

Domain III Stakeholder Engagement

The PMI-ACP Exam consists of 120 questions which can be categorised into seven domains. The third domain: Domain III Stakeholder Engagement is the knowledge about "engaging current and future interested parties by building a trusting environment that aligns their needs and expectations and balances their requests with an understanding of the cost/effort involved. Promote participation and collaboration throughout the project life cycle and provide the tools for effective and informed decision making" (source: PMI-ACP Examination Content Outline).

Domain III Stakeholder Engagement accounts for 17% of all questions in the PMI-ACP Exam (i.e. ~20 questions among 120 PMI-ACP Exam questions)

Who are the Stakeholders?

Stakeholders, as defined in the PMBOK^{*}Guide, are any people or groups who will be impacted by or have an impact on the project. This is a pretty broad term that includes the customers, sponsors, and business representatives, as well as the project leaders, development team, vendors, and other people inside or outside of the organization who will be affected by the project or its results, including the product's end users. Getting stakeholders involved—in other words, engaging them in the project—is absolutely essential for the success of any project.

Taking Care of Stakeholders:

Instead of the term "**Stakeholder Management**" a more appropriate term for this effort would be "**Stakeholder Stewardship**". The idea of stewardship basically involves comprehensively looking after something that is worth nurturing, safeguarding, and preserving—in this case, the project stakeholders.

The term "management" has come to mean top-down, command-and-control direction, treats people as a resource. Stewardship supports "serving and safeguarding" may mean directly addressing a problem of poor performance or inappropriate behaviour.

Educating Stakeholders about Agile:

This education should include the goals, values, practices, and benefits of the agile approach to help them understand why the project will be executed in this manner.

Keeping Stakeholders Engaged:

Since brief iterations are good for maintaining stakeholder engagement. Some people may cause problems and actually be impediments to project progress. In such cases, the Scrum Master, project manager, or other designated person needs to use their emotional intelligence and interpersonal skills to try to understand these stakeholders' concerns and find a positive way to engage them with the project. If this is not possible, it may be necessary to try and shield the team from their disruptive or corrosive influence.

If the team encounters a problem or issue that they don't have the authority or influence to resolve, they will be able to follow the established procedure to quickly escalate it to the appropriate stakeholder for resolution.

Incorporating Stakeholder Values:

Executing the work according to the customer's priorities (considering the necessary dependencies and risk mitigation work) allow the team to deliver the highest-priority items and deliver early value to the business. At the end of the day, it is the customers and sponsors who will determine whether our project is a success or a failure, so it is smart to plan our work and actions according to their values.

Incorporating Community Values:

Respect - Respect is necessary to make these practices work; they need to be centered on the guiding principles "Don't judge suggestions" and "There are no stupid ideas". Agile methods depend upon shared respect for differing points of view, suggestions, and opinions.

Courage – Asking people to present incomplete work for review requires them to exhibit courage against the fear of criticism.

Principles of Stakeholder Engagement:

- Get the right stakeholders.
- Cement stakeholder involvement.
- Actively manage stakeholder interest.
- Frequently discuss what “done” looks like.
- Show progress and capabilities.
- Candidly discuss estimates and projections.

9 tasks grouped within 3 sub-domains:

According to the PMI-ACP Exam Content Outline, Domain III Stakeholder Engagement consists of 9 tasks grouped within 3 sub-domains:

1. Understand Stakeholder Needs

1. **Identify continually** who are the key stakeholders in order to understand stakeholders' interests and expectations
2. Engage stakeholders through early and continuous **knowledge sharing** and **active listening** throughout the project lifespan

2. Ensure Stakeholder Involvement

3. **Build relationships** with key stakeholders with a working agreement to allow effective collaboration.
4. Ensure all stakeholders are **engaged appropriately** by updating the stakeholder's registry upon changes to the project.
5. Foster **group decision** making and conflict resolution in order to maintain a good relationship among stakeholders.

3. Manage Stakeholder Expectations

6. Create a shared vision of the different project aspects (e.g. deliverables, iterations, releases, etc.) with the use of **project vision and objectives** that align with stakeholders' expectations.
7. Agree mutually on the **success criteria** for the project deliverables / project.
8. **Communicate key information** of the project (including progress, risks, quality, etc.) with stakeholders to provide **transparency** into the project status.
9. Provide appropriately detailed project **forecast** to facilitate planning with stakeholders.

Key Knowledge on Stakeholder Engagement:

• Stakeholder management

- definition of stakeholders: anyone who have an impact on /will be impacted by the project (e.g. sponsor, vendors, final customers, community, etc.)
- the project team is considered stakeholders in traditional project management (according to PMBOK Guide) but not in Agile projects stakeholder management processes:
 - ✓ identify all the stakeholders periodically (in particular the key stakeholders who will have a big impact on project success)
 - ✓ communicate with selected stakeholders for requirements and needs gathering
 - ✓ enhance stakeholder involvement by active communication and information sharing
 - the type and level of details of the information should be appropriate for the type of stakeholders
 - show project progress (just detailed enough) with demos / presentations
 - ✓ as project evolves, the interests of key stakeholders must be managed actively discuss updated estimates and projections timely and openly (even in case of bad news) so as to facilitate future planning
 - ✓ keep a good relationship with all stakeholders by disseminating necessary information and collecting feedback from them

