

Project Management: Stakeholder Management

Agenda

1. Introduction

2. Identify stakeholders
3. Plan stakeholder engagement
4. Manage stakeholder engagement
5. Monitor stakeholder engagement
6. Engaging with communication strategy
7. Group work

Time schedule

- 12:15-12:35: Presentation of project descriptions (Groups 2, 11)
- 12:40-14:00: Lecture on stakeholder management
- 14:00-15:20: Group work on identifying stakeholders and power/influence
- 15:25-15:45: Presentations (Groups 3 and 10)

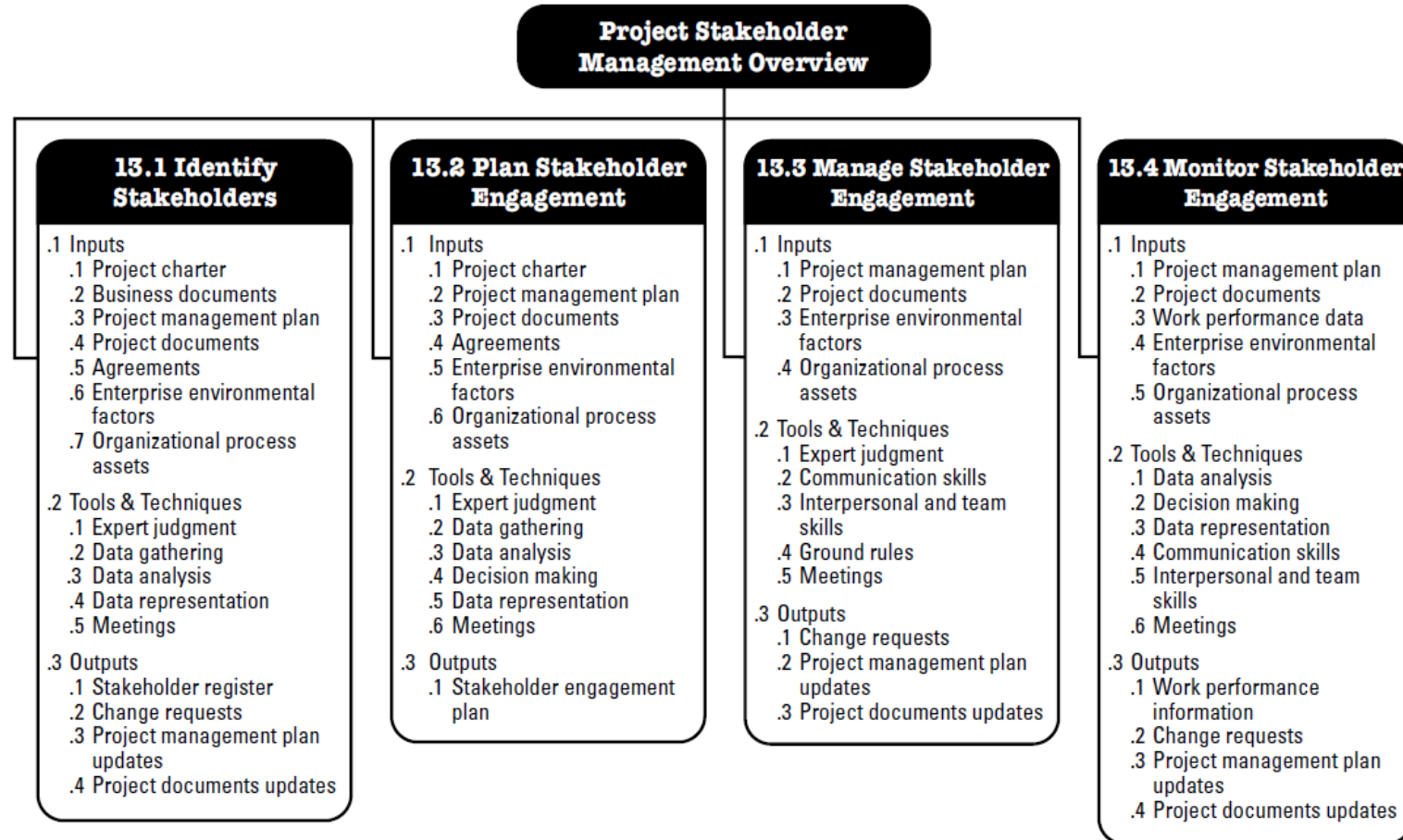
A “Project Stakeholder” is a person, group, organization, or entity that might affect or be affected by a project.



