wbs
WARWICK BUSINESS SCHOOL
THE UNIVERSITY OF WARWICK

For the Change Makers

Dr Anna Michalska

Associate Professor (Teaching Focused)
Anna.Michalska@wbs.ac.uk

Lecture 2:
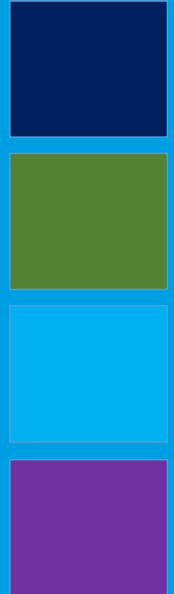Stakeholder Analysis &
People Issues of Change

Week 2 Learning outcomes

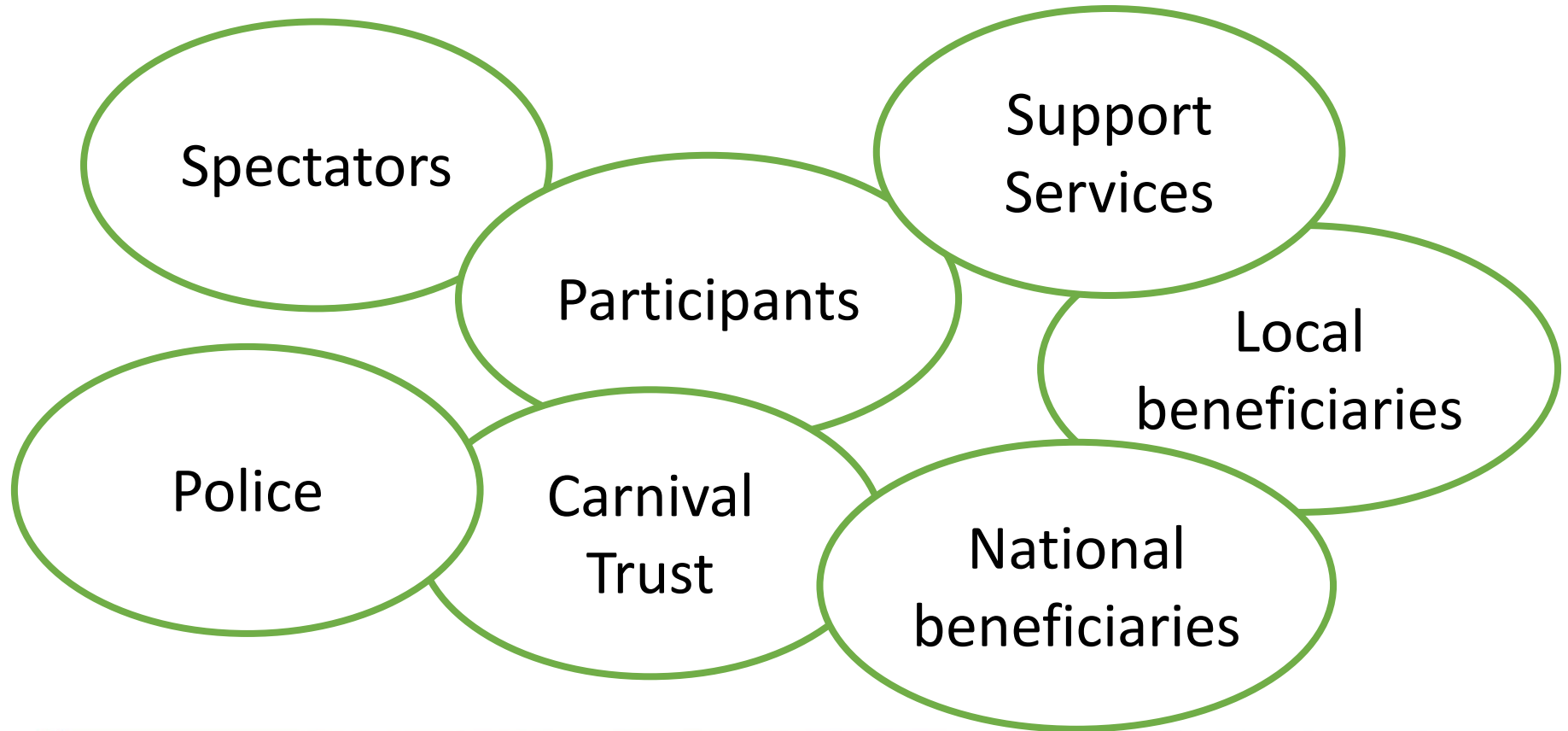Identify and classify project stakeholders

Define strategies for interacting with stakeholders

Review the people issues of a project in a structured way

Develop solutions for problems relating to people involved in a project

Case Study & Quiz: Notting Hill Carnival

- Spectators
- Support Services
- Participants
- Local beneficiaries
- Police
- Carnival Trust
- National beneficiaries

Who are stakeholders?