- may need to educate stakeholders about the processes and benefits of Agile project management to solicit their support
- stakeholders may be invited to review and planning meetings in order to update them about the project progresses

- **Knowledge sharing**

- knowledge sharing / transfer is a key component of Agile project management
- knowledge should be shared across the team, customer, community, and organization

- **Active listening – there are 3 levels of listening skills:**

- Internal Listening (thinking about how things will affect me)
- Focused Listening (trying to understand what the speaker are really trying to say)
- Global Listening (keep track of not only what has been said but also the different signs and gestures the speaker employs to convey the full message)

- **Participatory decision models**

- encourage and facilitate stakeholders' involvement in decision-making process through simple techniques such as
 - ✓ simple voting
 - ✓ thumbs up / down / sideways
 - ✓ Jim Highsmith's Decision Spectrum – pick a value among a spectrum of feeling ranging from "in favour", "OK with reservation" to "veto" fist-of-five voting – vote with 1 to 5 fingers to express the degree of agreement (i.e. 1 – totally support, 5 – object completely)
- the simple technique will allow every stakeholder to voice out their opinion with an aim to reach a consensus on the issue

- **Definition of done (DoD)**

- Done means the feature is 100% complete according to pre-agreed conditions (e.g. including all the way from analysis, design, coding to user acceptance testing and delivery & documentation) and ready for production (shippable)
 - ✓ Done for a feature: feature/backlog item completed
 - ✓ Done for a sprint: work for a sprint completed
 - ✓ Done for a release feature shippable
- the definition of done (a.k.a. success criteria) must be agreed upon collectively with key stakeholders before carrying out the project works
- the definition of done will align the expectations of the stakeholders and project team to reduce the risk of wasted work
- the definition of done includes acceptance criterion and acceptable risks

- **Workshop**

- workshops can be a great way to encourage active participation of all stakeholders
- better make use of low-tech high-touch tools like whiteboard or post-it's to show ideas

- **Conflict resolution**

- There are 5 stages of conflict - in the order of light to severe:
 1. **A Problem to solve** – a problem occurs or is presented
 2. **Disagreement** – everyone tries to protect their own interests
 3. **Contest** – people begin taking sides (a you-vs-me situation)
 4. **Crusade** – people in conflict will make over-generalization in judgement, not just about the problem but also about the persons
 5. **World War** – the problem is now unresolvable, either one side will survive
- It is advisable to try to resolve conflicts early in the stage to reach a consensus with effective conflict resolution strategies:
 - ✓ Confronting – open dialogue (everyone is able to voice out their opinions) leading to problem resolution to create a win-win situation
 - ✓ Collaboration – working together to reach mutually agreed solution

- **Project charter**

- The project charter is a must-have for Agile project management to help creating a common understanding of the project objectives, mission, and success criteria. It is the 1st documentation created for the Agile project to help kicking off the project formally

- The project charter will be progressively elaborated as the project evolves can be detailed or barely sufficient (for most cases as at the project begin, it is usually little known that what the final product will be)
- Barely Sufficient Project Charter: usually include at least 3 elements:
 1. **Vision:** the purpose of the Agile project - answering the "**why**" of the project
 2. **Mission:** describes what will be achieved or done - answering the "**what**" of the project
 3. **Success Criteria:** describe "**how**" the project will be considered a success or reach an end
- Detailed Project Charter:
 - ✓ Background, objectives, vision (why) and mission (what), stakeholders of the project
 - ✓ Preliminary direction, scope
 - ✓ High-level budget, timeline
 - ✓ High-level risk and constraints
 - ✓ Communication plan
 - ✓ Success criteria
- Agile charters address more about the "How" instead of "What" of the project - such that the Project Charter will not impose unnecessary boundary for the project to evolve
- Can be in the form of an elevator statement adopting the format of
 - ✓ For – (target customers)
 - ✓ who – (need to do what)
 - ✓ , the – (product / service)
 - ✓ is a – (product category)
 - ✓ that – (key benefits)
 - ✓ . Unlike – (competitive products)
 - ✓ , we – (primary differentiation)

- **Social media-based communication**

- social media are a great way to collect ideas, requirements, and feedback from the community
 - ✓ convenient
 - ✓ instantly
 - ✓ two-way communication

Developing an Agile Charter:

An agile charter will typically answer a subset (or all) of the following **W5H** questions:

- **Who will be engaged?** — A list of the project participants and involved stakeholders
- **What is this project about?** — A high-level description of the project's vision, mission, goals, and objectives
- **Where will it occur?** — Details of work sites, deployment requirements, etc.
- **When will it start and end?** — The project starts and target end dates
- **Why is it being undertaken?** — The business rationale for the project
- **How will it be undertaken?** — A description of the approach (This is particularly important if agile methods are new to the organization or if changes from the standard approach, such as the increased involvement of the customer, need to be explained.)

For:	Project managers
Who:	Want to become agile project leaders
The:	"Learning to Lead Agile Teams" class
Is a:	Three-day course
That:	Takes participants through a comprehensive agile development life cycle, incorporating real case studies and hands-on exercises
Unlike:	Agile courses from generic training organizations
We:	Only use instructors with hands-on agile project experience to ensure they can answer all your questions, and our supplementary materials include valuable tools, case studies, and cheat sheets.