1. Introduction: Project stakeholder management

There are 4 major components of **stakeholder management**:

1. Identify stakeholders
2. Plan stakeholder engagement
3. Manage stakeholder engagement
4. Monitor their engagement

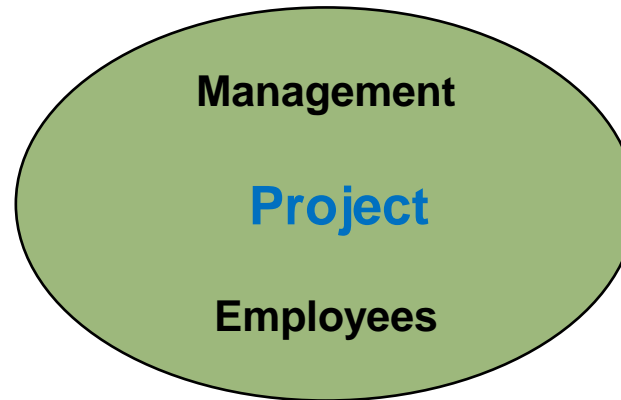


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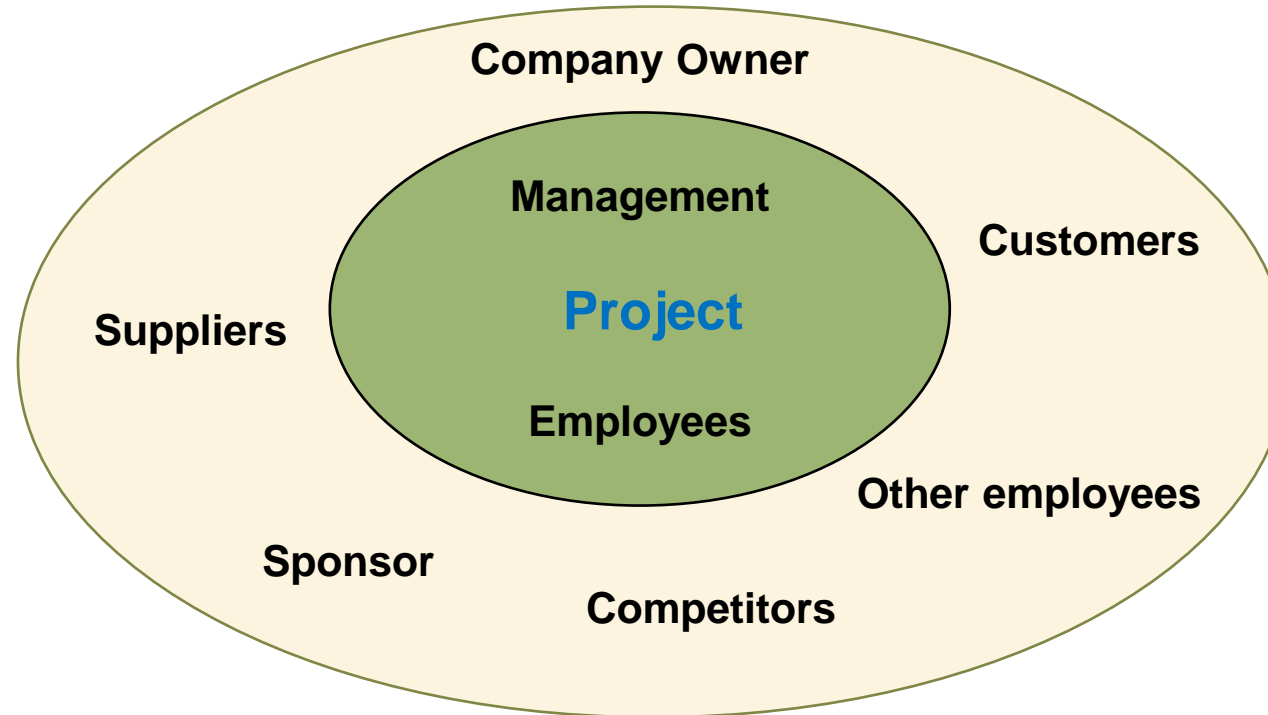
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“The ability of the project manager and team to correctly identify and engage all stakeholders in an appropriate way can mean the difference between project success and failure.”

