14 Stakeholders

Introduction

A student came into a class at RMC after having failed the exam. When talking with the student, Rita learned that he always worked with the same four people; his role was to simply tell them what to do. On many of his projects he was both a project manager and subject matter expert.

For the exam you should assume your role is solely that of project manager, and you have a team who does the product development work. You are a leader on the project but you work collaboratively with other team members who manage how to do their own assigned work.

Rita discovered that this student had only applied his own limited experience when he had studied for the exam. As a result, he failed to understand more broadly project management best practices. As a result, he was unable to tailor those practices to the wide variety of scenarios he encountered on the exam.

As you read this and all chapters of this book, keep trying to increase your understanding of the practices presented so you can tailor them to any scenario. This will help you both in your career and on the exam.

Definitions Related to Stakeholder Engagement

The Cost of Change

The most critical reason for diligence in our stakeholder engagement efforts is that the closer we work with the customer on the product design and development, the fewer costly changes will come later. This means diligence in making sure we have identified all the stakeholders and begun to engage with them as early on the project as possible, and then work with them continually so there are no costly surprises down the road. The goal is always to fulfill project requirements and achieve customer satisfaction.

FIGURE 14.1 *Cost of change and influence on a design*

Why is it important to understand the importance of good, stable relationships with stakeholders?

Early and consistent communication with stakeholders is critical because the cost of change rises over time, while the ability to influence a design falls. Changes made later in the project (when the product has already been gradually built) are harder to add than those made earlier on the project.
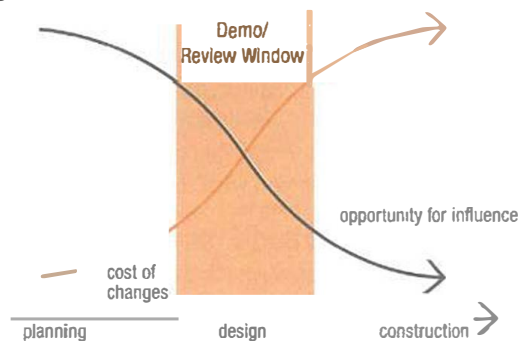
This is illustrated in figure 14.1.

Stakeholder

A project stakeholder is one who is positively or negatively affected by or can positively or negatively affect the project or the product of the project.

Planning, leading, and continuously evaluating stakeholder engagement will have an impact on your understanding of project management and your ability to pass the exam. Review this chapter's Quicktest before you continue. Note which topics you are less familiar with and spend more time studying them. In this chapter, we discuss the stakeholder engagement process. We also cover methods and artifacts most often seen on the exam related to stakeholder engagement, from both plan-based and agile perspectives.

Think About It. Imagine you're assigned as the project manager for a new project. Your department director gives you a charter and scope of work and tells you to get started. As the project manager, what do you do next?

Often on the exam you will be asked what the project manager should do *next*. As you read the previous question, did you think that you should get started on the scope of work? Can the project manager accept a charter and scope of work without understanding the stakeholders and their requirements?

Once the project manager has a signed charter (authorizing the project) and scope of work, the next steps for the project manager are to:

- **Identify** all stakeholders
- Analyze their **power**, **interest**, and **level of engagement**
- Elicit their **requirements** and **expectations**

- Develop **strategies** and **tactics** for stakeholder engagement
- **Evaluate** and **incorporate** stakeholder requirements as known into the project's scope

Engaging stakeholders and reassessing stakeholder engagement strategies and tactics should take place throughout the life of the project. The project manager and the team need to build and maintain relationships with stakeholders and make sure they are continuously involved in the project at the level necessary to make it a success. The project manager routinely looks for additional stakeholders that are new or have been missed, assesses whether the strategy is producing the needed results, and change strategies and tactics as necessary.

Agile approaches include a member of the team as a key stakeholder, most often called the product owner. One of their main roles is to prioritize and maintain the backlog. It is also common to have frequent demos for stakeholders of small portions of working product while it is still evolving. Predictive approaches typically, in contrast, have stakeholders review more fully developed interim deliverables or work packages.

Agile Focus

Stakeholder Engagement Overview

The Stakeholder Engagement process, regardless of the project's approach and life cycle, requires a good understanding of the interpersonal and team skills that are covered in the People domain section of this book. Be sure to understand everything about the People domain before you read this chapter. People domain skills will help you to not only get those questions right on the exam, but will also help you with the stakeholder engagement process skills covered in this chapter.

The *Examination Content Outline* and Process Groups Model

The following illustrates that *Examination Content Outline* (ECO) tasks 4, 9, 10, and 13 in domain I, and task 4 in domain II can map directly to the stakeholder management process in the Process Groups model. Take time now with the ECO to think this through.

Domain I	Process Groups Model Stakeholder Management		PMBOK® Guide
Task 4 Empower team members and stakeholders	Identify Stakeholders	Initiating	**Domain 2.1** Stakeholder
Task 9 Collaborate with stakeholders	Plan Stakeholder Engagement	Planning	**Domain 2.4** Planning
Task 10 Build shared understanding	Manage Stakeholder Engagement	Executing	**Domain 2.7** Measurement
Task 13 Mentor relevant stakeholders	Monitor Stakeholder Engagement	Monitoring & Controlling	**Domain 2.8** Uncertainty
Domain II			
Task 4 Engage stakeholders			

Think About It. As you study this remember that stakeholder engagement doesn't only relate to the ECO tasks listed in the previous table. Can you see how other People domain ECO tasks lend support to these tasks? You would not successfully Engage Stakeholders (domain II, task 4), for example, if you can't apply all or most of the skills in domain I (People).

Examples Manage Conflict (task 1) supports Build Shared Understanding (task 10). Engage & Support Virtual Teams (task 11) aids Empower Team Members and Stakeholders (task 4).

Figure 14.2 shows the Stakeholder Engagement process from the Process Groups model perspective. Some activities related to this process fall within the communications area because communications is so closely related to stakeholder engagement.
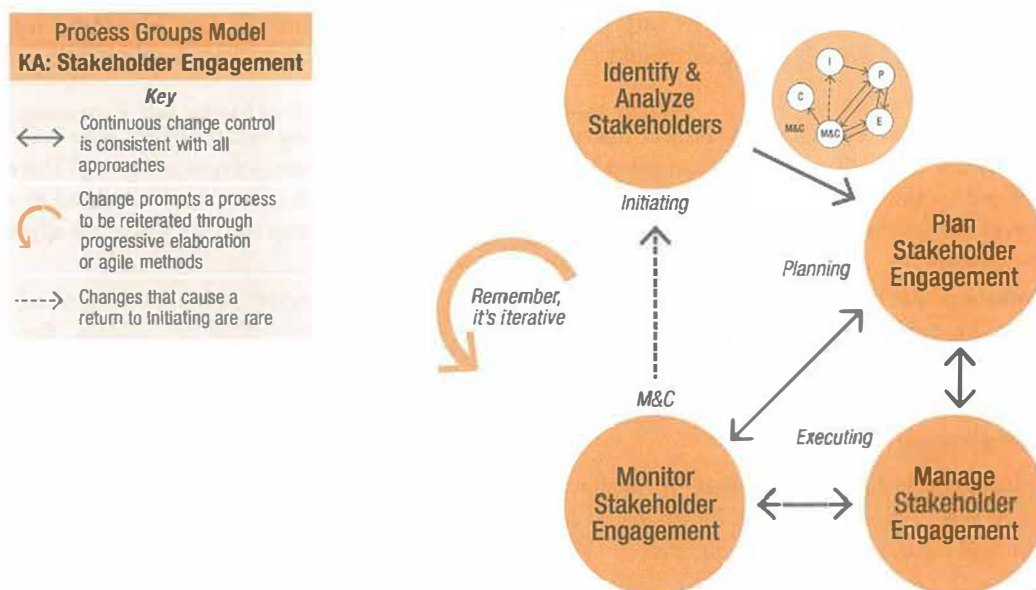

FIGURE 14.2 *Stakeholder engagement process*

Using the Process Groups model as a starting point, you can see that the stakeholder engagement process consists of four sub-processes: Identify Stakeholders (which includes stakeholder analysis), Plan Stakeholder Engagement, Manage Stakeholder Engagement, and Monitor Stakeholder Engagement.

