for effectively engaging stakeholders in project decisions and execution.

- focuses on continuous communication with stakeholders to understand their needs and expectations, addressing issues as they occur, managing conflicting interests and fostering appropriate stakeholder engagement in project decisions and activities

- Stakeholder satisfaction should be managed as a key project objective.

Project Stakeholder Management processes

▶ **Identify Stakeholders**—The process of identifying the people, groups, or organizations that could impact or be impacted by a decision, activity, or outcome of the project; and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success.

▶ **Plan Stakeholder Management**—The process of developing appropriate management strategies to effectively engage stakeholders throughout the project life cycle, based on the analysis of their needs, interests, and potential impact on project success.

Project Stakeholder Management processes

- **Manage Stakeholder Engagement**—The process of communicating and working with stakeholders to meet their needs/expectations, address issues as they occur, and foster appropriate stakeholder engagement in project activities throughout the project life cycle.

- **Control Stakeholder Engagement**—The process of monitoring overall project stakeholder relationships and adjusting strategies and plans for engaging stakeholders.

Identify Stakeholders

- The process of identifying the people, groups, or organizations that could impact or be impacted by a decision, activity, or outcome of the project, analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success

- it allows the project manager to identify the appropriate focus for each stakeholder or group of stakeholders
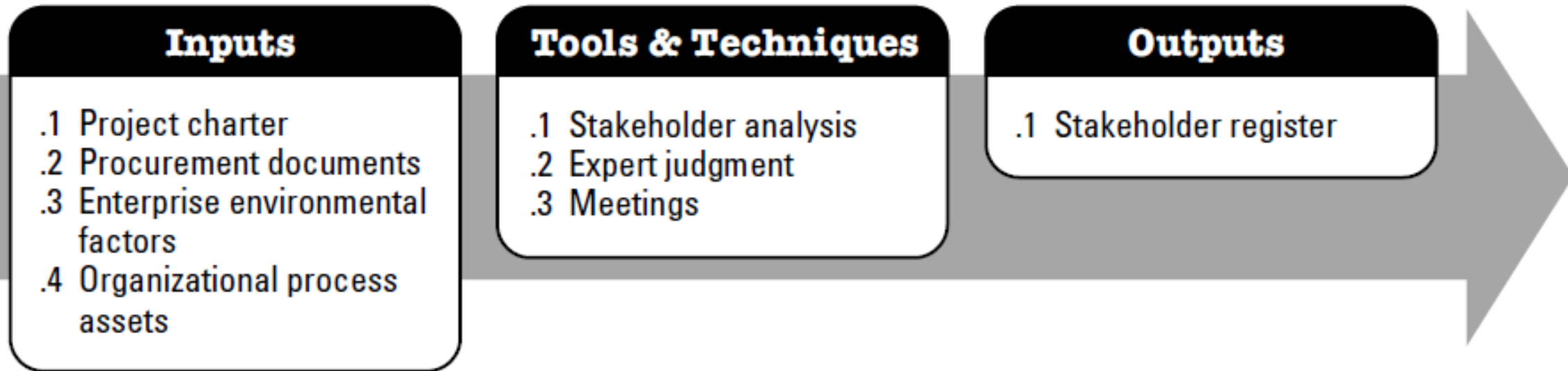
Inputs	Tools & Techniques	Outputs
.1 Project charter .2 Procurement documents .3 Enterprise environmental factors .4 Organizational process assets	.1 Stakeholder analysis .2 Expert judgment .3 Meetings	.1 Stakeholder register