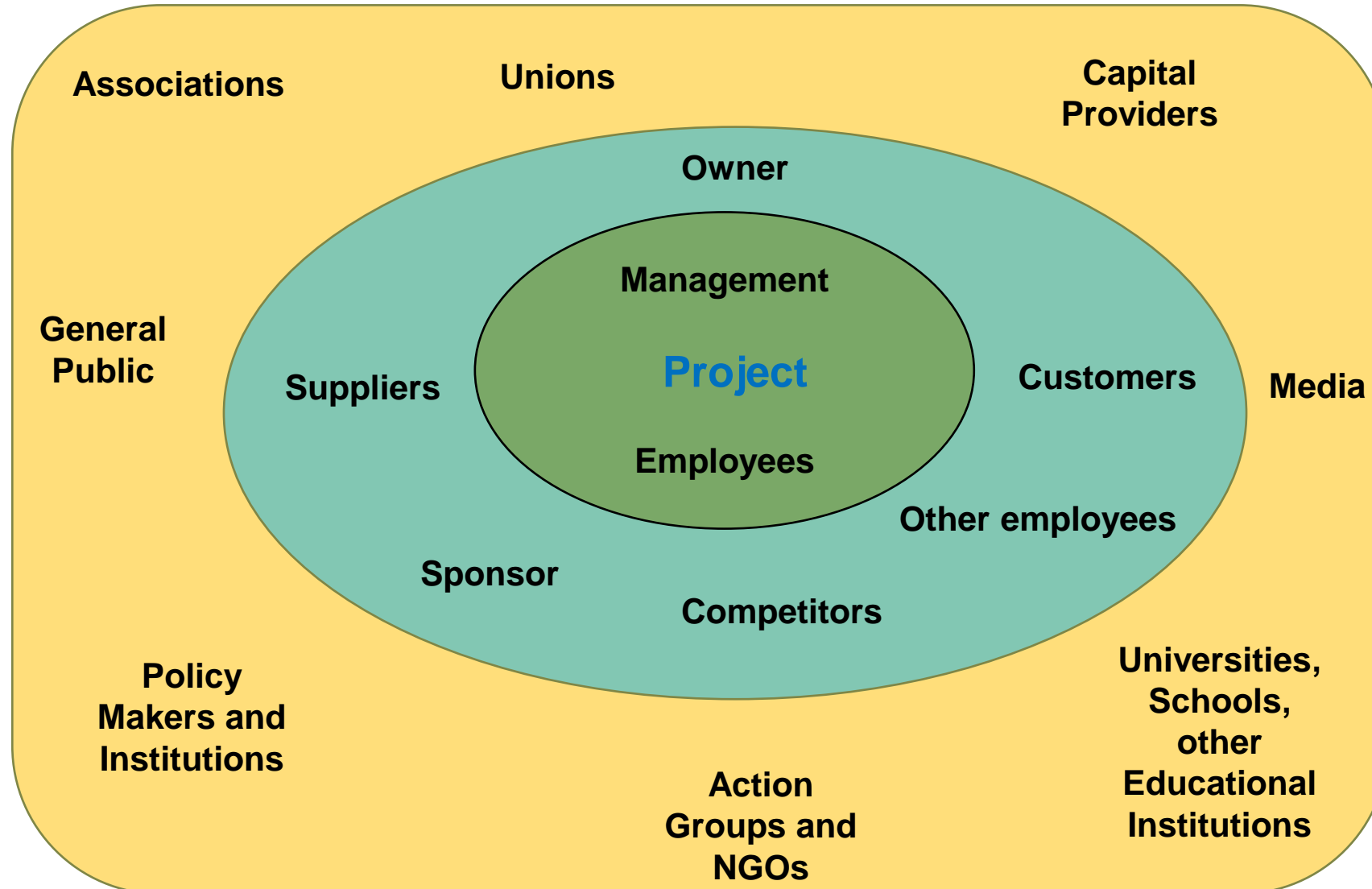
Internal Perspective (Examples)



External Perspective (Examples)



Extended External Perspective (Examples)



2. Identifying Stakeholders

- **Examples of Project Stakeholders (influence may change over time)**
 - Sponsor
 - Customers/user
 - Suppliers
 - Business Partners
 - Functional Managers
 - Unions
 - Governmental Agencies
 - NGOs
- **Why is it important to understand your Stakeholders?**
 - May have a positive or negative impact on project
 - May have competing interests, causing possible conflicts
 - Have varying levels of responsibility and authority
 - Helps you understand how to utilize all stakeholders' competencies and roles

2. Identifying Stakeholders: Tools and Techniques

Stakeholder Analysis Steps

- Identify potential stakeholders
- Analyze and prioritize the impact of each stakeholder
- Assess stakeholder reactions to various situations

Stakeholder classifications:

- Power/interest
- Power/influence (introducing power/influence grid)

The Stakeholder Challenge

Stakeholder Complexity

- The identification of all stakeholders and of all claims is not always possible

Stakeholder Conflicts

- Variety and diversity of stakeholders and their claims lead to conflicting claims/interests of stakeholders.

Stakeholder Dynamics

- Stakeholders and their interests change over time.

2. Identifying Stakeholders: Tools and Techniques

→ Why build a stakeholder register?