The stakeholder engagement process can be summarized as follows:

- **Identify all stakeholders** Do this as early as possible. The later stakeholders are discovered, the greater is the cost of the changes their new requirements involve. Determine requirements, expectations, interest, influence, level of authority, and values.

  ✓ **Requirements** Obtain as many requirements as possible before work begins. The level of detail may differ at different stages depending on the project life cycle either because of progressive elaboration or development approach. Do you try to do this on your real-world projects?

  On a plan-based project the project manager tries to capture all project requirements as early in planning as possible. On an agile project only high-level requirements are captured up front and detailed requirements are gathered for each product feature as the iteration is planned.

  ✓ **Expectations** What are expectations? They are mental pictures of the future. They include what stakeholders *think* will happen to them, their department, and the company as a result of the project, and what they want from the project that has not been articulated or made into requirements.

Why not prevent as many issues as possible by walking stakeholders through what will occur and asking them what they expect? Evaluate these expectations, clarify some of them to foster a common understanding, and convert others to defined requirements.

✓ **Interest** This means concern about the project. Determine the level of interest for each stakeholder. Are they likely to be engaged? How much of their attention and support do you need, and when do you need it?

✓ **Level of influence** Each stakeholder will be able to impact a project negatively or positively to some degree. Identify and manage the level of influence for each stakeholder, even if informally.

✓ **Level of authority** Each stakeholder's level of authority (or ability to enforce decisions) will impact their effect on the work and outcome of the project.

✓ **Values** Do project priorities align with the stakeholders' standards that are also authorized within the project charter? Project managers should not plan or initiate work that the stakeholders do not support or value.

- **Plan Stakeholder Engagement** Project management focuses on planning before doing. How will you engage stakeholders? How will you keep them involved in the project and include them in decision making? This engagement is tailored to the project and development approach. Communication is critical and is related to stakeholder engagement. Careful communication planning and implementation helps keep stakeholders at the appropriate level of engagement.

  ✓ **Communicate and engage** Cultivate relationships with stakeholders and keep them well informed. Involve them in project presentations and information exchanges, including progress reports, the project management plan, and other artifact updates, as appropriate.

  ✓ **Manage expectations, influence, and engagement** Work with stakeholders and manage relationships throughout the life of the project.

- **Monitor Stakeholder Engagement** Throughout the project, determine if and where communications are breaking down, where engagement tactics and strategies are not working as needed, and adjust the approach as required to ensure that engagement is at the right level.

TRICKS OF THE TRADE® A key to your success as a project leader is how you handle stakeholder relationships. Stakeholder involvement must be appropriately influenced by the project manager. That involvement may range from minor to extensive depending on the needs of the project, the team, the stakeholders, and the organization.

Now we'll look more closely at each of these processes.

Desired Outcomes from Successful Stakeholder Engagement

Assume for the exam that stakeholder engagement is properly planned and managed unless information in an exam question indicates otherwise. This means that the following outcomes should be expected as a result of successful stakeholder engagement:
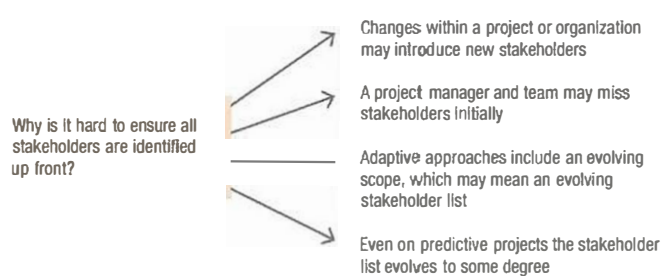
- The project manager is able to establish and maintain a common understanding of the project, its objectives, constraints, and how they all are interacting to deliver the desired value the stakeholders will have from project deliverables.
- The project manager and team have good working relationships with the other project stakeholders, and the stakeholders are engaged at the desired level so as to help facilitate desired outcomes.
- The project manager knows what to do to adjust stakeholder engagement to desired levels as changes are needed because they have analyzed and planned for each stakeholder or stakeholder group's needs.
- Stakeholders who do not support the project will not affect it or its outcomes adversely because the project manager communicates with them as needed to help them accept the project and its outcomes.
- The project manager achieves customer satisfaction with the key stakeholders who will be the beneficiaries of the product of the project. This is achieved through good working relationships, appropriate levels of communication and expectation management.

Stakeholder Identification (and Analysis)

The first stakeholders are likely those who identify the problem or need. They may have been involved in developing business documents for the project. The business case and benefits management plan, created before project initiating, may include lists of stakeholders who will benefit from or be affected by the project. Other sources to identify stakeholders include contracts, agreements, and the project charter.

Remember that any stakeholders who are missed will likely be found later, and their new requirements could cause costly changes and delays or loss of benefits and value. Project managers need to help create a project that considers all the interests, influences, and interdependencies of all stakeholders as early as possible.

At the same time, this is hard to do perfectly. Why do you think that is?

Why is it hard to ensure all stakeholders are identified up front?
- Changes within a project or organization may introduce new stakeholders
- A project manager and team may miss stakeholders initially
- Adaptive approaches include an evolving scope, which may mean an evolving stakeholder list
- Even on predictive projects the stakeholder list evolves to some degree

Throughout the project the project manager reassesses the stakeholder register and revisits the engagement strategy for existing stakeholders to determine whether new ones should be added and, if so, what that means for the project.

TRICKS OF THE TRADE™ Many project managers fail to consider the broad range of potential stakeholders.

Who might this diverse group include?
- Sponsor, team, product owner, senior management
- Subject matter experts, customers, product end users
- Other departments or groups within the organization; functional or operational managers
- Sellers, consultants, regulatory agencies, financial firms
- Government agencies
- If the project includes procurement, parties to contract(s)

As agile practitioners know, this is a team process so be sure you are collaborating with the team on stakeholder identification and analysis. Also consult other stakeholders: subject matter experts, project managers in the organization who have worked on similar projects, and professional associations. Any stakeholder may suggest other stakeholders to add to the list.

A Agile Focus

Methods for Stakeholder Identification and Analysis

Following are the methods for stakeholder identification and analysis that could appear on the exam. Remember this process includes a complete stakeholder analysis.

Surveys, Interviews, and Focus Groups

These tools provide different ways to exchange information with team members and other stakeholders. They can be used to identify other potential stakeholders and provide input about management of different types of stakeholders or stakeholder groups.

355

Brainstorming

This method of shared idea generation can help identify stakeholders.