Figure 13-2. Identify Stakeholders: Inputs, Tools & Techniques, and Outputs
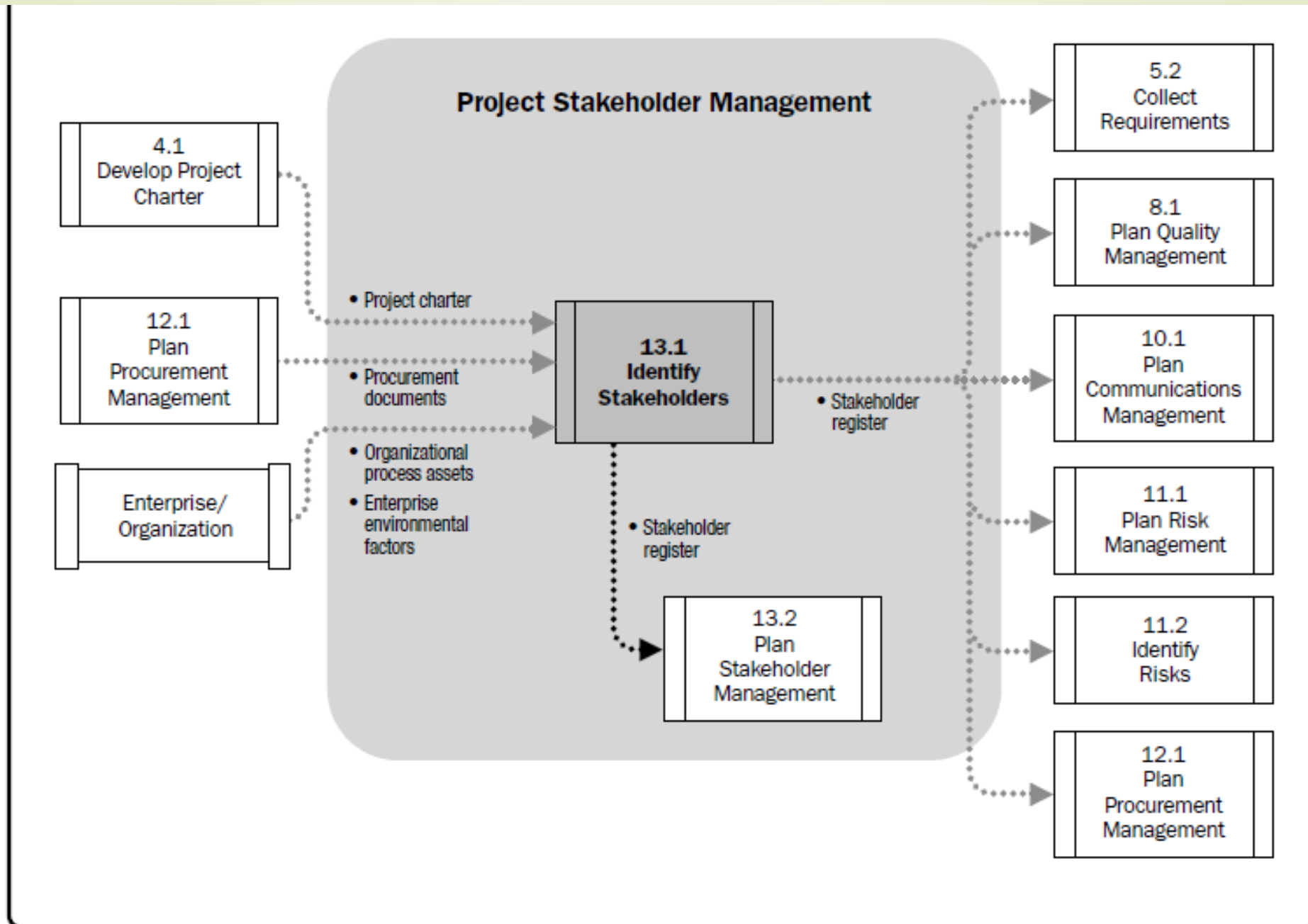
Figure 13-3. Identify Stakeholders Data Flow Diagram

Stakeholder Analysis

- Stakeholder analysis is a technique of systematically gathering and analyzing quantitative and qualitative information to determine whose interests should be taken into account throughout the project.

- It identifies the interests, expectations, and influence of the stakeholders and relates them to the purpose of the project.

- Stakeholder analysis generally follows the steps described below:
  - Identify all potential project stakeholders and relevant information
  - Analyze the potential impact or support each stakeholder could generate, and classify them so as to define an approach strategy. It is important to prioritize the stakeholders to ensure the efficient use of effort to communicate and manage their expectations.
  - Assess how key stakeholders are likely to react or respond in various situations, in order to plan how to influence them to enhance their support and mitigate potential negative impacts.

There are multiple classification models used for stakeholders analysis, such as:

- *Power/interest grid*, grouping the stakeholders based on their level of authority ("power") and their level or concern ("interest") regarding the project outcomes;

- *Power/influence grid*, grouping the stakeholders based on their level of authority ("power") and their active involvement ("influence") in the project;

- *Influence/impact grid*, grouping the stakeholders based on their active involvement ("influence") in the project and their ability to effect changes to the project's planning or execution ("impact"); and