1. Helps identify and classify stakeholders
2. Helps record stakeholder prioritization during assessment and analysis
3. Includes important information such as:
 - ❖ Name, organizational position, location, role
 - ❖ Expectations, influence, and areas of interest
 - ❖ Classification as internal/external, or supporter/resistor
 - ❖ Must be updated regularly throughout the project

Stakeholder Analysis

- *Interest.* A person or group can be affected by a decision related to the project or its outcomes.
- *Rights (legal or moral rights).* Legal rights, such as occupational health and safety, may be defined in the legislation framework of a country. Moral rights may involve concepts of protection of historical sites or environmental sustainability.
- *Ownership.* A person or group has a legal title to an asset or a property.
- *Knowledge.* Specialist knowledge, which can benefit the project through more effective delivery of project objectives, organizational outcomes, or knowledge of the power structures of the organization.
- *Contribution.* Provision of funds or other resources, including human resources, or providing support for the project in more intangible ways, such as advocacy in the form of promoting the objectives of the project or acting as a buffer between the project and the power structures of the organization and its politics.

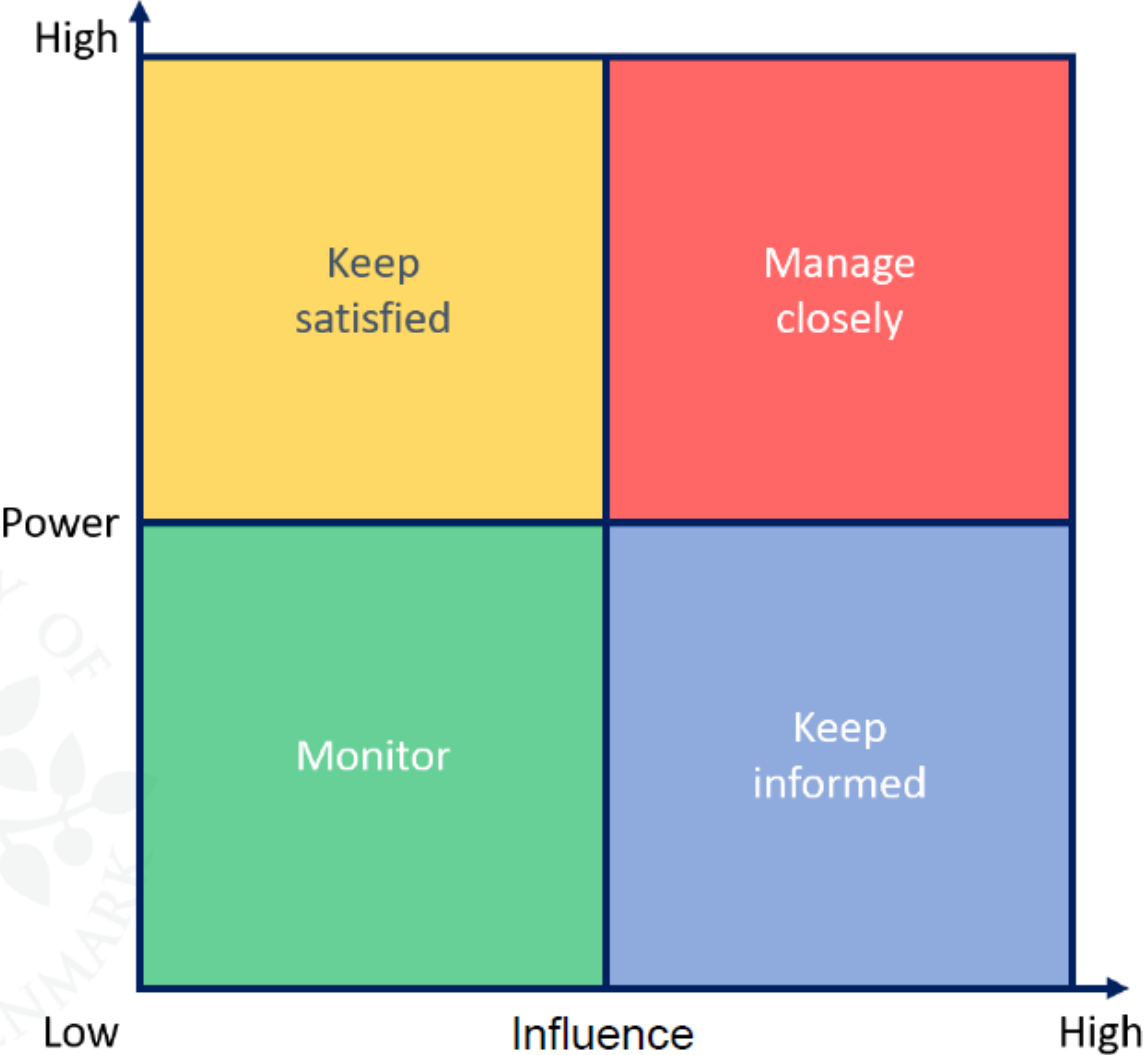


Power influence grid

→ The position that you allocate to a stakeholder on the grid shows you the actions you need to take with them:

- **High power, highly influential people (Manage Closely):** you must fully engage these people and make the greatest efforts to satisfy them.
- **High power, less influential people (Keep Satisfied):** put enough work in with these people to keep them satisfied, but not so much that they become bored with your message.
- **Low power, highly influential people (Keep Informed):** adequately inform these people and talk to them to ensure that no major issues are arising. People in this category can often be very helpful with the detail of your project.
- **Low power, less influential people (Monitor):** monitor these people, but don't bore them with excessive communication.