Individual Stakeholder Analysis

Every stakeholder has expectations and attitudes toward the project that need to be uncovered. How interested are they in the project, and what is at stake for them? Examples of stakes include the following:

- **Ownership** The stakeholder may have to sell property for a proposed freeway expansion.
- **Knowledge** The stakeholder may be the expert who designed a legacy inventory management system that is being upgraded or replaced.
- **Rights** The stakeholder may be concerned that a new housing development will endanger the community by destroying the watershed.
- **Rights** A government official may be responsible for ensuring that the safety practices on a construction site comply with state and federal laws.
- **Interest** The community may be concerned that additional traffic will come into their residential neighborhood if a new commuter rail stop does not have adequate parking.
- **Contribution** The resource manager may be concerned that resource team members assigned to the project will not be able to complete their normal operational work with the addition of project work.

Document Analysis

This technique assesses current and historical project documents, like lessons learned and other information from past projects (organizational process assets). The analysis can help the project manager identify stakeholders and their stakes in the project.

Stakeholder Mapping

This is a data representation method that maps stakeholder attributes into categories. Project managers use this method to analyze and plan how the project team will prioritize efforts to build relationships and engage stakeholders on the project.

Stakeholder mapping examples include the power/interest grid, stakeholder cube, and salience model. Stakeholders can also be grouped by directions of influence (upward, downward, outward, and sideward).

Power/Interest Grid This grid, shown in figure 14.3, is used to group stakeholders based on their level of power over the project and its outcomes relative to their interest in the project. It can inform the project manager about how to engage with a stakeholder based on these attributes.

Variations of this tool emphasize other stakeholder attributes, such as power/influence or impact/influence.

Stakeholder Cube This three-dimensional model is used to represent dimensions or aspects of a stakeholder group. An example is shown in figure 14.4.

Salience Model This model is used to group stakeholders based on the appropriateness of their involvement (Legitimacy), their authority or ability to influence outcomes (Power), and their need for immediate attention (Urgency). An example of this model is shown in figure 14.5.
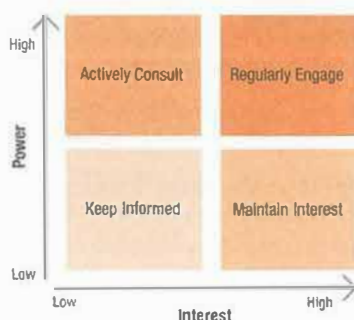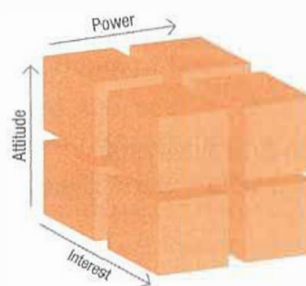

FIGURE 14.3   *Power/Interest grid*

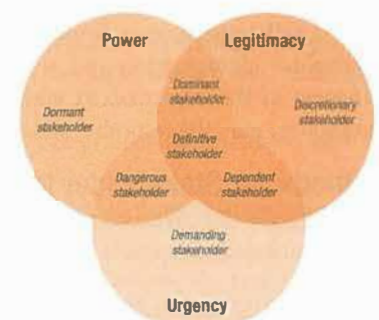

FIGURE 14.4   *Stakeholder cube*

FIGURE 14.5   *Salience model*

Personas

A persona is a concise description of a real or imagined stakeholder model. Figure 14.6 is a sample persona for the new library building project. Personas are created for agile projects to better imagine how each type of stakeholder will use the end product. A persona may be based on a real person or a combination of characteristics from several types of product users.

Agile Focus

When personas are used as a product design method, they should:

- Anchor team understanding in real types of people who will use the product
- Provide focus for design and creation of specific and relevant product features
- Help make team members aware of design choice implications for product users

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Jemelia Job Seeker

Description

- Looking for new job after completing bachelor's degree in nursing
- Working as a home health aide
- Does not have a computer for finding jobs
- Needs access to job resources at odd hours during time off

Values

- Free access to computer with easy apps
- Free internet access
- Easy instructions on the application process and how to access job boards

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FIGURE 14.6 *Sample persona*

Look again at the card describing Jemelia Job Seeker as a persona. The goal is to make the best decisions regarding the creation of the product's features and functions. By seeing through the eyes of a particular persona, it's easier to imagine what the represented stakeholder group needs from the product. For example, the team can ask about a particular feature they are designing: What would Jemelia want from this feature?

Artifacts of Stakeholder Identification and Analysis

The Identify Stakeholders process results in a stakeholder register (and/or personas if it is an agile project), change requests, and updates to the project management plan and project documents such as the:

- Assumption log
- Issue log
- Risk register
- Personas (an agile method)

Stakeholder Register

Information about stakeholders is compiled in the stakeholder register, a key output of the Identify Stakeholders process. The stakeholder register (figure 14.7) may include each stakeholder's detailed information. This register may include:

- Name & title
- Supervisor
- Project role
- Contact information
- Major requirements and expectations
- Assessment information, impact, and influence
- Attitude (regarding the project)
- Stakeholder classification (grouped by similar attributes)
- ...other relevant information

FIGURE 14.7 *Sample stakeholder register*

The stakeholder register is an important input to the Plan Stakeholder Engagement process as well as to several other planning processes, including Plan Communications Management. Remember that the stakeholder register will be updated throughout the project.

Plan Stakeholder Engagement

Stakeholders can be an asset or a problem, and this process is about establishing and documenting the optimal engagement level for each stakeholder (or stakeholder group). The project manager also needs to establish when each stakeholders' engagement is needed, based on the stakeholder identification and analysis already done, and when engagement levels and strategies should be reassessed for each stakeholder or group.

TRICKS OF THE TRADE® On the exam, assume there is a plan in place about how the project manager, the team, and the project outcomes will impact stakeholders, interact with them, manage their expectations, involve them in decision-making, and keep them satisfied to ensure they are an asset.

Knowing stakeholders well leads to better confidence and success for the project manager and the team. Requirements will be delivered and, because all expectations have been managed (even those that do not rise to the level of being a requirement), customer satisfaction will be achieved.

As a project manager, the closer you are to stakeholders, the more comfortable they will be to come to you with their concerns, and the easier it will be for you to pick up on nonverbal cues that can tell you something might be wrong. This can be an early warning system for problems on your project. But you may wonder how you build positive and powerful relationships with your stakeholders. The same way you have built them with your friends and family: By spending time getting to know them and allowing them to know you. Draw on your experience with your family, friends, coworkers, and others. You'll be better able to determine your stakeholders' needs, concerns, values, and expectations.

Make sure you are comfortable with these concepts in a project management context so they will be easy to bring to mind when reading exam questions. Take a few minutes to think about the characteristics of a good relationship. You may think of different or additional qualities, but here are a few you want to nurture in your relationships:

- Trust
- Honesty
- Interest
- Sincerity

- Respect
- Concern
- Empathy
- Good communication

As you plan stakeholder engagement, you will need to:
- Use your experience on other projects
- Get the details of what has already been planned or documented including:
  - ✓ Information from the stakeholder register
  - ✓ Resource and communications management information and plans
  - ✓ Relevant information from past, similar projects (historical records)
- Consider how much and what type of engagement you need from different stakeholders during each project stage. Talk to them so they can contribute ideas that will help them stay engaged as needed.
  Example You require some stakeholders to be more involved during planning, while others will have a more prominent role during executing.
- Meet with your key stakeholders as soon as possible to initiate these important relationships.
- Think about each stakeholder's role, the environment in which they operate, and the specific needs of your project.