- *Salience model*, describing classes of stakeholders based on their power (ability to impose their will), urgency (need for immediate attention), and legitimacy (their involvement is appropriate).
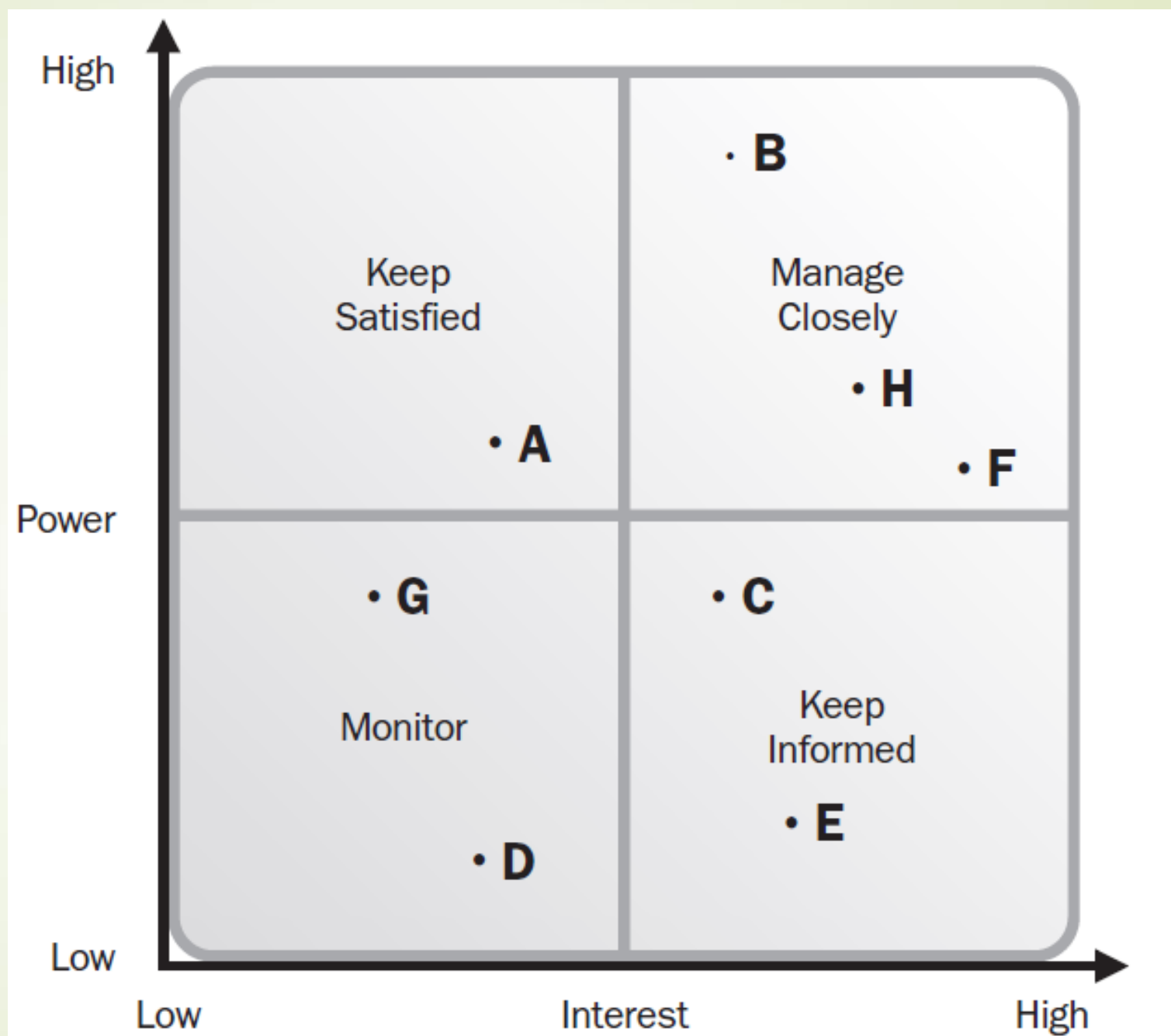
Figure 13-4. Example Power/Interest Grid with Stakeholders

Stakeholder Register

- **Identification information.** Name, organizational position, location, role in the project, contact information;

- **Assessment information.** Major requirements, main expectations, potential influence in the project, phase in the life cycle with the most interest; and

- **Stakeholder classification.** Internal/external, supporter/neutral/resistor, etc.

Plan Stakeholder Management

- the process of developing appropriate management strategies to effectively engage stakeholders throughout the project life cycle, based on the analysis of their needs, interests, and potential impact on project success

- it provides a clear, actionable plan to interact with project stakeholders to support the project's interests
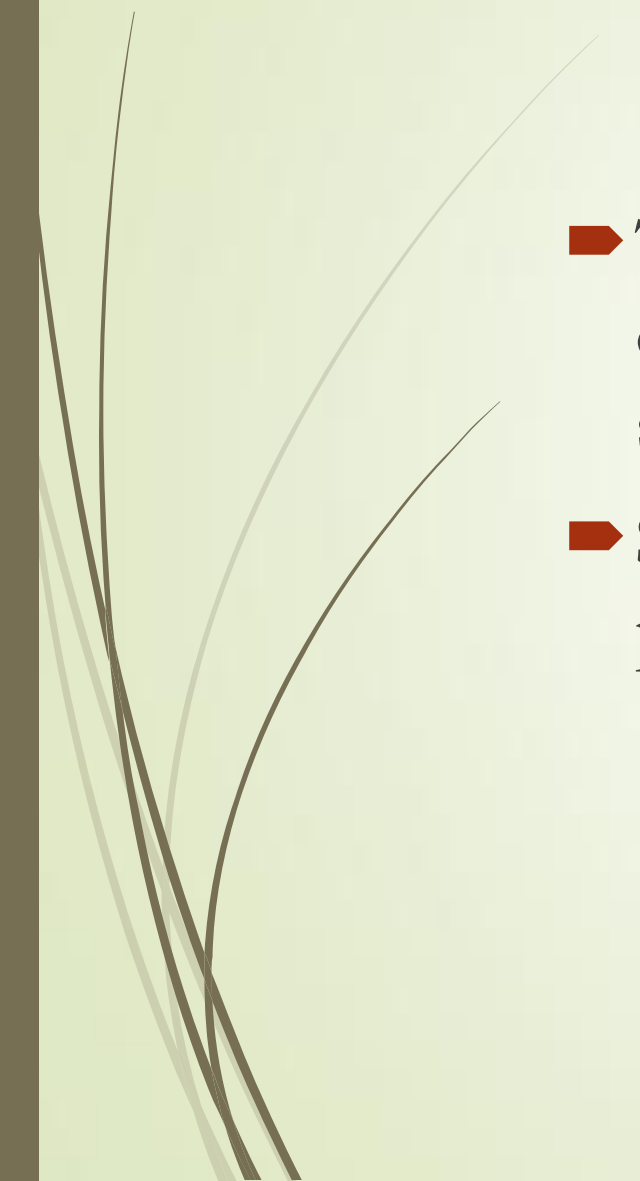
Figure 13-5. Plan Stakeholder Management: Inputs, Tools & Techniques, and Outputs

Analytical Techniques

- The current engagement level of all stakeholders needs to be compared to the planned engagement levels required for successful project completion.