"Individuals and groups
with an interest in
the project process or outcome"

(Maylor 2010:28)

Stakeholder Analysis & Management

"Stakeholder management is
the systematic **identification**, **analysis**,
planning and implementation of
actions designed to **engage** with stakeholders."

(APM 2012:116)

Where are the stakeholders?

Internal:

Company director

Project manager

Project employees

(Customer)

External:

Customer

Shareholders

Community

Society

What is stakeholder analysis?

identify,

prioritize

It's a **method** that helps us …

and

understand

our stakeholders.

What do we analyse?

Skills

Experience

Knowledge base

Participation preferences

Working style

Expectations

Where/how can we analyse?

CVs, LinkedIn profiles

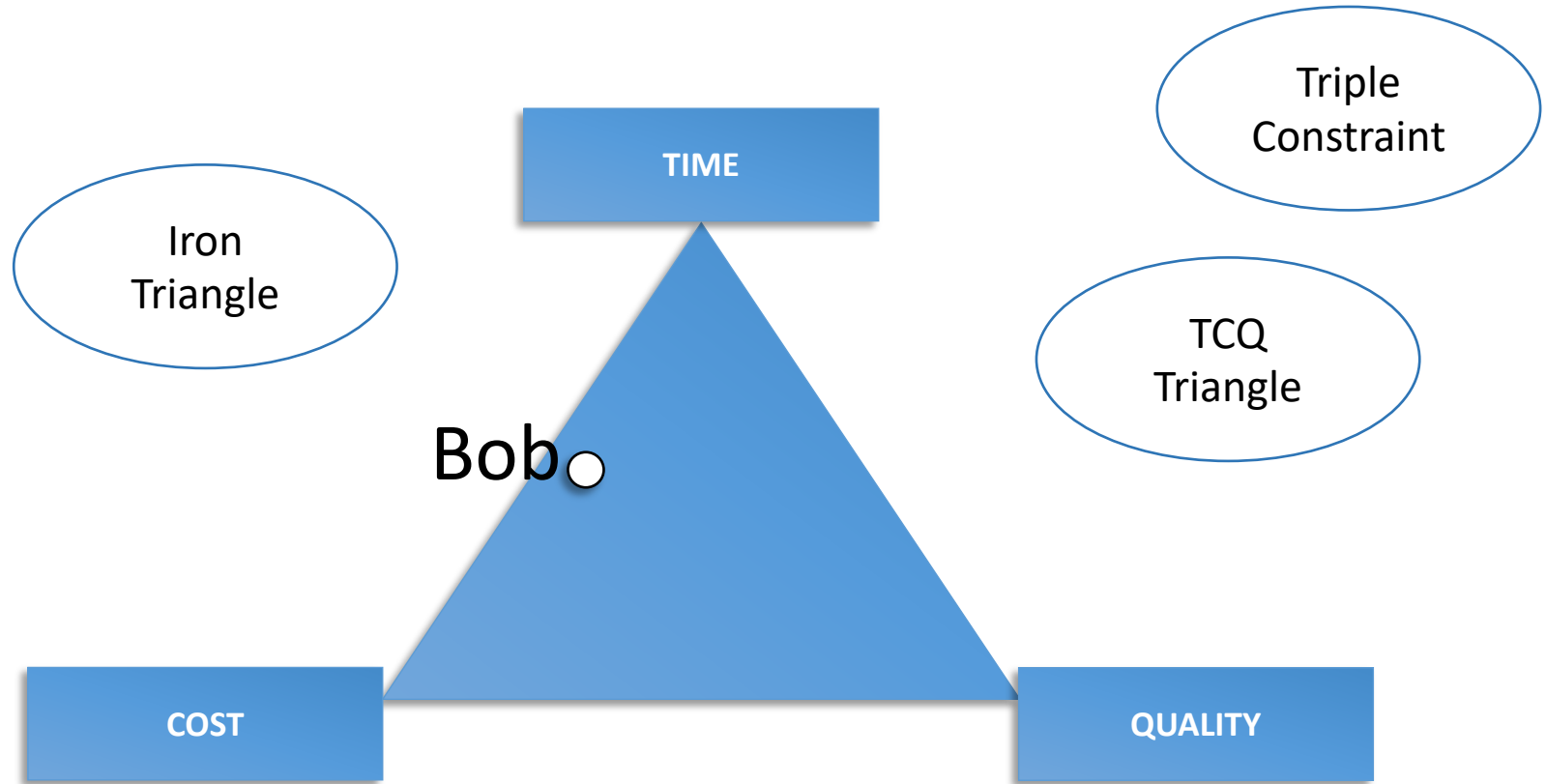Contracts

Regulations

Myers Briggs, Belbin

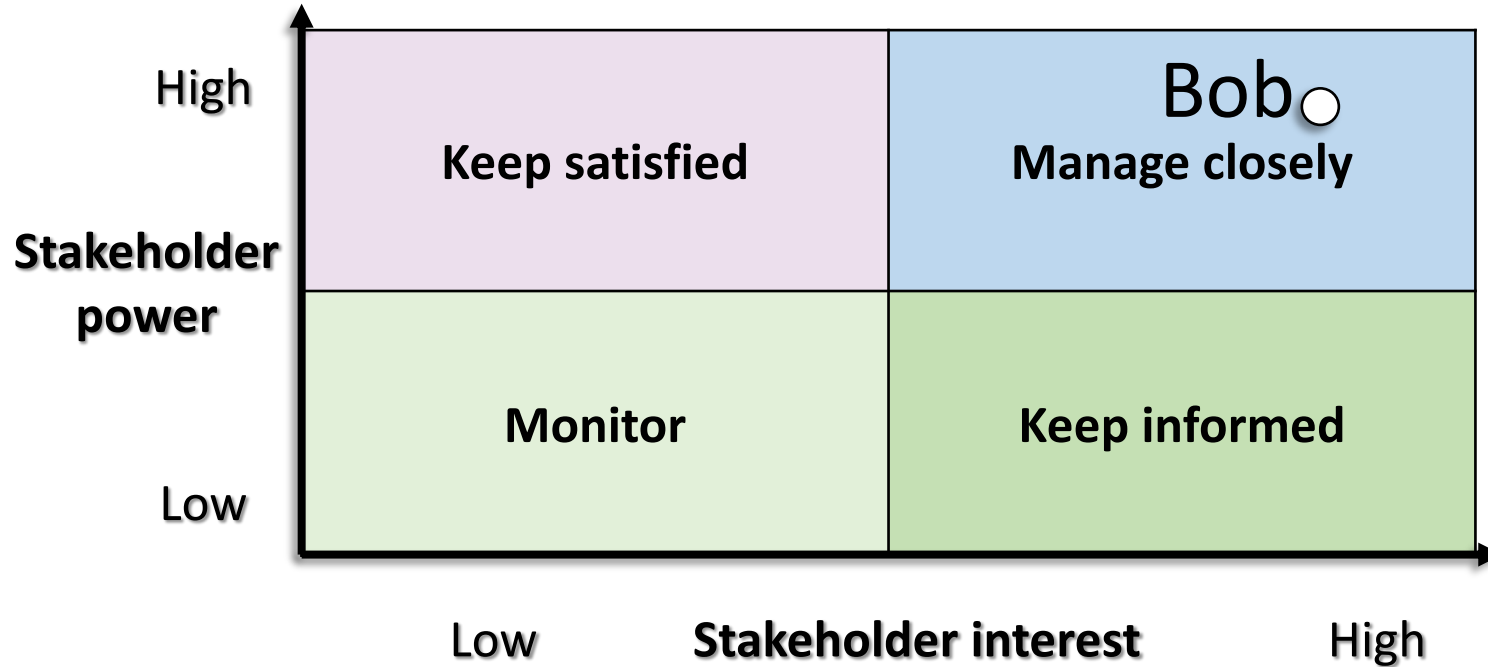Objectives Triangle
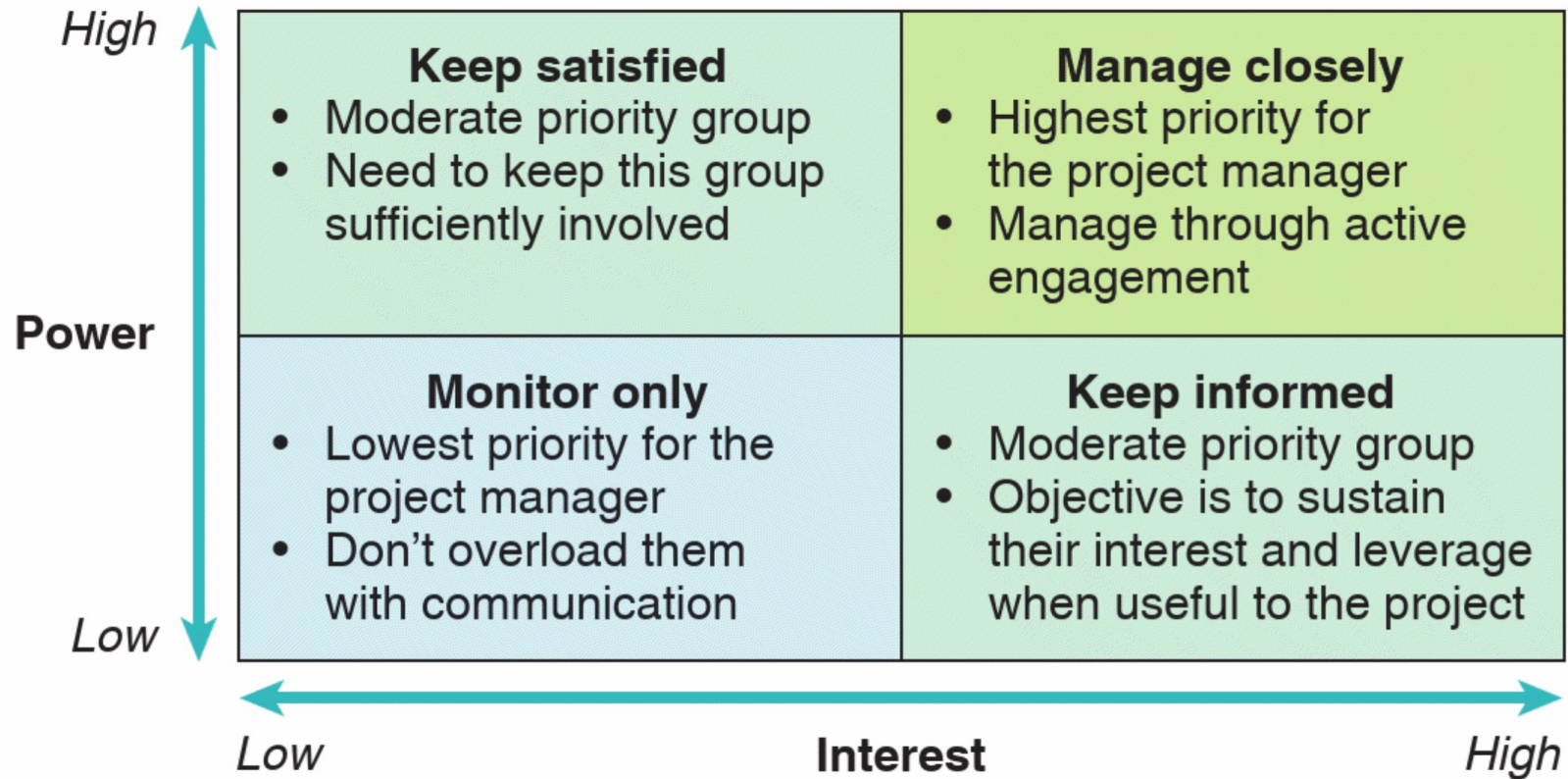
Power-Interest Grid