- Think about each stakeholder's attitude and interest in the project.
- Determine which stakeholders will require most of your time and effort.
- For stakeholders you don't know very well, talk to another project manager or team member who has worked with them in the past.
- Make sure stakeholders understand how important it is for the project to meet their needs, and encourage them to communicate frequently as the planning and project work proceed.
- Meet with professional organizations, consultants, and subject matter experts to hear insights on working with various stakeholders and stakeholder groups.
- If there are any procurements in place, coordinate with the procurement department to plan efforts related to parties of the contract.
- Plan review meetings to get feedback on progress.
- Decide how adjustments to engagement levels will be achieved, based on current knowledge of the project and its stakeholders.
- Plan for how and with what frequency you will identify and analyze variances between current and desired levels of engagement. Work with the team to identify ways to achieve the right engagement levels.

TRICKS OF THE TRADE Not every stakeholder will be as engaged in the project as you need, and some might be more engaged than you would wish. Stakeholder engagement can range from unaware of or resistant to the project to neutral to supportive or even interested in taking a leading role on the project.

14.1 Exercise

Let's consider an example. Imagine you are managing a project to replace the online employee application process for your company. Your sponsor wants to streamline the process and encourage candidates with advanced technical experience to apply for jobs. Here is a preliminary stakeholder list.

Stakeholders	Key Stakeholders (With whom you'll spend the most time)
Sponsor: HR director	Sponsor
Potential candidates (possibly millions!)	Hiring managers
Hiring managers within the company	

Is anyone missing from the key stakeholder list? Write it down before reading on.

Answer

You will want to receive frequent feedback from key stakeholders about how the design meets their requirements and expectations. If you haven't done so already, add to that list a few newly hired employees who could help the team understand problems with the existing application process, as well as website administrators and human resource administrators (and there may be more!).

Methods for Stakeholder Engagement Planning

As the project manager you will need to choose tools to plan stakeholder engagement that are appropriate for the project. The following is not an exhaustive list but is a good representation of what is needed.

Stakeholder Engagement Assessment Chart

This is a data representation tool (and an artifact) used to compare stakeholders' current and desired level of engagement. The stakeholder engagement plan documents what action will be taken to achieve optimal engagement. This chart (figure 14.8) is used for establishing strategies and tactics for ongoing stakeholder engagement. It is also used in the monitoring process.

FIGURE 14.8   *Stakeholder engagement assessment chart*

Assumptions and Constraints

Analysis evaluating assumptions about stakeholders' attitudes toward the project enables the team to determine actions needed to adjust levels of engagement to benefit the project. Analysis of project constraints can provide insight into determining strategies to adjust stakeholders' levels of engagement.

Root Cause Analysis

This is a way for the project manager and team to analyze the cause of the current level of stakeholder support and engagement. Doing so will help them determine how best to facilitate a change to bring the stakeholders' engagement to the desired level.

Project Elevator Statement (Product Vision Statement)

These are short descriptions of the project goals and benefits that allow the project manager to explain the project in the span of an elevator ride. Stakeholders could be involved in creating the project elevator statement (also known as "elevator pitch") to help everyone understand the project and convey it to others. Following is a popular format for elevator statements:

For:	Target customers
Who:	Need (opportunity or problem)
The:	Product/service name
Is a:	Product category
That:	Key benefits/reason to buy
Unlike:	Primary competitive alternative(s)
We:	Primary differentiation

EXAMPLE:

For people **who** want to stream video content **the** Viking Ultimate service **is a** streaming service **that** is faster, cheaper, and better, **unlike** ABC services **we** have no lengthy contracts.

TRICKS OF THE TRADE® On the exam, "elevator statement" or "elevator pitch" will likely signal the question is about an agile (or agile portion of a hybrid) project, influencing your answer. However, look for other clues to ensure this is a correct assumption. The "elevator statement" or "elevator pitch" is a common business concept that dates back to long before agile and is used in many contexts, including traditional project management. On agile projects this may also be called a Product Vision Statement.

14.2 Exercise

If you've never planned stakeholder engagement, it can be difficult to imagine how you would go about doing this on an individual stakeholder (or group) level. Think about the various stakeholders involved on a project. The following table describes a few stakeholder descriptions based on collections of attributes that can be identified and analyzed.

In your Exercise Notebook, write down how you would plan to manage the involvement of each of these stakeholders based on the given descriptions. On your projects, you will want to think about this in planning so that as you are working with the processes of managing and monitoring stakeholder engagement you will know what to do.

Stakeholder Description

1. High interest, low influence, shows high expertise on high-risk areas
2. Low interest, the source of major requirements (high influence), not very responsive to communications
3. High interest, high influence, doesn't support the project
4. High interest, high influence, supports the project
5. Moderate interest, high influence because they have identified many potential risks, supports the project
6. Moderate interest, nervous about completing assigned activities

Answer

Listed here are suggestions for how you might plan to manage stakeholder engagement based on the descriptions in the previous table. These are general descriptions and answers, but will help you better understand the work needed for stakeholder engagement planning and management depending on different stakeholder attributes.

Options for planned engagement strategies and tactics based on stakeholder descriptions.

1. Invite the stakeholder to participate in analyzing the risks on the project.
2. They may be overscheduled. Identify ways to elicit requirements as efficiently as possible.
    a. Determine why responsiveness is low. Ask them about how they would like to be involved with the project, and with what communication methods (email, phone calls, meetings, etc.).
    b. Make sure requirements are clearly captured and approved by the stakeholder as accurate.
    c. Send reports to ensure they have the information they need even if you do not get feedback.
3. Use emotional intelligence. Ask the stakeholder what is important to them relative to the project. Ask them how you can gain their support for the project.
4. Involve them in team meetings, report project performance to them, and, as appropriate, include information as the stakeholder requests.
5. Plan to meet with them periodically throughout the project to potentially identify other risks. Keep them informed about the effectiveness of risk efforts; involve them in risk reviews and audits.
6. Plan to find and forward relevant literature to help them, and arrange for training as necessary.

Artifacts of Stakeholder Engagement Planning

The main artifact of Plan Stakeholder Engagement is a stakeholder engagement plan that aids the project manager in the planning, managing, and monitoring of stakeholder engagement.

The Stakeholder Engagement Plan includes:

- Existing and desired engagement levels for all stakeholders, including plans to achieve desired levels.
- Details about ways in which stakeholders will be involved in the project
- Guidelines and metrics for monitoring and evaluating how well the plan is meeting the needs of stakeholders and the project.

Often, less formal stakeholder engagement plans are needed in adaptive environments.

Example Scrum (a specific agile approach) builds frequent stakeholder interactions into the build-and-review cycle. A sprint (iteration) is for building a product increment. Following the sprint, a sprint review involves demonstrating the newly built product increment to the customer. Then, a sprint retrospective includes time set aside for the team to review what went right, what went wrong, and what they could do differently. You can see that frequent stakeholder engagement is built into this approach.

Agile Focus

We use Scrum as an example here but other types of agile teams work similarly to build and review product increments and to then review their processes and ways of working. With an agile approach the product owner participates in all parts of the build-and-review cycle, representing value delivery for the customer. Since a predictive environment has longer time horizons between when deliverables are completed to when they are shown to the customer, a more formal stakeholder management plan is often used.