One way to help stakeholders explore and cement the basics of the project is to have them jointly develop a project elevator statement. Elevator statements are short descriptions of the project goals, benefits, and decision attributes that quickly describe the project or product.

Here is a popular format for elevator statements:

Definition of "Done":

Creating a shared definition of done is crucial for satisfying our stakeholders' expectations. Therefore,

a shared definition of done is necessary at every level of an agile project, including:

User stories: “For this story, done will mean developed, documented, and user acceptance tested”.

Releases: “The first release will be deemed done when system Alpha is replaced and there are no Priority1 defects or change requests”.

Final project deliverables: “Done for the project will mean all high- and medium-priority features are implemented, there are **two months of trouble-free operation**, and the project receives satisfaction **scores of greater than 70%** from the user community.

Agile Modeling:

The types of agile models that can be created during agile modelling include:

- **Use case diagrams**
- **Data models**
- **Screen designs**
- **Wireframes**

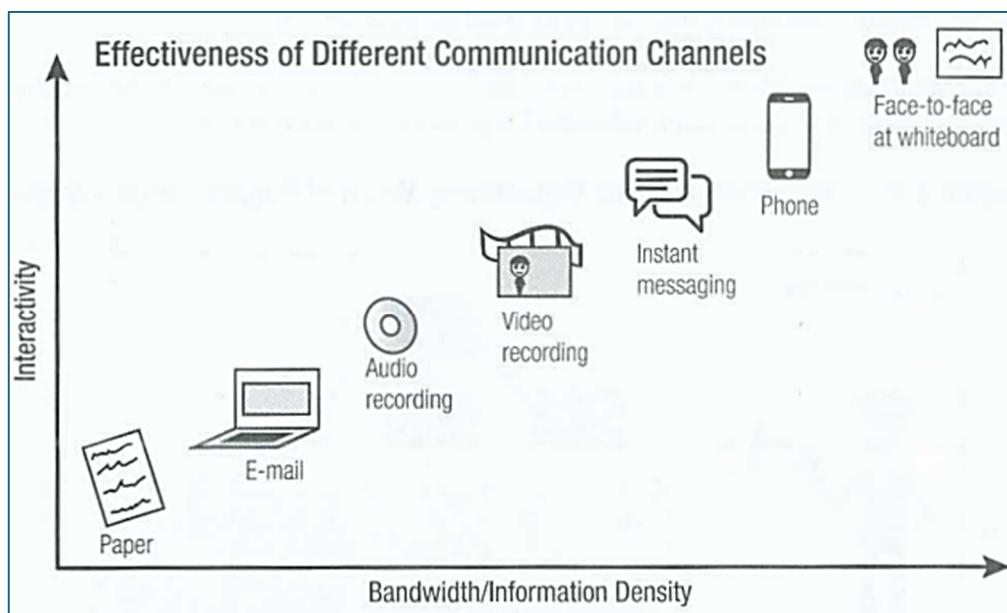
Personas:

- **Provide an archetypal description of users**
- **Be grounded in reality**
- **Be goal-oriented, specific, and relevant**
- **Be tangible and actionable**
- **Generate focus**

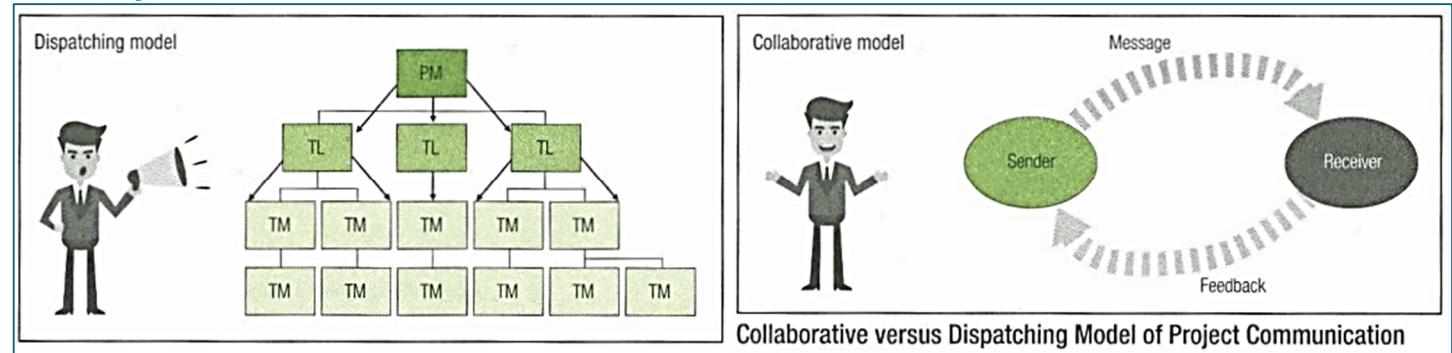
Sample Persona	
Name: Bob the Movie Buff	Values: Bob would like to be able to order movies from the comfort of his home. He would like to be able to search for movies by title, actor, genre, and director. He would also be interested in knowing how other viewers rated the movie. He is looking forward to unlimited movies so his children can watch shows multiple times without having to pay additional fees. He would also appreciate a “recommended” feature to help him and his wife choose movies.
 Description: Bob loves movies. On average, he rents 5 movies a week from his local rental store. His two children also like to watch children's TV shows. They often like to watch the same shows more than once, which means that Bob sometimes has to pay late fees. Bob's wife has different movie tastes than Bob and often spends a lot of time choosing a movie.	