→ Your boss, for example, likely has high power and influence over your project and high interest. Your advisors, however, may have high interest/influence, but won't have power over the project.



Project report - inspiration

Project Name	Electric Car Project				Date	1/1/17	
Project Phase							
Name of Stakeholder		Department	Role in Project	Type of Stakeholder	Type of Communication	Engagement level	Influence on Project Outcome
Jill		Design	Design Lead	Internal	In-person	Leading	High
Harry		Fund Raising	Team Lead	Internal	In-person	Leading	High
Martha		Construction	Construction Manager	Internal	In-person	Leading	High
Ralph		Procurement	Material Procurement	Internal	In-person	Leading	High
Enrique		Quality/Testing	Qaulity Assurance	Internal	In-person	Leading	High
Mariela		Project Controls	Project Control Officer	Internal	In-person	Leading	High
Prof. Van Kleeck		Mechanical Engineering	Advisor	External	Email	Supportive	Medium
Karen Smith		NA	Donor	External	In-person, email	Supportive	Medium
Dean Karwowski		School of Engineering	Sponsor	Internal	In-person	Supportive	Low
Mark Jones		E-Tech Engineering	Consultant	External	Email, In-person	Neutral	Medium
Prof. Roberts		Electrical Engineering	Expert in Electric Engines	External	In-person	Resistant	Low