TRICKS OF THE TRADE. Stakeholder and communications management plans may have similar information about stakeholder and communication requirements. Each plan has a different focus and portions of them are created together. The stakeholder engagement plan explains the importance of which stakeholders need to receive which information. The communications management plan contains details about communications technology and methods—for example to generally state when using email is best versus making a phone call.

TRICKS OF THE TRADE. Be careful about what is documented in a stakeholder register or other related documentation, and with whom you share it. Consider sensitive information learned about attitudes and personalities, or about challenges. It could be damaging for someone to find this type of information. A good leader is encouraging and supportive of everyone, even those who are resistant to supporting the project or spending time working with you. As you discover a stakeholder-related challenge, you may decide not to share it (or not to document it).

Manage Stakeholder Engagement

At this point, the project manager has identified and analyzed the stakeholders and stakeholder groups on the project, and planned for optimal engagement with them. In this process the project manager carries out that plan based on what is known. Throughout the project the project manager will communicate and work with stakeholders to meet their project requirements and manage their expectations—whether or not all their expectations are actual product or project requirements. Although it is associated with the executing process group in the Process Groups model, managing stakeholder engagement is inherent in everything the project manager does on a project.

As the project manager, are you concerned you don't have time to keep up with communications, or encourage stakeholder support while collecting their input and concerns? These efforts actually help you be more efficient by reducing the time spent dealing with problems. When taking the exam assume that these good stakeholder management

Process Groups Model

PG: Executing
Process: Manage Stakeholder Engagement

ECO

Domain I
Task 4 Empower team members & stakeholders
Task 9 Collaborate with stakeholders
Task 10 Build shared understanding

Domain II
Task 4 Engage stakeholders

PMBOK® Guide
Domain 2.1 Stakeholder
Domain 2.6 Delivery Performance
Domain 2.8 Uncertainty

362

practices are followed—unless the question or answer choices indicate otherwise. This work also requires good interpersonal and team skills such as political and cultural awareness, negotiation, and conflict management.

During executing, the project manager:

- Implements the stakeholder engagement plan
- Consults the communications management plan and implements strategies and tactics from there
- Reviews other management plans and project artifacts, such as the:
  - ✓ Stakeholder register
  - ✓ Issue log
  - ✓ Change log
  - ✓ Risk register

Think About it. Hopefully you are thinking holistically as you read this book. For example, the previous list had, "Consults the communications management plan and implements strategies and tactics from there." If you were thinking holistically then you would have continued the thought with "and change these strategies and tactics as needed." If you did this, then you are on the right track to not only integrating all your technical project management skills, but to also tailoring your project management strategies and tactics to the current situation on the current project. This is the type of holistic thinking you want to take to everything you read in this book and all your exam preparation.

The things you have seen in the list so far relate to technical project management skills. What about those People domain skills covered earlier in this book and in the Stakeholder Engagement Overview section of this chapter? They are worth repeating here and include but are not limited to:

- Consult the team when working to address issues
- Collaborate with stakeholders (including the team) to build (and maintain) trust, and to influence them to help accomplish project objectives (domain I task 9)
- Manage stakeholder expectations to balance these with project and product requirements and objectives (domain I task 9)
- Continue to build and ensure a common understanding, avoiding as many misunderstandings as possible (domain I task 10)

Think About It. What other ECO task may relate to this process? Quickly scan the People domain of the ECO, and also think about how its People (domain I) tasks are related not just to this "Manage" process of the Process Groups model, but also the "Monitor" process we discuss in the next section of this book. The same People skills are used for both Manage and Monitor, and in fact for all Stakeholder Engagement (and other project management process) needs.

Methods for Managing Stakeholder Engagement

We will not provide explanations here for each of the following methods for Manage Stakeholder Engagement because they have already been or will be discussed in this book in many different contexts. Take a moment to review the most common methods for Manage Stakeholder Engagement, and for the overall Engage Stakeholders processes. Do understand that because something appears in one column does not mean it is not applicable to any environment along the spectrum from predictive-to-adaptive and hybrids in between.

Common Methods Associated with Predictive Environments	Methods Associated with Adaptive Environments
– Bidder conferences (procurement)	– Backlog refinement
– Change control board (integration)	– Using timeboxes (e.g., a 2-week iteration)
– Kickoff (integration)	– Daily standup
– Lessons learned (integration)	– Release planning
– Closeout (integration; closing process group)	– Iteration planning
– Project review	– Iteration review
– Risk review	– Retrospective
– Status	– Project review (e.gs., review/refinement of velocity; flexible scope for change control)
– Steering committee	
– Project review (e.g., review of project results against baselines, also known as EVM or earned value measurement or earned value management)	

Artifacts of Manage Stakeholder Engagement

Managing stakeholder engagement may bring changes to:

- Stakeholder engagement plan
- Communications management plan
- Other project artifact updates, such as the:
  - √ Change log
  - √ Stakeholder register
  - √ Issue log
  - √ Lessons learned

Taking another look at the Methods Associated with Adaptive Environments column in the previous table, you would probably agree that artifacts from the types of meetings on agile projects (also called ceremonies) are sometimes intangible, like good relationships with stakeholders (a desired outcome of stakeholder engagement), and sometimes very tangible. Consider the following:

Agile Focus

- **Continuous improvement in stakeholder relationships** This happens as a natural result of the rituals through which agile practitioners work. Reviewing the list, just think about how many opportunities each team member and stakeholder has to promote a common understanding.

- **Gulf of execution and evaluation** This gulf is bridged through short iterations (using timeboxes) followed by iteration reviews. The customer gets to see small product increments and discuss them with the team, and in this way clarify their own understanding of their requirements of the product and how to convey those requirements to the team. The team in turn gets better at understanding and building what the customer needs.

- **Better product integration** By planning and building iteratively and incrementally, each product increment can be right and "done" before it is integrated with the larger product being built. This should result in fewer problems with continuous integration of product increments and with the evolving, working product.

- Can you think of other artifacts of these practices?

14.3 Exercise

The exam will present scenarios for which you will have to choose the best answer. You can practice gathering information from these scenarios by doing this exercise. Read the following scenarios and write down your own analysis. What evidence do you see of where you are in the project management process or about what has already taken place before this scenario? Quick observation of what is taking place as you read a given scenario will help you answer exam questions.

1. **Scenario.** A stakeholder is dissatisfied because their request was not included in the product scope. All other stakeholders agreed on the scope but the project manager anticipates this person will continue pressing to add their request. The project manager meets with the stakeholder to talk about why this request was not included and to suggest they build a business case to include it in a new project.

2. **Scenario.** A stakeholder expressed concern about how much the project would impact their department's work. The project manager tells them, "I have your concern in mind. There is little probability we could implement this without impacting your department but here is an assessment of the expected impacts, when impacts are likely to occur, and how the team may mitigate the effects. Would you like to discuss it after reading it?"

Answer

Here are some example analyses. Your analyses may not match these exactly, so be sure that you understand and are confident about your and these analyses of the given scenarios.

1. **Analysis.** From the words "was not included," we see the Create Scope Statement process (in the Planning column of Rita's Process Chart) is already complete. The project manager is anticipating "this person will continue…" so the project manager's strategy is about the future. A business case for another project is the stakeholder's best option. The project could be in planning or executing, but the project manager has monitored stakeholder engagement to make this observation and is looking ahead for good expectation management.