- Stakeholder engagement throughout the life cycle of the project is critical to project success.

Analytical Techniques

- The engagement level of the stakeholders can be classified as follows:
  - **Unaware.** Unaware of project and potential impacts.
  - **Resistant.** Aware of project and potential impacts and resistant to change.
  - **Neutral.** Aware of project yet neither supportive nor resistant.
  - **Supportive.** Aware of project and potential impacts and supportive to change.
  - **Leading.** Aware of project and potential impacts and actively engaged in ensuring the project is a success.

Analytical Techniques

Stakeholder	Unaware	Resistant	Neutral	Supportive	Leading
Stakeholder 1	C			D	
Stakeholder 2			C	D	
Stakeholder 3				D C	

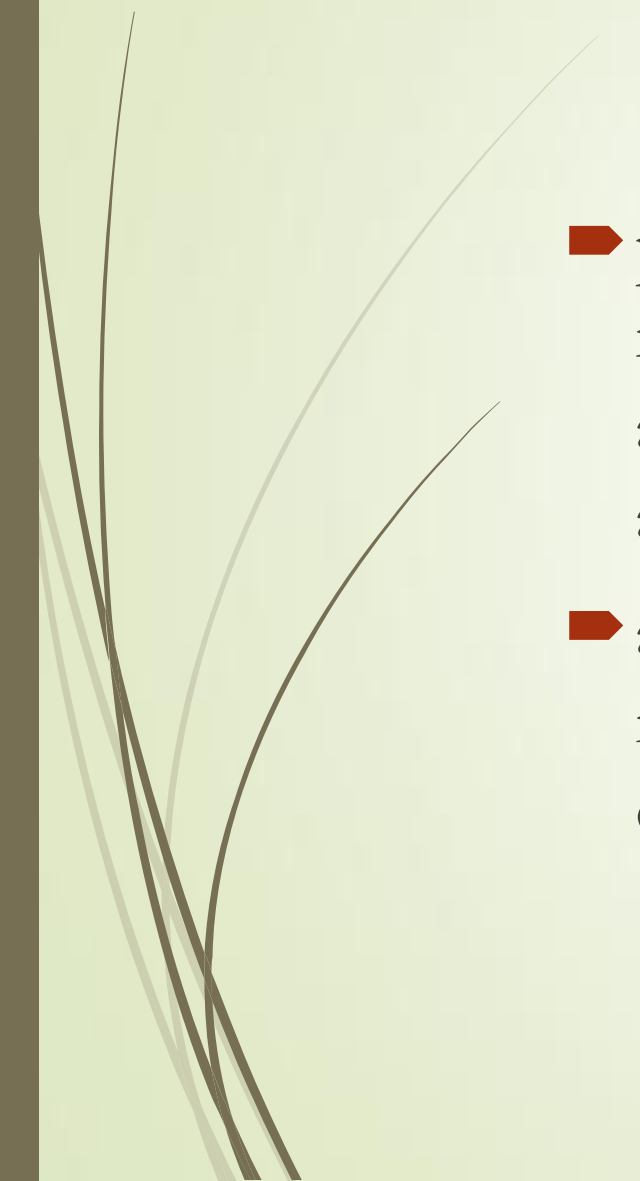Figure 13-7. Stakeholders Engagement Assessment Matrix

Stakeholder Management Plan

- Desired and current engagement levels of key stakeholders;

- Scope and impact of change to stakeholders;

- Identified interrelationships and potential overlap between stakeholders;

- Stakeholder communication requirements for the current project phase;

- Information to be distributed to stakeholders, including language, format, content, and level of detail;

- Reason for the distribution of that information and the expected impact to stakeholder engagement;

- Time frame and frequency for the distribution of required information to stakeholders; and

- Method for updating and refining the stakeholder management plan as the project progresses and develops.

Manage Stakeholder Engagement

- process of communicating and working with stakeholders to meet their needs/expectations, address issues as they occur, and foster appropriate stakeholder engagement in project activities throughout the project life cycle

- allows the project manager to increase support and minimize resistance from stakeholders, significantly increasing the chances to achieve project success

Manage Stakeholder Engagement involves activities

- Engaging stakeholders at appropriate project stages to obtain or confirm their continued commitment to the success of the project;

- Managing stakeholder expectations through negotiation and communication, ensuring project goals are achieved;

- Addressing potential concerns that have not yet become issues and anticipating future problems that may be raised by stakeholders

- Clarifying and resolving issues that have been identified.

Inputs	Tools & Techniques	Outputs
.1 Stakeholder management plan .2 Communications management plan .3 Change log .4 Organizational process assets	.1 Communication methods .2 Interpersonal skills .3 Management skills	.1 Issue log .2 Change requests .3 Project management plan updates .4 Project documents updates .5 Organizational process assets updates