Communicating with Stakeholders:

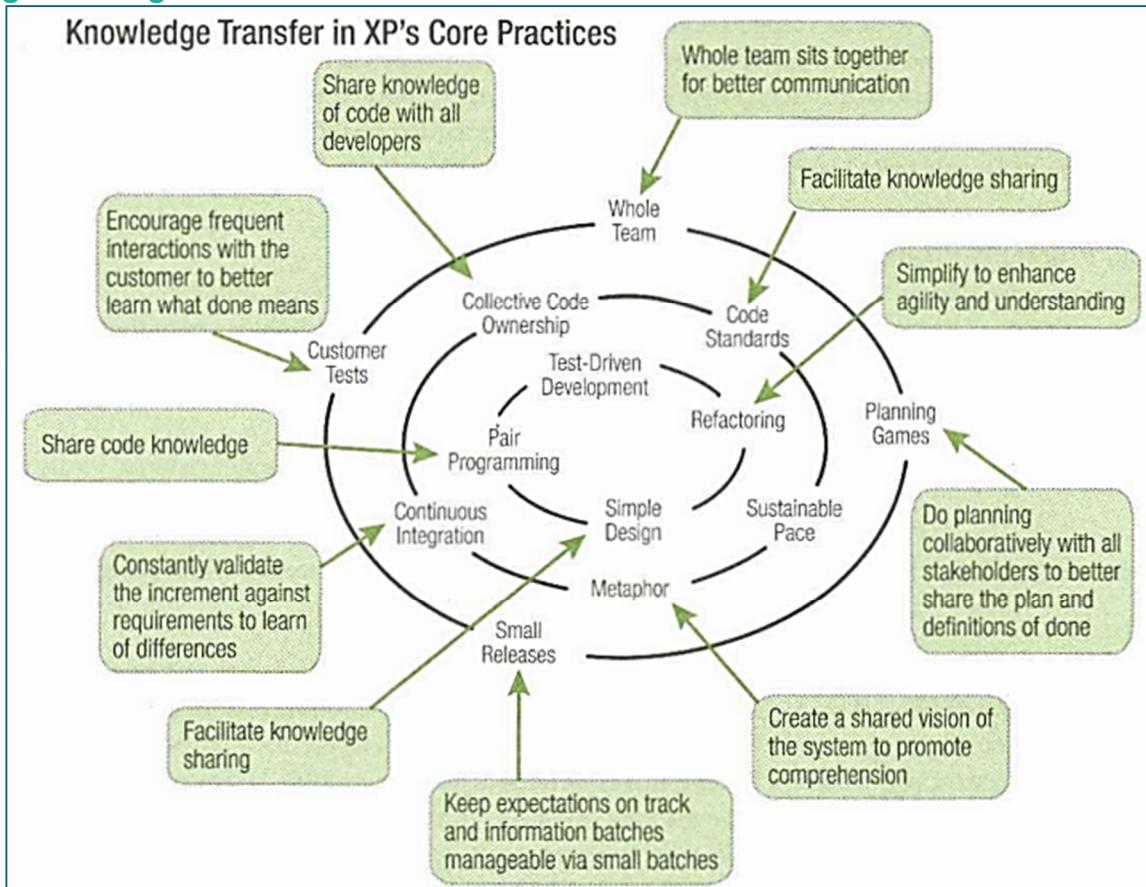
The preferred way for agile stakeholders to communicate is through face-to-face (F2F) communications. Such conversations convey a lot of emotional bandwidth such as gestures, facial expressions, and tone of voice. This allows us to quickly tell if the person we are talking to is puzzled, angry, or passionate about what we are saying.



Two-Way Communication:



Knowledge Sharing:



Information Radiators:

“Information radiator” is Agile’s umbrella term for highly visible displays of information, including large charts, graphs, and summaries of project data.

The sort of data that might be displayed on an information radiator includes:

- **The features delivered to date versus the features remaining to be delivered**
- **Who is working on what**
- **The features selected for the current iteration**
- **Velocity and defect metrics**
- **Retrospective findings**
- **List of threats and issues**
- **Story maps**
- **Burn charts**

Workshops:

Here are some tips that can make workshops more effective:

- Diverse groups reflect a wider range of viewpoints than just a few experts, and therefore are likely to generate a wider range of options. Adding more diverse voices to a group can lead to valuable new ideas and solutions.
- To prevent dominant individuals and extroverts from monopolizing the discussion, the facilitator can use techniques such as going round-robin style around the group or generating ideas on sticky notes.
- Another useful tip is to start with an activity that gets everyone participating within the first five minutes. This signals that this is a working session, and that everyone is expected to contribute, rather than simply be a passive audience for a tangential dialogue that may not concern them.

Brainstorming Methods:

Quiet Writing: With this method, the participants are given five to seven minutes to generate a list of ideas individually before the group gathers to share their ideas. This approach minimizes the effects of peer influence because the stakeholders generate their ideas in isolation before they share them.