2. **Analysis.** The project manager has anticipated the stakeholder's concerns and has planned for mitigation while the project is ongoing. This is good stakeholder engagement practice, which is also taking risk into account. When reading questions, keep project integration in mind.

Monitor Stakeholder Engagement

What we learn from managing and maintaining stakeholder relationships helps ensure the planned strategies and tactics are working as intended. Monitoring stakeholder engagement helps the project manager know when adjustments are needed and when to make those adjustments. Along with fulfilling project requirements, the project manager needs to do the following:

- Understand stakeholder perceptions of project progress
- Review and evaluate stakeholder engagement during the project to enhance stakeholder collaboration
- Adjust strategies and tactics to ensure continuous stakeholder satisfaction
- Update the stakeholder register to:
  - ✓ Add stakeholders as appropriate
  - ✓ Adjust stakeholders' noted involvement as necessary
  - ✓ Note when a stakeholder's involvement is no longer necessary

Process Groups Model

PG: Monitoring and Controlling
Process: Monitor Stakeholder Engagement

ECO

Domain I
Task 4 Empower team members & stakeholders
Task 9 Collaborate with Stakeholders
Task 10 Build Shared Understanding

Domain II
Task 4 Engage stakeholders

PMBOK® Guide
Domain 2.1 Stakeholder
Domain 2.7 Measurement
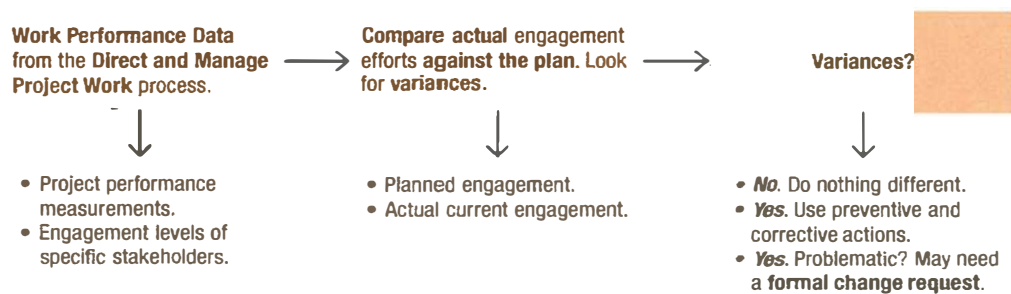Domain 2.8 Uncertainty

365

Artifacts that feed into (or are inputs) to this process include the stakeholder engagement plan, the communications management plan, the resource management plan, the issue log, and the lessons learned and risk registers. Does this sound familiar from the previous process of Manage Stakeholder Engagement? Outputs from one process are often inputs to the next process.

Methods for Monitoring Stakeholder Engagement

Monitoring stakeholder engagement requires the project manager to collect and analyze data. When engagement strategies and tactics are not working they need to analyze why those strategies are not returning the intended results. The stakeholder engagement plan should specify how this analysis and evaluation will be accomplished, who should be involved, how the results should be documented and presented, and how changes will be handled. If a large change will affect the performance measurement baseline in any way then a more formal change request is needed; but the project manager can and often does make many small changes to stakeholder engagement strategies and tactics without formal change requests.

Utilizing Data

Look at figure 14.9. When using data to compare actual to planned engagement levels, there may be variances that need a response to bring stakeholder engagement to the desired level.
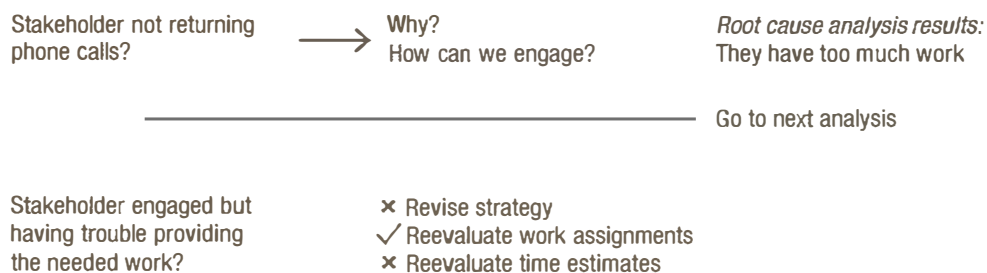
Work Performance Data from the **Direct and Manage Project Work** process. ⟶ **Compare actual** engagement efforts **against the plan**. Look for **variances**. ⟶ **Variances?**

- Project performance measurements.
- Engagement levels of specific stakeholders.

- Planned engagement.
- Actual current engagement.

- *No*. Do nothing different.
- *Yes*. Use preventive and corrective actions.
- *Yes*. Problematic? May need a **formal change request**.

FIGURE 14.9   *Utilizing work performance data to compare actual to planned engagement*

How do you analyze the work performance data related to relationships? You should have established in your stakeholder engagement plan some measurable performance metrics regarding stakeholder engagement. You might, for example, use one of the following data analysis techniques to help you figure out if adjustments need to be made to maintain stakeholder engagement:

- Root cause analysis
- Alternatives analysis
- Stakeholder engagement assessment chart

Work performance data and metrics are useful for analyzing the quality of relationships, but keep in mind that some of this assessment will also be subjective.

Think About It. Here's a scenario: An activity is behind schedule because a stakeholder hasn't provided a needed component. This delay might point to a problem with stakeholder engagement or a different issue. You should analyze and work to address the problem and improve the situation, as in the following example.

Stakeholder not returning phone calls? ⟶ Why? How can we engage?

Root cause analysis results: They have too much work

Go to next analysis

Stakeholder engaged but having trouble providing the needed work?

✗ Revise strategy
✓ Reevaluate work assignments
✗ Reevaluate time estimates

FIGURE 14.10   *Analysis of stakeholder engagement issue*

366

In figure 14.10, the conclusion is that the strategy and time estimates are fine but the work assignment has to be re-evaluated. We do these types of evaluations informally all the time. Just be sure you are not forgetting any artifacts that need to be updated. If the person wasn't answering their phone because they are never at their desk, for example, you may need to change the strategy in the stakeholder engagement plan for working with this type of stakeholder in the future.

14.4 Exercise

Read the following scenario and write down an analysis of the information that would be useful in answering an exam question based on this scenario. For example where are we in the project management process (initiating, planning, executing, or monitoring and closing)? What other information can you gather from the scenario?

Your analysis may not match ours exactly but make sure you feel comfortable with your answer and ours. The goal is to practice quick critical thinking. By practicing analyzing scenarios, you will be better prepared to do it quickly and confidently during the exam.

Scenario. A project manager notices someone has become less involved in the project. The stakeholder gave helpful opinions on the earliest deliverables, but now they are less involved in the project. The project manager contacts the stakeholder to say, "I miss your feedback and always appreciate it. Is there a reason for less input from you? Is there anything I can do to support your further involvement?"

Answer

Analysis. We are in executing (since there have already been deliverables produced). With more information we might determine we are in monitoring and controlling. We could be using a predictive, adaptive, or hybrid approach. Communications should be personal (a phone call or visit versus email, for example). Wording and tone of voice should be carefully considered since we want to encourage the stakeholder and not offend them.