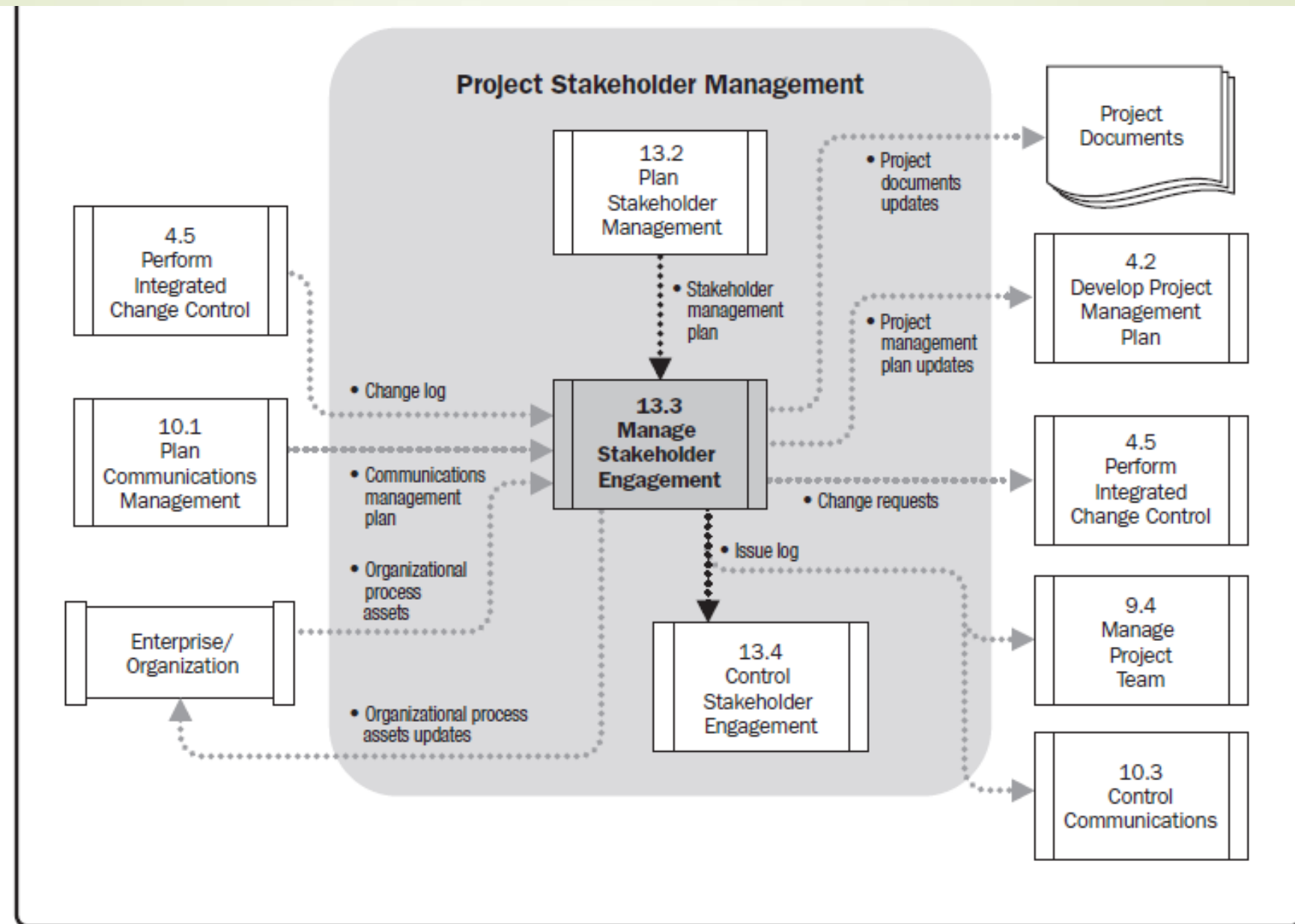Figure 13-8. Manage Stakeholder Engagement: Inputs, Tools & Techniques, and Outputs

Figure 13-9. Manage Stakeholder Engagement Data Flow Diagram

Control Stakeholder Engagement

- process of monitoring overall project stakeholder relationships and adjusting strategies and plans for engaging stakeholders

- it will maintain or increase the efficiency and effectiveness of stakeholder engagement activities as the project evolves and its environment changes
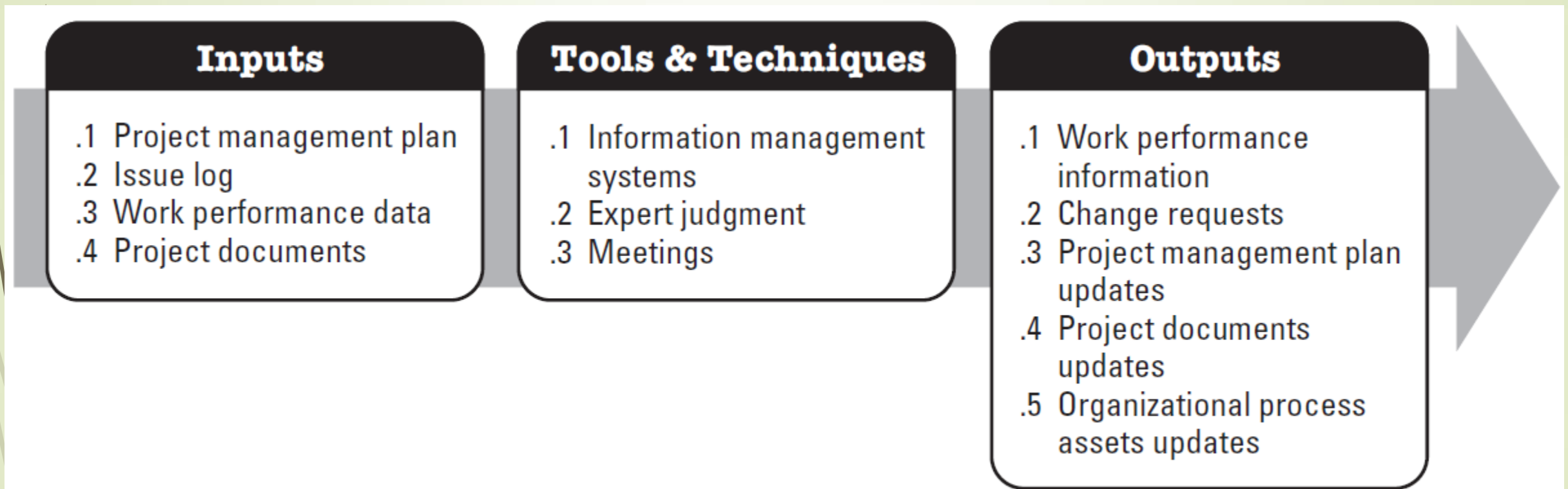
Inputs