Influence: High ; Medium; Low

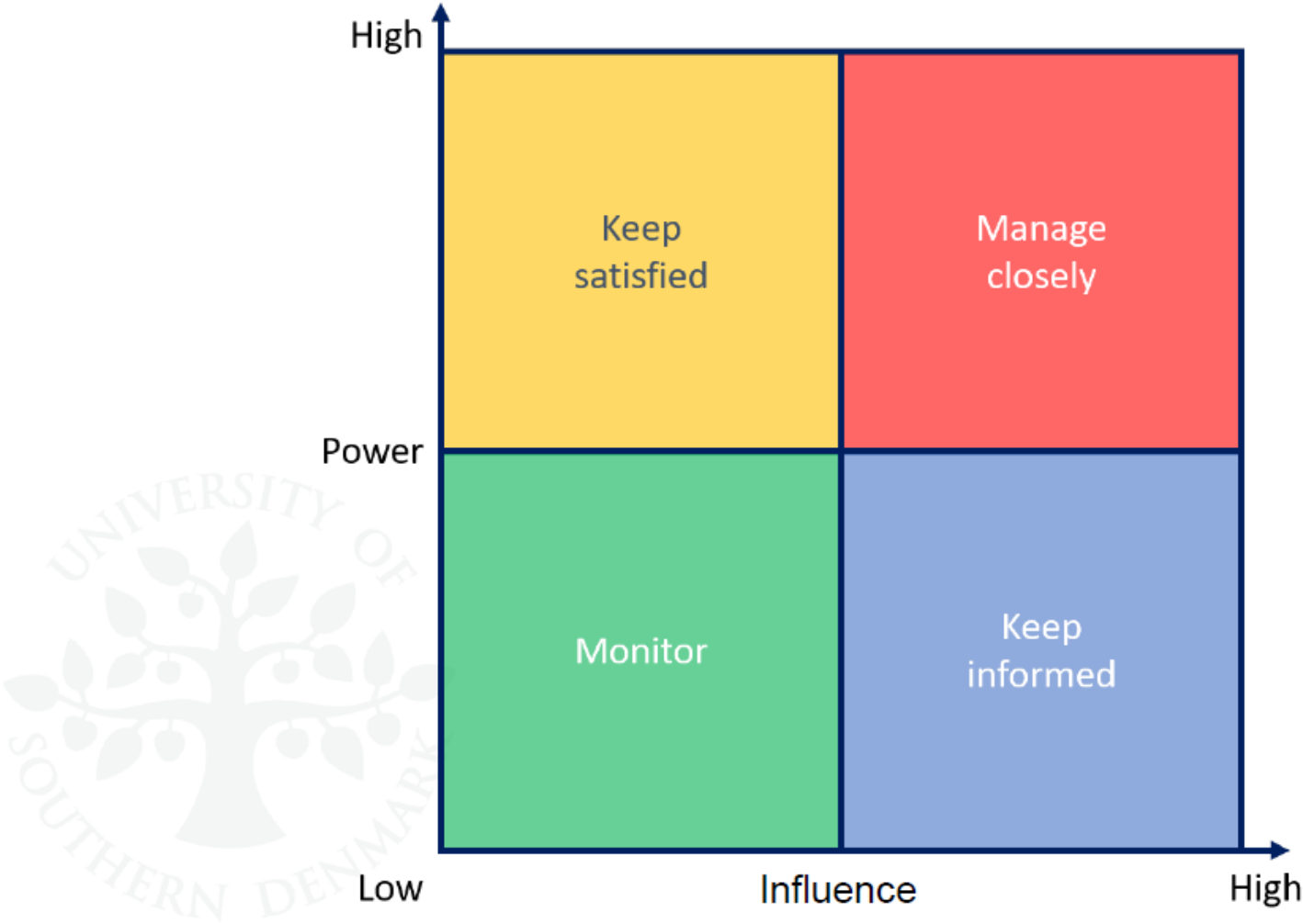
Case: Fehmarnbelt tunnel

The Fehmarnbelt Tunnel is an 18-kilometer underwater tunnel currently under construction, connecting Germany and Denmark beneath the Baltic Sea. It will be the world's longest immersed tunnel, featuring both a four-lane motorway and a twin-track railway. Once completed, the journey between Rødbyhavn (Denmark) and Puttgarden (Germany) will take just 10 minutes by car and 7 minutes by train, replacing the current 45-minute ferry ride. The project aims to enhance trade, tourism, and economic integration in Northern Europe while reducing CO₂ emissions by shifting traffic from ferries to electric rail transport.



→ <https://femern.com/>

- Go to the project websites
- Identify 8 different project stakeholders
- Place them into the Power/Influence matrix



The activities of identification, prioritization, and engagement of stakeholders should be reviewed and updated routinely, and at least when:

The project moves through different phases in its life cycle,
Current stakeholders are no longer involved in the work of the project or new stakeholders become members of the project's stakeholder community, or
There are significant changes in the organization or the wider stakeholder community.

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... “the process of developing approaches to involve project stakeholders based on their needs, expectations, interests, and potential impact on the project”

3. Plan stakeholder engagement

Stakeholder engagement assessment matrix

- What is the **current** engagement of all stakeholders?
- How does the **desired**/planned engagement level compare to the current level?

- Engagement level classifications
 - **Unaware**: Unaware of project and potential impacts
 - **Resistant**: Aware of the project and potential impacts and resistant to change
 - **Neutral**: Aware of the project yet neither supportive or resistant
 - **Supportive**: Aware of the project and potential impacts and supportive to change
 - **Leading**: Aware of the project and potential impacts and actively engaged in ensuring the project is a success

3. Stakeholder Engagement Assessment Matrix

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

C = Current D = Desired

→ Stakeholder Engagement Assessment Matrix

→ Helps identify gaps between current and desired engagement levels and potential actions of intervention to close the gaps