Communication

Communication plays a large part in helping the project manager discover and correct engagement problems. To maintain strong engagement and relationships with project stakeholders, the project manager needs to use whatever methods are best to work with stakeholders. They need to use the appropriate communication method that works best for each stakeholder. Some like texts, others like calls, still others prefer face-to-face communications.

Interpersonal and Team Skills

The project manager can of course ask questions like, "How are things on the project going?" But assessing the strength of relationships with stakeholders and of their engagement with the project often requires more complex communication. Interpersonal skills will help identify issues or concerns that need attention. To further understand how stakeholders feel, use skills in these areas:

- Asking questions and active listening
- Attention to tone of voice and body language
- Emotional intelligence
- Leadership
- Facilitation
- Mentoring
- Negotiating

Artifacts of Monitor Stakeholder Engagement

The purpose of monitoring stakeholder engagement is to ensure that the implementation of stakeholder strategy is happening as planned and is meeting stakeholder requirements. The project manager and the team will have work performance information with which to decide if a change is needed to stakeholder engagement strategies and tactics. As changes occur there will likely be a change to project artifacts. Monitoring stakeholder engagement results in:

- Work performance information—an analysis of work performance and validating data about individual and group engagement
- Change to improve engagement of some stakeholders through different or revised strategies and tactics
- Updates to the project management plan
- Other project artifact updates, such as:
  - ✓ Stakeholder register
  - ✓ Risk register
  - ✓ Issue log
  - ✓ Lessons learned

Stakeholder Engagement in Agile Environments

Predictive and adaptive environments have many stakeholder engagement philosophies and practices in common, although they manifest differently in agile versus plan-based approaches. So far in this chapter we have put a particular focus on the following agile practices in the context of the Process Groups model. Here we'll elaborate on each a bit more:

- **The product owner** The product owner is an agile team member whose specialty is prioritizing the backlog. The product owner represents value management for the project. They collaborate with the development team to prepare prioritized backlogs sufficient to develop small increments of product with each iteration. This process ensures the continuous delivery of value to stakeholders. During an iteration the product owner answers questions for the development team and prepares the backlog for the next iteration. As an integral team member, they participate in planning meetings, iteration reviews, and retrospectives.
- **Personas** This concept was described earlier in this chapter. Personas amount to an understanding of the old adage that "walking in someone else's shoes" helps us understand them a lot better. In this way team members can get a better feel for and understanding of what each stakeholder (or stakeholder group) needs from the product.
- **Stakeholder engagement planning** We said previously that stakeholder engagement plans are often informal on agile projects. This is because stakeholder engagement strategies and tactics are built into the iterations cycle. The project manager and team design, build, review, and deliver in constant collaboration with the customer.

Also mentioned in this chapter are the following concepts related to the ECO's People domain. The following skills are completely relevant along the spectrum of plan-based to agile and hybrid approaches, and are covered in more detail in the People domain section of this book.

- Conflict management
- Emotional intelligence
- Facilitation
- Negotiation

Also from the People domain, the following are described as more particular to agile practices.

- Knowledge sharing and knowledge transfer
- Participatory decision making

Agile Information Radiators

Information radiators are large visible displays of project information, typically appearing in the team's work area. The purpose is to make it easy for the team to work together and give easy access to the information to other stakeholders. Some of the examples below are illustrated in this chapter and others are explained in more detail in other chapters.

- Kanban boards (story boards)
- Release maps
- Continuous integration views
- Burndown/burnup charts

Kanban Boards

"Kanban" is a Japanese word meaning "signboard" or "billboard." Kanban boards can be used for many things in agile, and they are perfect for sharing information with stakeholders. Figure 14.11 illustrates a board showing work in progress that uses sticky notes to describe stories to be built. It is low tech and easy for a co-located team. As the stories move through production from start to finish the sticky notes are being moved from a "Waiting" column to "Design," "Develop," "Unit Testing," "Integrated Testing," and "Completed." How the columns are named is tailored by team and project, but the board displays the status of all work currently in progress. This makes it easy for any stakeholder to see how work is progressing.
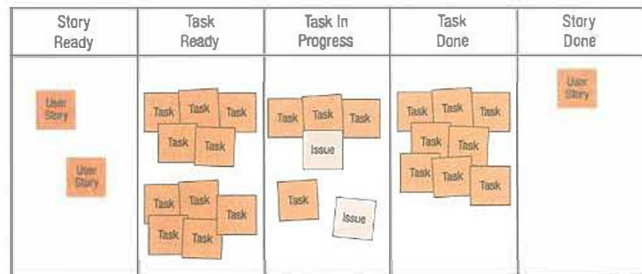
FIGURE 14.11   *Kanban board (story board) showing work in progress (co-located team)*

There are electronic tools that serve this function. Digital Kanban boards are becoming more common since teams are more geographically distributed.

Agile Definition of Done

Agile's careful attention to the "definition of done" is related to scope management. In stakeholder engagement it is important because it ensures a common understanding of "done" for each story, for all stakeholders—team and customer alike. Each story on an agile project must have a definition of done, often talked about as being "on the back of the story card." To better understand this, take a look at the following example of the definition of done for a book chapter.

Example product increment: The Introduction chapter of a book, draft 1 (of 2).

Definition of done for Draft 1:

- Draft complete
- Reviewed for content (team and customer)
- Revised for content
- Line-edited
- Post-edit review complete (team and customer)

Agile Modeling

You have already seen an example of agile modeling. What is a persona if not a model of a particular type of user of the product? Other types of agile modeling focus on the product. Product modeling includes but is not limited to the following, which are commonly used with predictive approaches too:

- Use case modeling
- Process models
- Low-fidelity prototypes
- Wireframes
- High-fidelity prototypes

With the exception of high-fidelity prototypes the emphasis is not on the exactness of the model but on the communication between the team and customer as they create the model together. In communicating to create a model together the customer gets a better idea of what their needs are and the team understands better how to build it. Following are examples of the models just mentioned.

Figure 14.12 shows a use case diagram for a workforce tracking system. This type of model shows the product (a system) in the middle and actors (users of the system) on each side. The lines indicate parts of the system a particular user will interact with. Can you imagine how much better this model would be if the team worked on it with the users of the system rather than if they had just created it themselves using their own assumptions?

Workforce Tracking
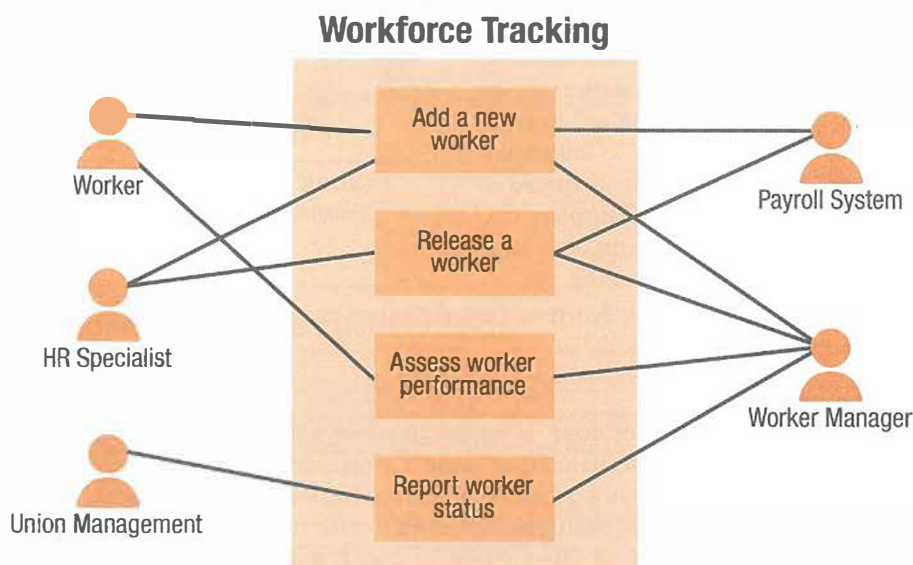
FIGURE 14.12   *Workforce tracking system use case diagram*

Figure 14.13 is an example of a low-fidelity prototype of a website for the patient account information on a clinic's patient portal site. It acts to help envision process flow for using the page too.