.1 Project management plan
.2 Issue log
.3 Work performance data
.4 Project documents

Tools & Techniques

.1 Information management systems
.2 Expert judgment
.3 Meetings

Outputs

.1 Work performance information
.2 Change requests
.3 Project management plan updates
.4 Project documents updates
.5 Organizational process assets updates

Figure 13-10. Control Stakeholder Engagement: Inputs, Tools & Techniques, and Output
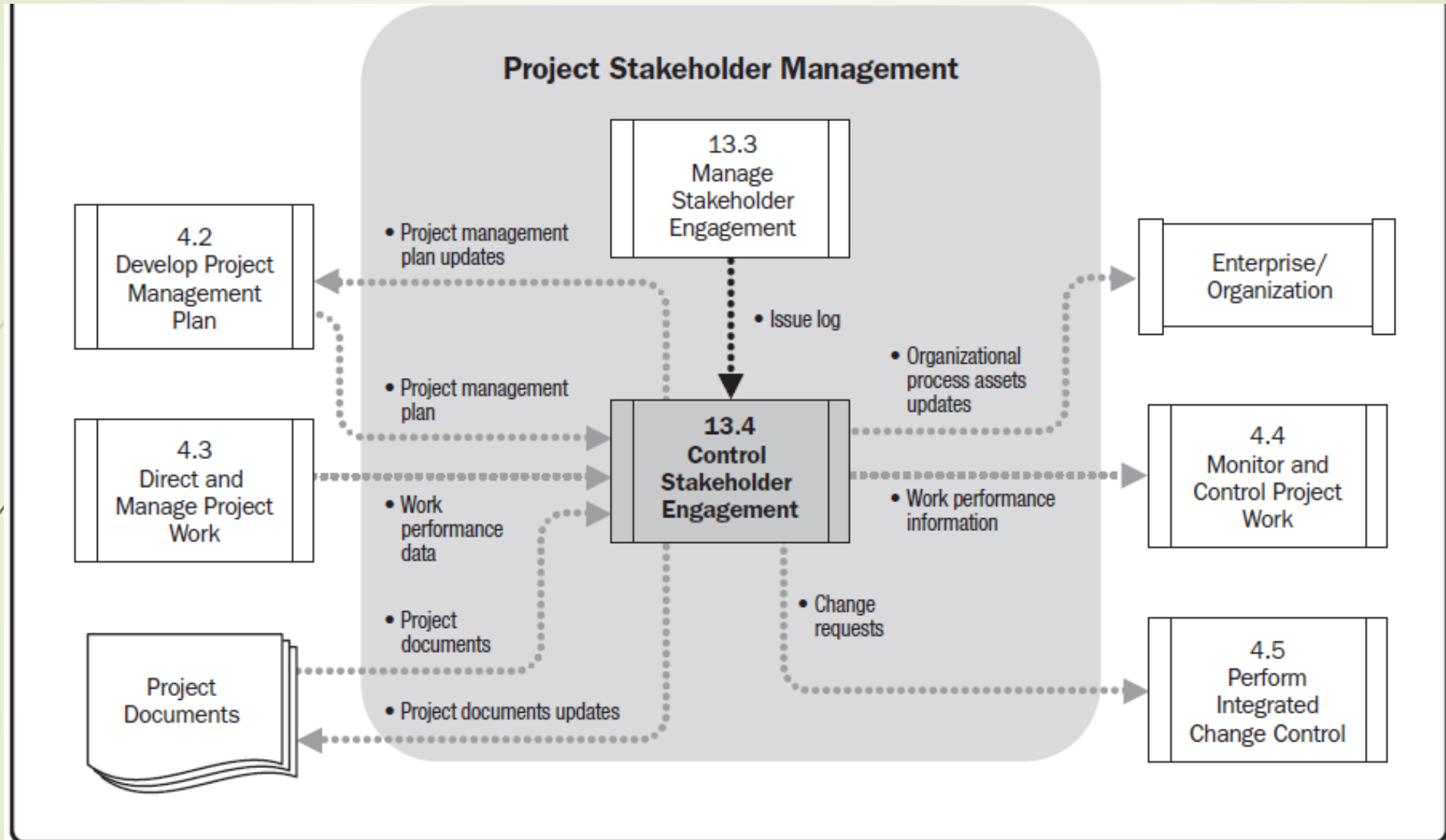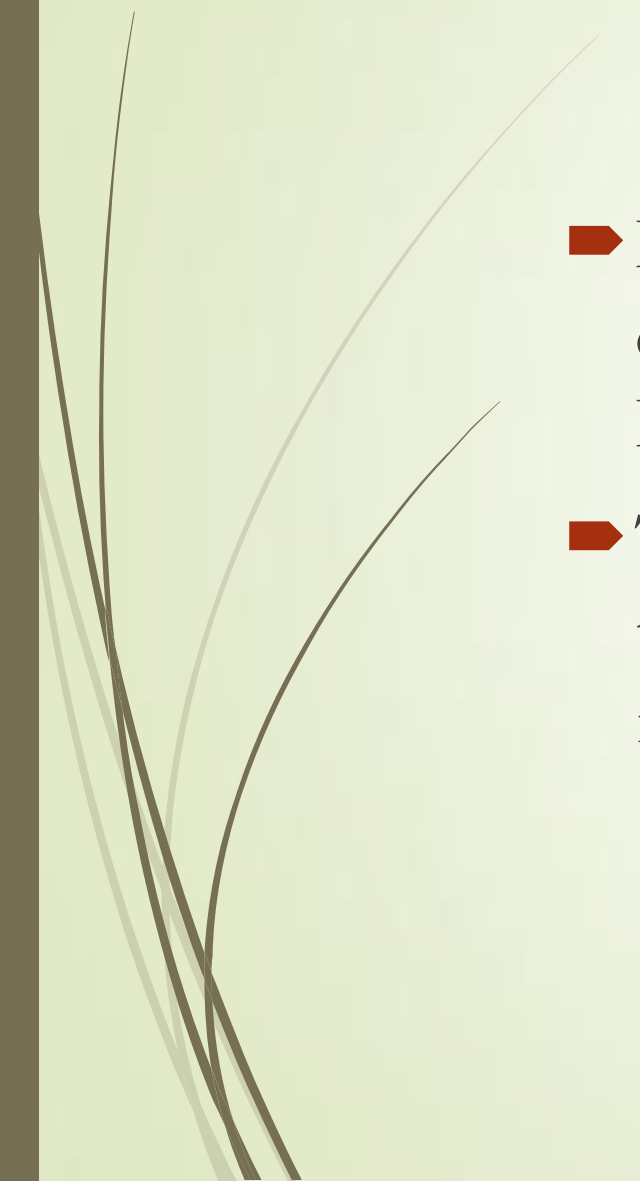
Figure 13-11. Control Stakeholder Engagement: Data Flow Diagram