→ **C**urrent engagement level vs. **D**esired engagement level

3. Plan stakeholder engagement

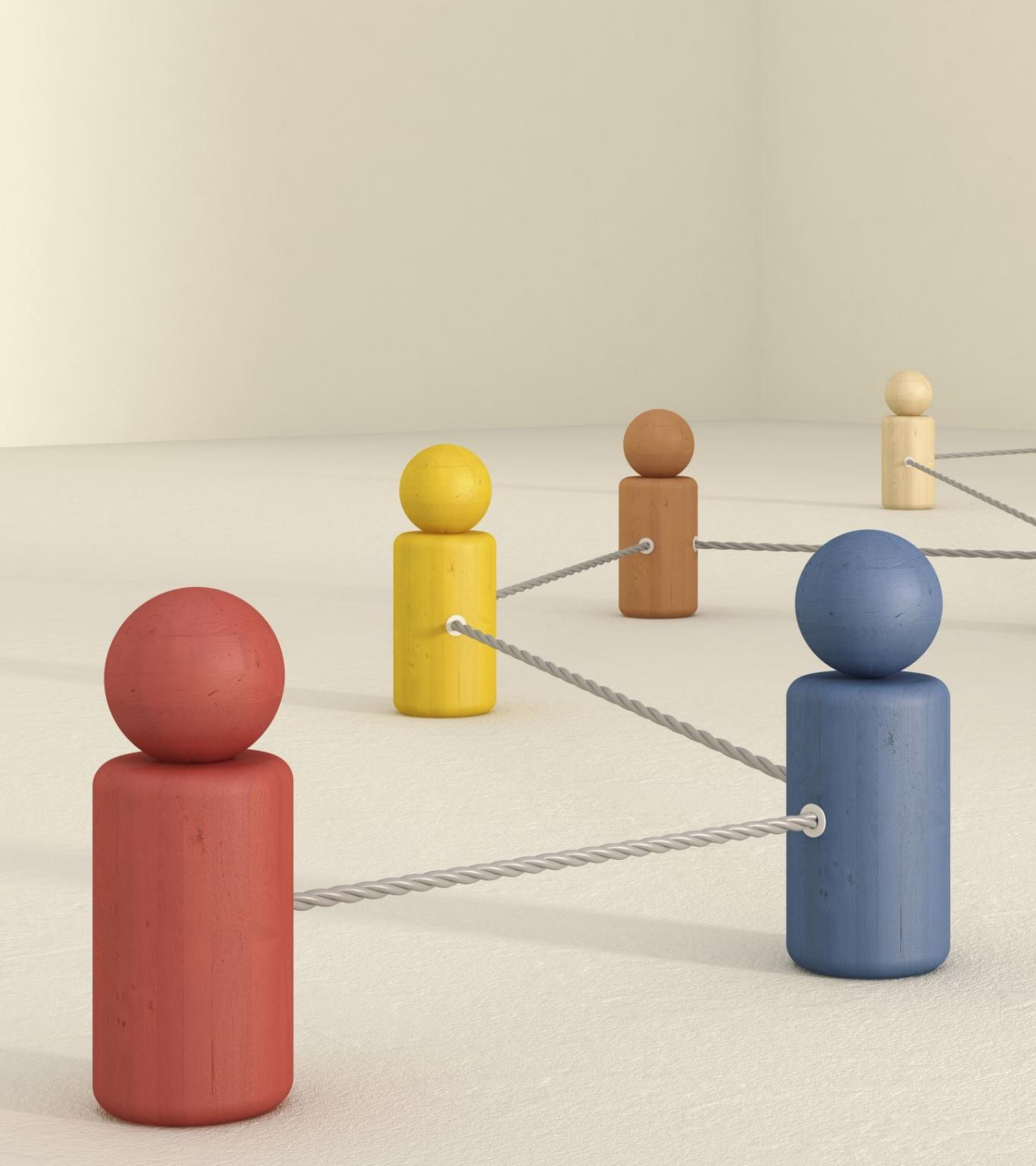
- ❖ The **stakeholder engagement plan** is part of the project management plan
- ❖ It identifies the strategies and actions required to promote productive involvement of stakeholders in decision making and execution
- ❖ Can be very detailed or more broad
- ❖ Can include specific strategies or approaches for engaging your specific stakeholders. All depends on your stakeholders.
- ❖ See examples of tools and techniques in the book

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4. Managing stakeholder engagement

→ ... “the process of communicating and working with stakeholders to meet their needs and expectations, address issues, and foster appropriate stakeholder involvement... to increase support and minimize resistance from stakeholders”



4. Managing stakeholder engagement

Includes activities such as...

- Engaging stakeholders at appropriate project stages to **obtain, confirm, or maintain** their continued **commitment** to the success of the project;
- Managing stakeholder **expectations** through negotiation and communication;
- Addressing any **risks** or potential **concerns** related to stakeholder management and anticipating future issues that may be raised by stakeholders; and
- Clarifying and **resolving issues** that have been identified.

4. Managing stakeholder engagement

Important skills and tools for managing stakeholder engagement

- **Strategic communication!** □ Understanding your stakeholders' interests and key concerns make you better at communicating constructively to different stakeholders
- **Conflict management** □ e.g., using mediators or other modes of conflict resolution
- **Cultural awareness** □ Understanding potential cultural differences help the project manager communicate and manage engagement
- **Regular observation/conversation** □ Designing a systematic way for staying in contact on a regular basis. Be aware of circumstances that might affect one of your stakeholders, and remember to follow up and check in.
- **Political awareness** □ Understanding power relations in the project, and understanding your stakeholders' hierarchies



4. Managing stakeholder engagement

Summing up...

- Stakeholders must be engaged throughout the project to maintain their commitment to project success
- Engagement ensures that stakeholders are informed and that they understand the project goals
- Makes stakeholders active, increasing positive support
- Active management increases the likelihood of project success

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... “the process of monitoring project stakeholder relationships and tailoring strategies for engaging stakeholders through modification of engagement strategies and plans (...) [to] maintain or increase the efficiency and effectiveness of stakeholder engagement activities as the project evolves and its environment changes”

5. Monitor stakeholder engagement

- Work performance information: Status of stakeholder engagement, e.g., using the Stakeholder Management Assessment Matrix, monitoring current and desired engagement.