Socio-dynamic Energy Grid

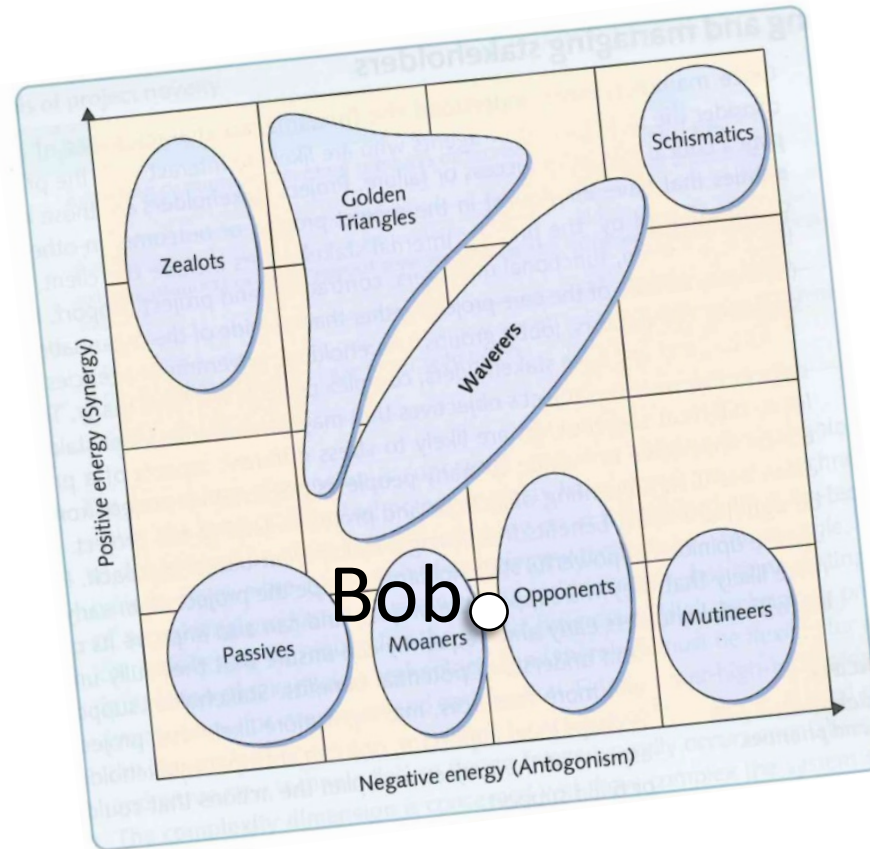# Using Objectives Triangle to analyse Stakeholders

(Maylor 2010:84-85)

Power-Interest Grid

Socio-dynamic Energy Grid

(Fauvet in Slack et al. 2015:518)

Socio-dynamic Energy Grid

Golden Triangles – very positive, but also have critical perspective

Zealots – very positive, always agree with PM, don't understand others' doubts, struggle with compromise

Schismatics – very positive and very negative, can be very disruptive and challenging

Waverers – balance of positive and negative, but can waste time while unable to make a decision

Passives – neither positive nor negative, but like to know what's happening and to be involved in decisions

Moaners – more negative than positive and make people know their opinions

Opponents – very negative and work to project failure, very difficult to change their opinions

Mutineers – very negative and very actively disruptive, may try to lead

How can we manage stakeholders?

- Be aware of stakeholders' differences
- Involve stakeholders in the project design process
- Share your 'well-thought through' project plan (including roles and responsibilities, e.g. **RACI Matrix**)
- Share and negotiate your **communication plan**
- Work contingencies into your project plan to cope with the realities of stakeholder engagement (part of risk management)
- Be transparent!

RACI Matrix

R- Responsible

A - Accountable

C - Consulted

I - Informed

Responsible	Accountable
"The person who performs the activity and is therefore responsible for the action"	"The person who has the power of veto and who carries the can if all goes wrong."
Consulted	**Informed**
"Must always be consulted BEFORE a decision or action is taken"	"Must always be informed AFTER a decision or action has been taken"

Step	Project Initiation	Project Executive	Project Manager	Business Analyst	Technical Architect	Application Developers
1	Task 1	C	A/R	C	I	I
2	Task 2	A	I	R	C	I
3	Task 3	A	I	R	C	I
4	Task 4	C	A	I	R	I

Remember: There should be only one person accountable for the task

Management/Communication Plan

Example:

Stakeholder	Interests / Concerns	Engagement Strategy	Management Method	Communication channel and frequency
Project Sponsor	- Project goals and success - To stay on time and on budget; no surprises	Manage Closely	Provide regular updates	Phone call updates for milestones; weekly email summaries

What is change?

"an act or process through which something becomes different"

(Oxford Dictionaries 2016)

Projects "usually involve change".

(Maylor 2010:6)

What are change-related issues?

Change…

- "Impacts (the) people delivering
- Impacts people and organisations being delivered to"

(Maylor 2010:7)

What are change-related issues?

Projects "are not machines
but are groups of people
carrying out a (hopefully linked) set of tasks …
a project is a **social construction**"

(Maylor 2010:6)

Why do people resist change?