What is a Standard?

The International Organization for Standardization (ISO) and others define a standard as a

"Document approved by a recognized body, that provides, for common and repeated use, rules, guidelines, or characteristics for products, processes or services with which compliance are not mandatory." (ISO 9453)

- In October 1998, PMI was accredited as a standards developer by the American National Standards Institute(ANSI).

- The processes outlined in this Annex, which are described in the *PMBOK® Guide* – Fifth Edition, provide the standard for project management of a project.
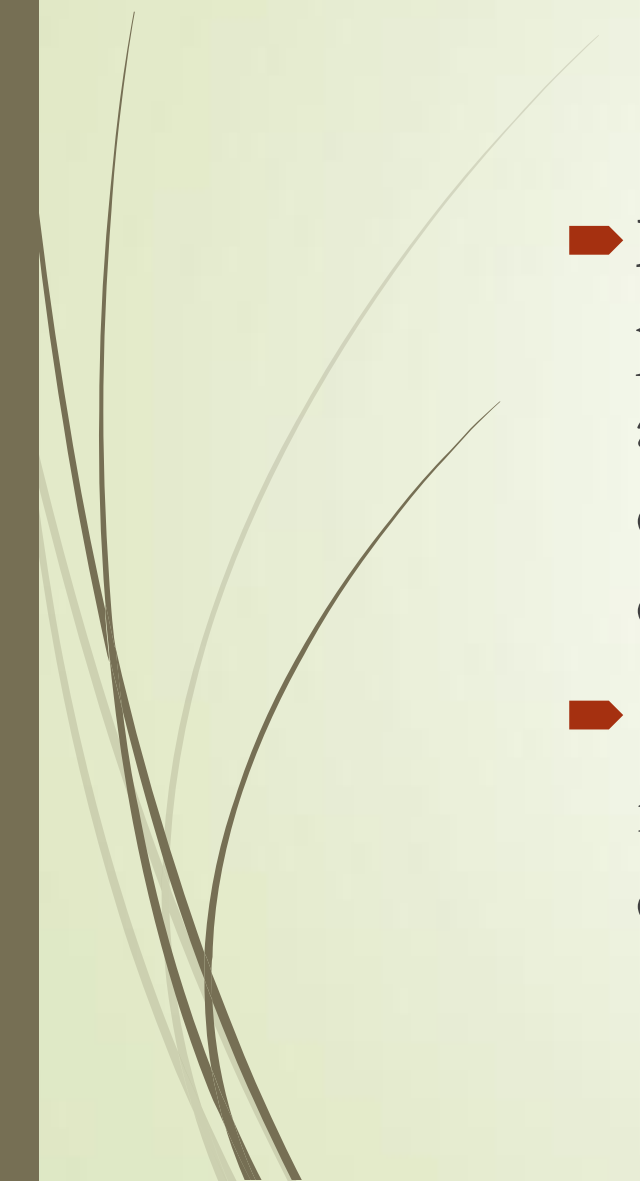
PMI's Framework

- This standard describes the nature of project management processes in terms of the integration between the processes, their interactions, and the purposes they serve.