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

C = Current

D = Desired

- Updates in the overall Project Management Plan
- Stakeholder expectations and engagement must be continuously monitored, and potential problems anticipated
- Resolution of concerns maintains positive stakeholder relations

6. Communication strategy

- Clearly articulate the **who**, **what**, **how**, and **when** people are communicating to the stakeholders.
- **Prioritize those communications**, so as not to overwhelm the stakeholders with too much information
- **Indicate how** (which mode of communication you should use for each stakeholder). For some people, it's a phone call, for others it's email, zoom etc..

6. Communication strategy

→ Indicate whether you use a push or a pull method for each stakeholder

- Push: communicate to specific stakeholders who need specific information
- Pull: Internet, e-learning, databases
- This is an interactive part of the project management plan, and will include lots of people, and you should identify the types of push or pull communications that are determined most appropriate for each situation or person

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- Presentation of Group 4 and 9 next time

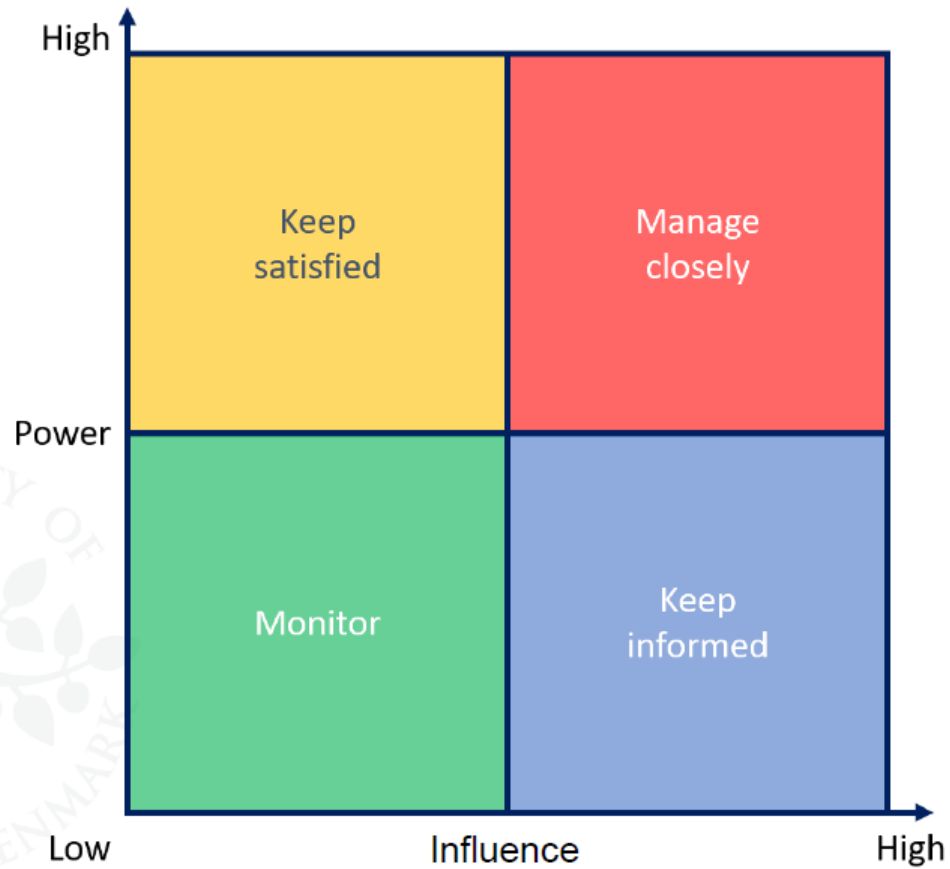
Assignment: Project stakeholders

- **Make a stakeholder register**
 - Identify all relevant stakeholders
- Indicate their position in a power/influence matrix
- Outline a stakeholder engagement assessment and strategy

Electric Car Project

Date

		Department	Role in Project	Type of Stakeholder	Type of Communication
		Design	Design Lead	Internal	In-person
		Fund Raising	Team Lead	Internal	In-person
		Construction	Construction Manager	Internal	In-person
		Procurement	Material Procurement	Internal	In-person
		Quality/Testing	Qaulity Assurance	Internal	In-person
		Project Controls	Project Control Officer	Internal	In-person
		Mechanical Engineering	Advisor	External	Email
		NA	Donor	External	In-person, email
		School of Engineering	Sponsor	Internal	In-person
		E-Tech Engineering	Consultant	External	Email, In-person
		Electrical Engineering	Expert in Electric Engines	External	In-person



Power Influence Grid

Stakeholder engagement assessment

Stakeholder	Unaware	Resistant	Neutral	Supportive	Leading
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Stakeholder 2			C	D	
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Presentations

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