Round-Robin: In this format, people take turns bypassing a token around the group. When a participant receives the token, he or she will suggest an idea and then pass the token to the next person. This method has the advantage of allowing ideas to build on each other; however, people have to be comfortable sharing their ideas in front of each other for it to work.

Free-for-All: Another approach is the free-for-all format. With this method, people just shout out their ideas spontaneously. This method can be collaborative, as people build on each other’s suggestions through discussion—but it can only work in a supportive environment. And even with a supportive environment, the quieter team members may not be heard, or may not feel as if they have an equal opportunity to participate.

Collaboration Games:

Here are some examples of the collaborative games used on agile projects:

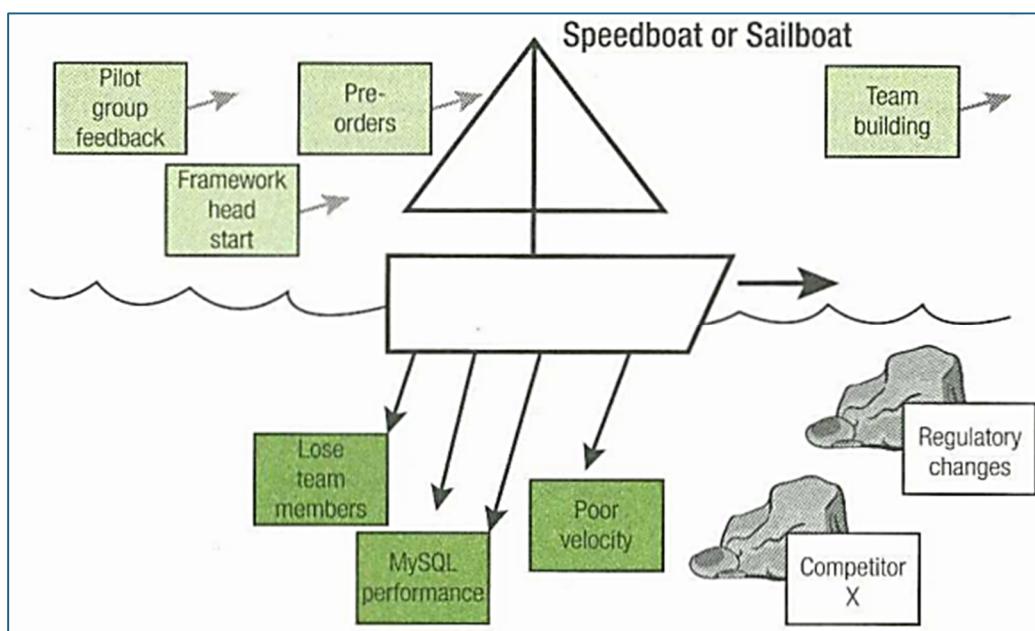
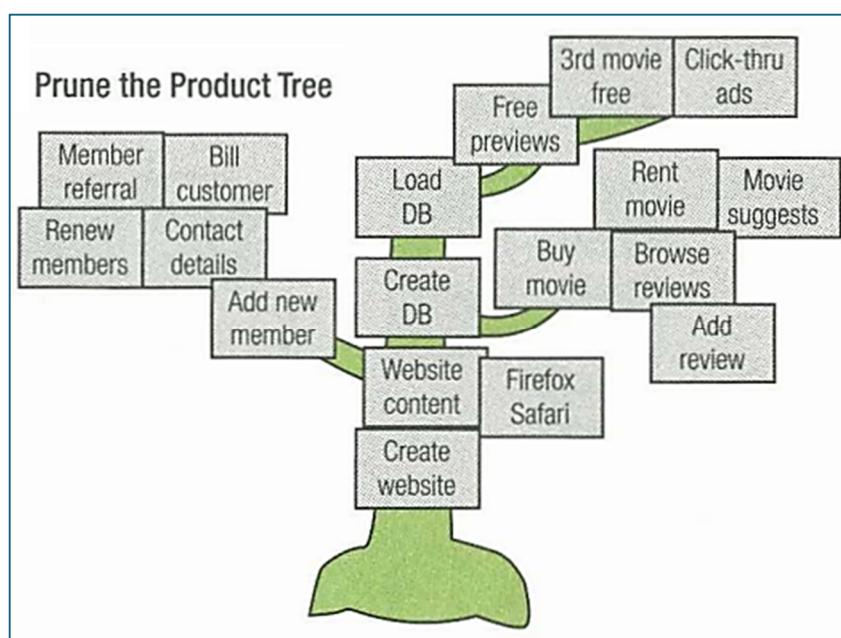
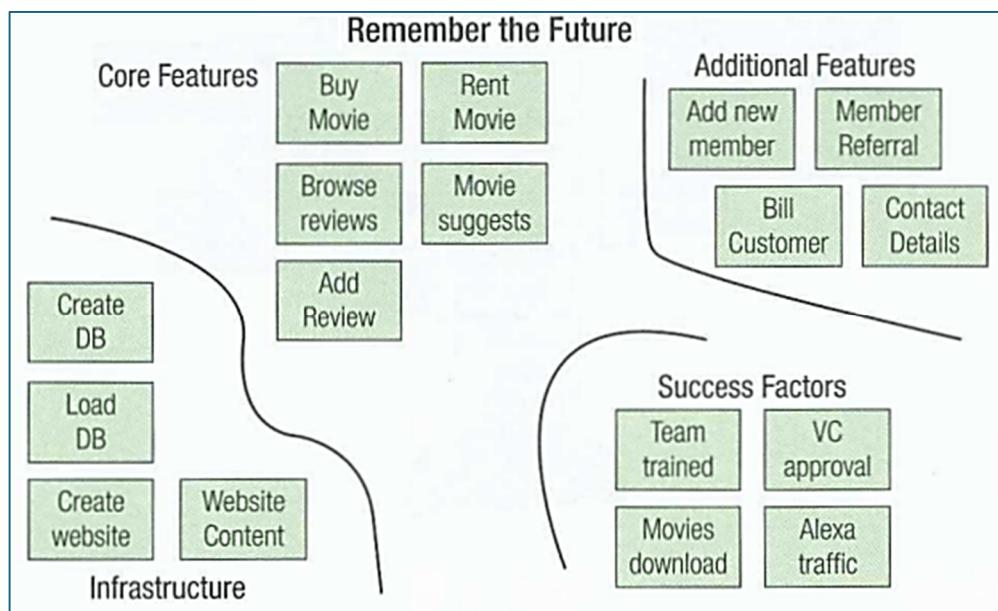
Remember the Future: This is a vision-setting and requirements-elicitation exercise.