- For this standard, it is assumed that the project, the project manager and the project team are assigned to the performing organization.

- Project management processes are grouped into five categories known as Project Management Process Groups (or Process Groups)

Project Management Process Groups (or Process Groups)

- **Initiating Process Group.** Those processes performed to define a new project or a new phase of an existing project by obtaining authorization to start the project or phase.

- **Planning Process Group.** Those processes required to establish the scope of the project, refine the objectives, and define the course of action required to attain the objectives that the project was undertake to achieve.

- **Executing Process Group.** Those processes performed to complete the work defined in the project management plan to satisfy the project specifications.

- **Monitoring and Controlling Process Group.** Those processes required to track, review, and regulate the progress and performance of the project; identify any areas in which changes to the plan are required; and initiate the corresponding changes.

- **closing Process Group.** Those processes performed to finalize all activities across all Process Groups to formally close the project or phase.
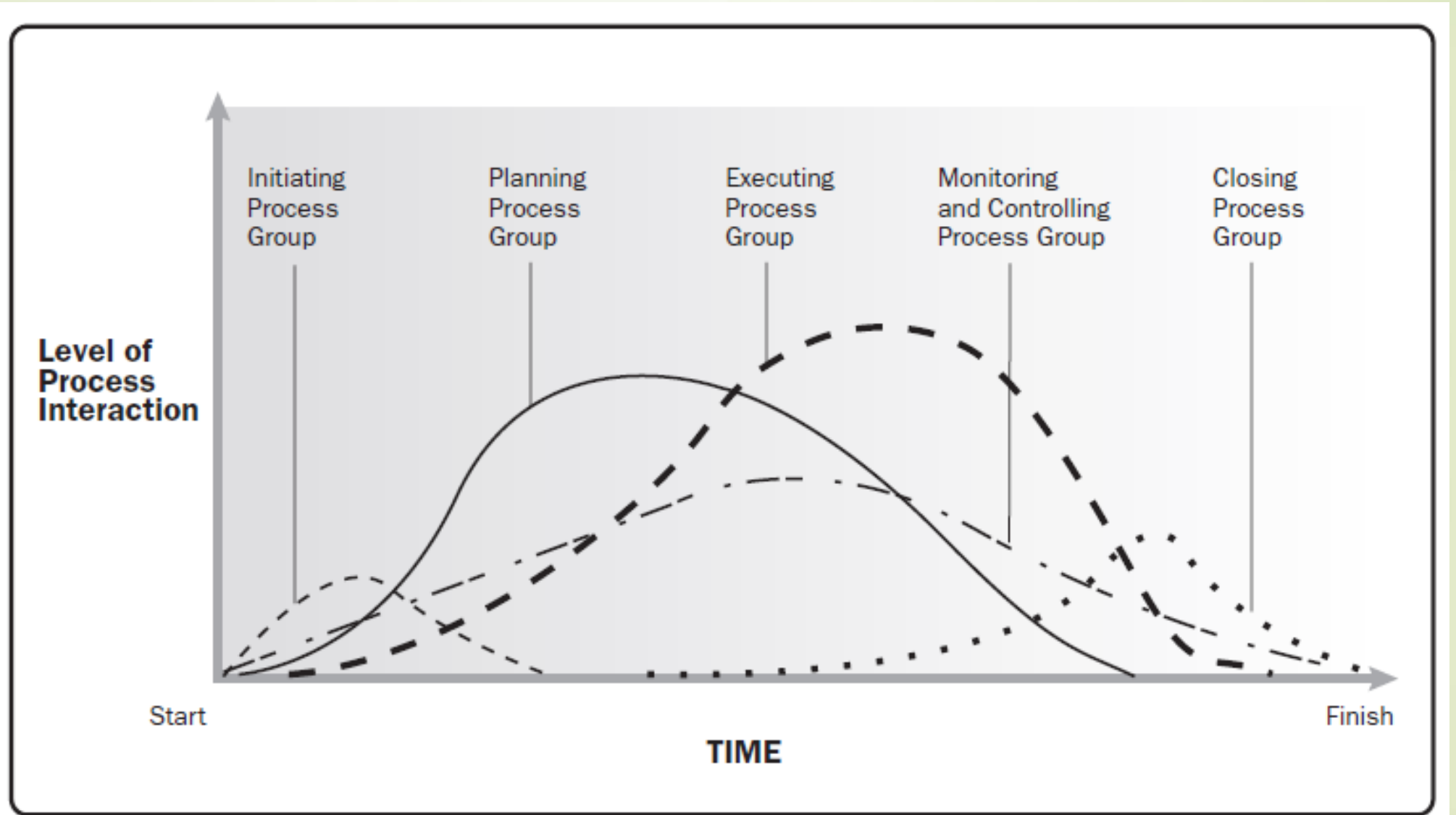
Figure A1-1. Process Group Interactions in a Project

For the detail please visit:

ANNEX A1 - THE STANDARD FOR PROJECT MANAGEMENT OF A PROJECT

- Best of Luck!!!

- If you have any question please write me at: ppaudyal@nta.gov.np or ppaudyal1@gmail.com