Account Info
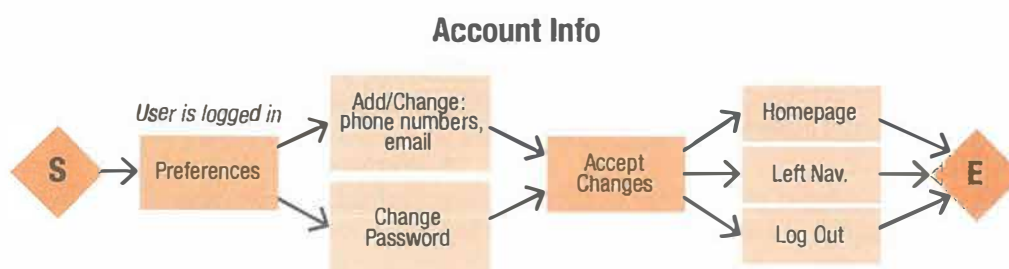
FIGURE 14.13   *Process flow for using a page on a clinic's web page portal*

The following process flow diagram illustrates a process flow for a clinic's payment process (figure 14.14).
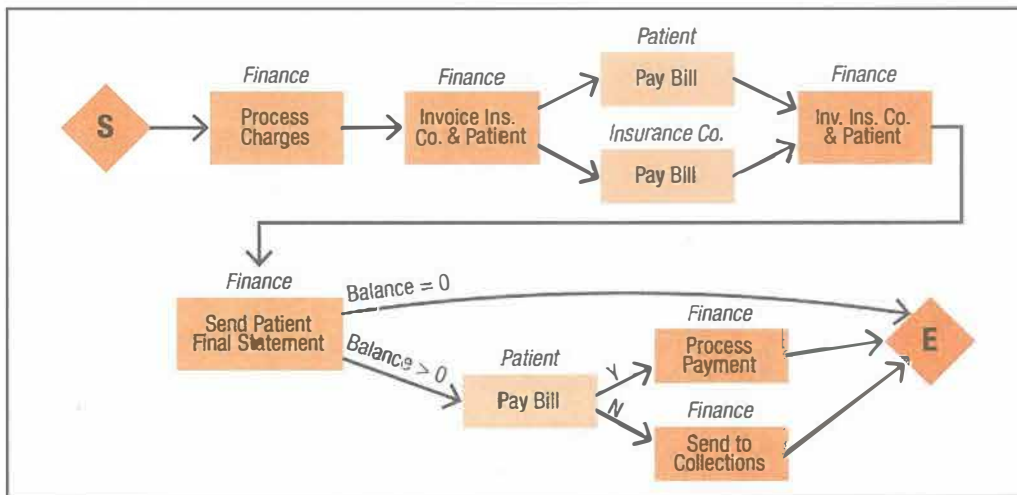
FIGURE 14.14   *Process flow diagram for payment processing*

Figure 14.15 shows a low-fidelity prototype for the home page of the clinic's web page client portal. You can imagine a friendly exercise with a whiteboard and the customer here.

FIGURE 14.15   *Low-fidelity prototype for a patient portal*

Wireframes can be created with software to mock up what a software product will look like. Figure 14.16 illustrates a wireframe. These are especially helpful because it is difficult for customers to picture how a computer program might be laid out.

FIGURE 14.16   *Wireframe of a movie rental site screen*

Putting It All Together

For the exam, keep in mind that stakeholders are important throughout the project. You need to identify all of them (or as many as possible), as early as possible, and plan how to manage their requirements, expectations, influence on and engagement with the project. You also need to periodically update the stakeholder register as you learn new things about your stakeholders and perhaps uncover new stakeholders. You need to cultivate good relationships and communications with them, and most of all, ensure that the project delivers their approved requirements and that the features and functions of the product and service are easy to use and satisfactory.

Please revisit the Quicktest at the beginning of this chapter. Have you been able to fill the gaps you identified when you began the chapter? Most people still have gaps remaining at this point. Go through the chapter again to review the areas you are still unsure about. Then complete the following chapter review.

Here is an example of working with stakeholders for the construction of a new library. Pay attention to the stakeholders involved and how the project manager keeps them engaged.

Case Study to Build a New Library

The project manager assigned to build a new library in a small city identifies hundreds of stakeholders, including the citizens of the community, town council members, the head librarian and staff, and the mayor of the city. The project manager's research reveals that the mayor's term is three years and historically, few mayors are elected for more than one term. The head librarian has run the existing library for twenty-five years and grew up in this city. She knows everyone! City council members represent various groups and at least two of them are always running for re-election. About half of them campaign on cutting city taxes. Although the funding has been approved, keeping the council members engaged will be important.

Many of the requirements have been identified in the project scope statement but the project manager meets with the head librarian to ask how they can best support the needs of her and her staff for serving their customers. She reports that retired folks, children, and job seekers are the most common visitors to the library, and that there is a need for new technology options to support the traditional resources of books and periodicals. The project manager asks the head librarian if they can meet weekly during the construction process to stay on top of progress.

The project manager also meets with several city council members who want to lower taxes to ask their thoughts on the current library and its importance to the community. The project manager offers to attend city council meetings every three months to report progress. The project manager identifies a local newspaper reporter and asks for space in the paper, quarterly, to share progress on the library with the community. The project manager promises to keep the reporter updated monthly on news related to the library.

14.5 Exercise

Answer the following questions about stakeholders in the library case study. After you have finished answering the questions, look to the next section for a good possible answer to each question.

Question

1. What additional stakeholders might be considered?

2. How important is the mayor as a stakeholder?

3. How important is the head librarian?

4. Why did the project manager meet with the city council members in favor of tax cuts?

5. Why did the project manager contact a newspaper reporter?

6. How will the project manager monitor stakeholder engagement?

7. How did the project manager demonstrate servant leadership?

Answer

The answers to the questions in the following table may not match exactly what you came up with but the one thing you should ask yourself is "Have I answered the question adequately in relation to the sample answers given?"

Sample Answers

1. Additional stakeholders could include:
   - Book publishing companies
   - Technology and equipment suppliers
   - School admins, PTA (Parent Teacher Association) groups

2. Moderate, short term but high influence through public visibility.

3. High, she is a long-term community member and the expert on the library's value to the community.

4. They will probably be most resistant out of fear that the new library will raise taxes or keep them the same. The project manager needs to work hard to get resistant stakeholder to support the project.

5. Engaging the community will be important and the newspaper is a good way to give information and get feedback (letters to editor).

6. City council meetings, feedback from newspaper articles, weekly meetings with head librarian.

7. Meeting with head librarian to ask for help. Community outreach through local newspaper.