Prune the Product Tree: This exercise helps stakeholders gather and shape requirements.

Speedboat (aka Sailboat): The goal of this exercise is to identify threats and opportunities (risks) for the project.

Buy a Feature: This is a prioritization exercise.

Bang-for-the-Buck: This exercise looks at value versus cost rankings.

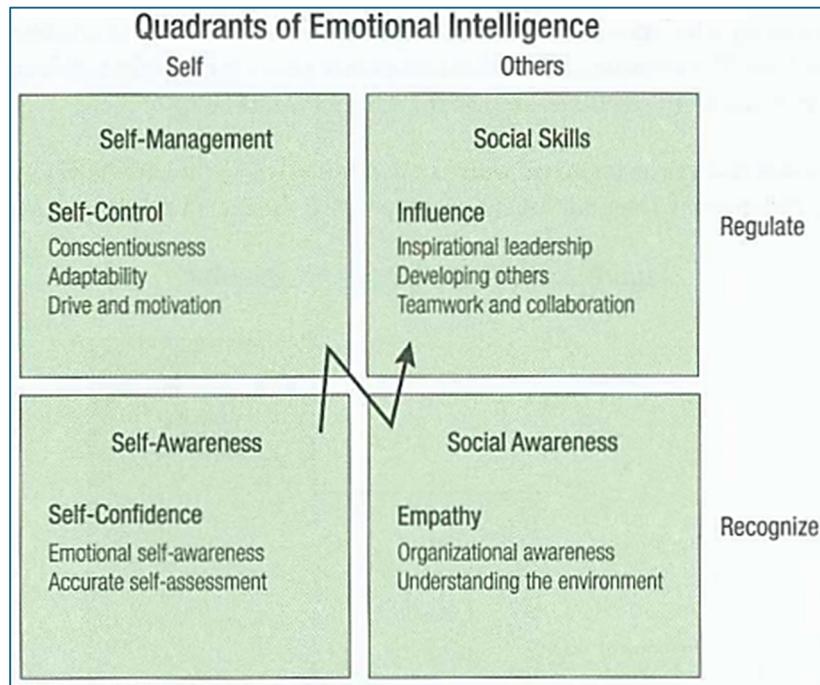


Using Critical Interpersonal Skills:

- Emotional intelligence
- Active listening

- **Facilitation**
- **Negotiation**
- **Conflict resolution**
- **Participatory decision making**

Emotional Intelligence:

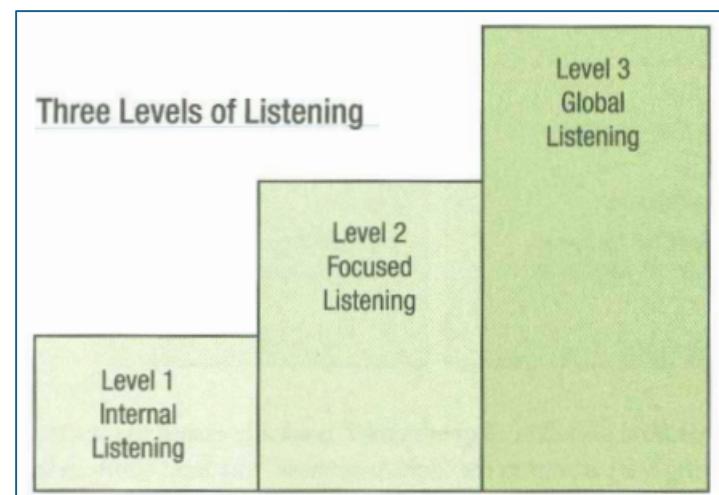


Active Listening:

Level 1: Internal Listening: At this first level of listening, we hear the words being spoken, and although we may be very attentive, we interpret them through our own lens. When listening, we are thinking “How is this going to affect me?” and miss the speaker’s real message.