Rational factors

Non-rational factors

Political factors

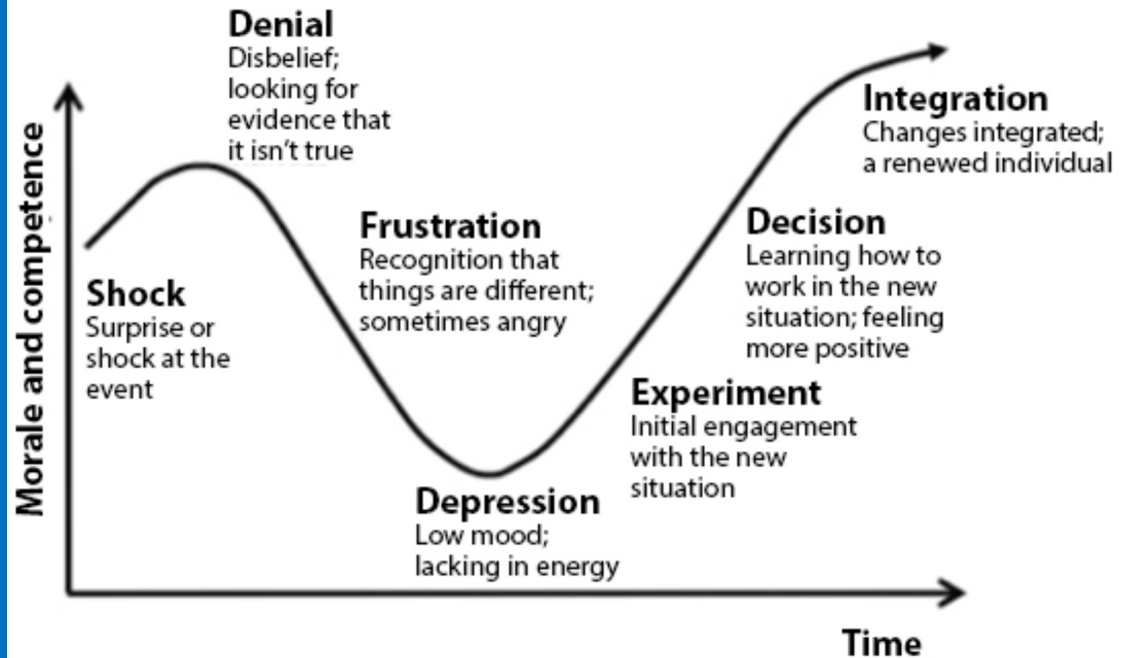Management factors

(Wadell & Sohal 1998)

How can we manage people through change?

Elrod II, P. D. & D. D. Tippett (2002) 'The "death valley" of change' *Journal of Organizational Change Management* 15(3):273-291

The Kübler-Ross change curve

Morale and competence / Time

Shock Surprise or shock at the event

Denial Disbelief; looking for evidence that it isn't true

Frustration Recognition that things are different; sometimes angry

Depression Low mood; lacking in energy

Experiment Initial engagement with the new situation

Decision Learning how to work in the new situation; feeling more positive

Integration Changes integrated; a renewed individual

How can we manage people through change?

- Build resilience into your 'team' of stakeholders
    - Communicate
    - Motivate
    - Support
- Give people ownership of the change
- Break the change down into smaller more achievable chunks
- Be transparent!

What do we need to do before the seminar?

Imagine that you are responsible for making a music video…

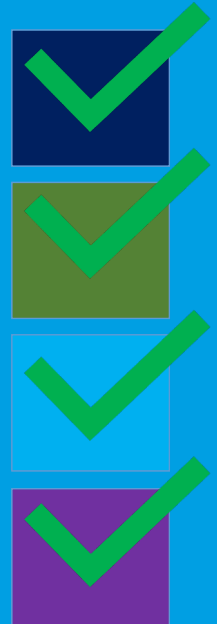and remember to bring your laptop/tablet

Week 2 Learning outcomes

Identify and classify project stakeholders

Define strategies for interacting with stakeholders

Review the people issues of a project in a structured way

Develop solutions for problems relating to people involved in a project

Warwick Business School

References and further reading

Elrod II, P. D. & D. D. Tippett (2002) 'The "death valley" of change' *Journal of Organizational Change Management* 15(3):273-291

Maylor, H. (2010) *Project Management (4th ed.)* Harlow: Pearson

Slack, N. et al. (2016) 'Prioritizing and managing stakeholders' in *Operations Management (8th ed.)* Harlow: Pearson

Wadell, D. & A. S. Sohal (1998) 'Resistance: a constructive tool for change management' *Management Decision* 36(8):543-548