Level 2: Focused Listening: When listening at this level, we let go of our own thoughts and put ourselves in the mind of the speaker. We empathize with their thoughts, experiences, and emotions as they tell us about the situation.

Level 3: Global Listening: When listening at this level, we build on the approach taken in level 2, adding a higher level of awareness, like longer antennae, to pick up on subtle physical and environmental indicators. These indicators can include the speaker’s movements or posture, energy level, and the atmosphere or “vibe” in the room.



Facilitation:

Goals: Establishing a clear goal for each meeting or workshop session can help people get engaged in the discussion from the start. Plus, having a clear goal and keeping everyone focused on that goal, rather than allowing the session to be side tracked, can shorten the session time, making the discussion feel more valuable to all involved.

Rules: Establishing some basic ground rules is another important technique for holding effective sessions. For example, there might be rules regarding the use of cell phones, starting and ending the sessions on time, or respecting the views of all participants. It is not enough to simply set the rules, however. The rules must also be enforced during each session.

Timing: Timing is always important when we are trying to get a group of people together, and it can be easy to lose track of the time once the session is going.

Assisting: The session facilitator needs to make sure the meeting is productive and that everyone has a chance to contribute. In addition to keeping the group focused on the session goal and enforcing the

ground rules, this may include making sure junior or quieter members have the opportunity to express their thoughts, coping with dominant or aggressive participants, and otherwise keeping the session flowing smoothly

Conflict Resolution:

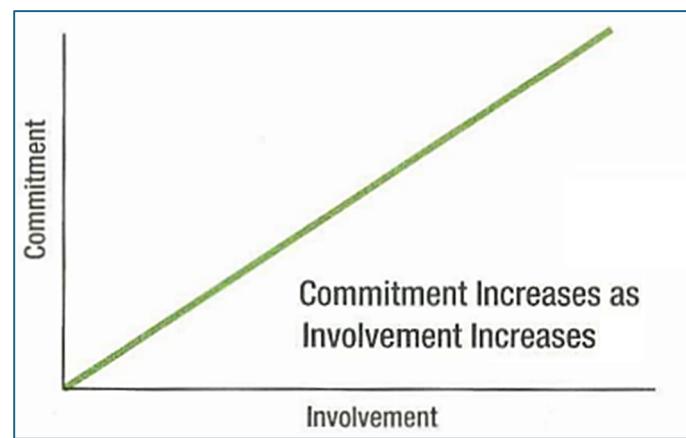
Some degree of conflict is healthy, to ensure that ideas are sufficiently tested before they are adopted.

Level	Name	Characteristic	Language	Atmosphere/Environment
Level 1	Problem to Solve	Information sharing and collaboration	Open and fact-based	People have different opinions or misunderstandings, or there are conflicting goals or values. The atmosphere isn't comfortable, but it isn't emotionally charged either.
Level 2	Disagreement	Personal protection trumps resolving the conflict	Guarded and open to interpretation	Self-protection becomes important. Team members distance themselves from the debate. Discussions happen off-line (outside of the team environment). Good-natured joking moves to half-joking barbs.
Level 3	Contest	Winning trumps resolving the conflict	Includes personal attacks	The aim is to win. People take sides. Blaming flourishes.
Level 4	Crusade	Protecting one's own group becomes the focus	Ideological	Resolving the situation is not good enough. Team members believe that people "on the other side" will not change and need to be removed.
Level 5	World War	Destroy the other!	Little or nonexistent	"Destroy!" is the battle cry. The combatants must be separated. No constructive outcome can be had.

Snippet	Conflict Level
"They have no idea, yet again. We would be better off without them!"	Level 4
"Okay, I get that you will have extra work if we choose this option. But so will I if we go with your method. And I'll have to redo this piece each time we set up a new page."	Level 2
"That's it! I warned you before. You and me—outside, right now!"	Level 5
"I know you have told me before, but I must be losing it. How do I request a ticket again?"	Level 1
"You're just pushing for this option because it makes your job easier. You never care about how it impacts anyone else! I'm tired of it. I think we should try something else for once."	Level 3

Participatory Decision Making:

Since knowledge work projects have no tangible product moving down a production line, communication and decision-making processes are more critical for keeping everyone informed and engaged. Although agile methods use many tools to promote effective communication among stakeholders (including co-location, daily stand-up meetings, planning workshops, retrospectives, etc.), less is written about decision-making tools.



Convergent, Shared Collaboration:

Convergence: Participatory decision-making models aim for convergence, or collective agreement on the best answer. There may be outlying opinions that need to be clarified or perhaps removed from consideration, but on the whole the goal is to converge on a collectively agreed-upon best answer. This helps create buy-in and support for the decision since everyone has had an opportunity to voice their opinion, be heard, and actively participate in the evolution of a common view.

Shared Collaboration: The second characteristic is that these approaches aim to share the decision-making process fairly. They are looking for group consensus rather than yielding to the will of a single influential individual.

Participatory Decision Models:

So, we need some mechanisms for making tough decisions while still keeping everyone engaged in the project. These mechanisms are called participatory decision models.

Simple Voting: One simple approach is to ask the team to vote “for” or “against” an idea by a show of hands. Although this is an easy technique, it limits our opportunities to refine the resulting decision.



Thumbs Up/Down/Sideways: This approach is quicker than pulling everyone in the group for input, since most people will have no concerns and will just want to move forward.



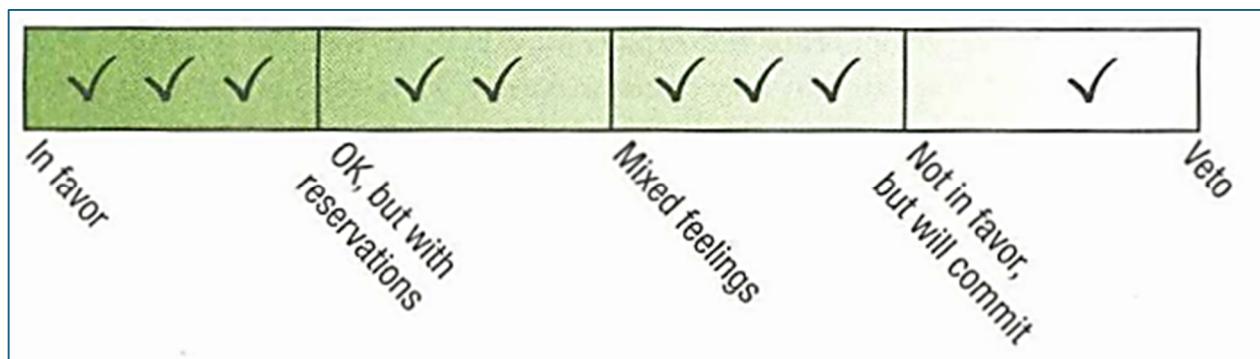
Fist-of-Five Voting: The “fist-of-five” approach has the advantage of speed (like the simple voting method), while still allowing people to indicate their degree of agreement (like the decision spectrum method discussed below). Using the fist-of-five approach, people vote by showing the number of fingers that indicates their degree of support.



- **One finger:** “I totally support this option.”
- **Two fingers:** “I support this option with some minor reservations that we probably don’t need to discuss.”
- **Three fingers:** “I have concerns that we need to discuss.”
- **Four fingers:** “I object and want to discuss the issue.”
- **Five fingers (an extended palmlike a stop sign):** “Stop; I am against this decision.”

Highsmith’s Decision Spectrum:

Team members indicate how they feel about a decision by placing a checkmark on a spectrum ranging from “fully in favour” to “mixed feelings” to “absolutely no, or veto”. Highsmith’s model is effective because it allows people to both indicate their support for a decision and express their reservations at the same time. It’s important to give people an opportunity to voice their concerns if we hope to reach an agreement to go forward while still respecting dissenting views and keeping everyone engaged.



RACI Matrix Definitions

Responsible - The individual(s) with responsibility for the task or deliverable is typically responsible for developing and completing the project deliverables themselves. The responsible parties are typically hands-on team members who make direct contributions toward the completion of the project. The responsible team is comprised of the project's "doers", working hands-on to ensure that each deliverable is completed.

Some examples of responsible parties are:

1. Project Managers
2. Business Analysts
3. Developers
4. Graphic Designers
5. Copywriters

Accountable - Accountable parties ensure accountability to project deadlines, and ultimately, accountability to project completion. This group frequently also falls under the informed category.

Some examples of accountable parties are:

1. Product Owners
2. Signature Authorities
3. Business Owners
4. Sponsors
5. Key Stakeholders

Consulted - Consulted individuals' opinions are crucial, and their feedback needs to be considered at every step of the game. These individuals provide guidance that is often a prerequisite to other project tasks, for example, providing legal guidance on a project throughout the process. If you are working on new product development or expansion, this could essentially be the entire organization.

Some examples of consulted parties are:

1. Legal Experts
2. Information Security and Cybersecurity Experts
3. Compliance Consultants

Informed - Informed persons are those that need to stay in the loop of communication throughout the project. These individuals do not have to be consulted or be a part of the decision-making, but they should be made aware of all project updates. Typically, this party are business owners or stakeholders that are more interested in viewing the project at a 30,000-foot view. Keep this group on your cc list for awareness of topics, decisions, and progress – that includes making them part of the initial project kickoff and project demos as optional attendees. This group often also falls under the accountable group.

Some examples of informed parties are:

1. Project Committee Members
2. External Stakeholders

3. Business Owners

RACI Matrix Example

Project Activity/Deliverable	Project Manager	Consultant	Architect	Contractor	Client
Define functional and aesthetic needs	I	I	C	I	R
Assess risk	A	R	I	C	I
Define performance requirements	A	R	I	I	I
Create design	A	C	R	I	C
Execute construction	A	C	C	R	I
Approve construction work	I	I	C	C	R

Responsible: The individual(s) with responsibility for the task or deliverable is typically responsible for developing and completing the project deliverables themselves.

Accountable: The accountable party ensures accountability to project deadlines, and ultimately, accountability to project completion.

Consulted: Consulted individuals' opinions need to be considered at every step of the process, their input helps guide the course of the project itself.

Informed: Informed persons are those that need to stay in the loop of communication throughout the project.