

Project Stakeholder Management

Project Skills

Team FME

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Preface

One of the most critical aspects of project management is developing and controlling relationships with those people that are affected by the project. In fact the PMI is placing increasing emphasis on Stakeholder Management, and has elevated it from being a part of Communications Management in version 4 of the PMBOK® to its own knowledge area in version 5.

Effective stakeholder management enables you to prevent scope creep, ensure project requirements are aligned, understand tolerance for risk, and fix issues that would otherwise undermine the project.

You will learn how to:

- Identify stakeholders and analyze their influence on the project
- Redirect stakeholder questions into project stakeholder directions
- Identify barriers to progress and take preemptive action
- Develop strategies to communicate, set boundaries, and manage competing expectations
- Describe the inputs, tools and techniques, and outputs of the Identify Stakeholders process

The Free Management eBooks 'Project Skills' series are structured around the ten key knowledge areas of project management detailed in the 'Project Management Institute, A Guide to the Project Management Body of Knowledge, (PMBOK® Guide)—Fifth Edition, Project Management Institute Inc., 2013'. ISBN-13: 978-1935589679.

The eBooks in this series follow the structure of the PMBOK® Guide because it represents a tried and tested framework. We have tried to ensure full alignment of our eBooks with the Guide by using the numbering convention as well as the naming convention.

If you need more detailed explanation of a particular subject then you can simply refer to the related chapter and paragraph number in the PMBOK® Guide. Remember, many of the generic project management methodologies available refer to the PMBOK® Guide as a basic framework.

A knowledge of the PMBOK® processes will go a long way towards giving you an understanding of almost any project management methodology that your organization may use.

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About this Knowledge Area

One of the keys to a successful project is successfully managing the relationships between everyone involved—the stakeholders. The fifth edition of the PMBOK® Guide has acknowledged this by making stakeholder management a separate knowledge area in its own right.

Project Stakeholder Management includes the processes required to identify the people, groups, or organizations that could impact or be impacted by the project.



This knowledge area seeks to analyze stakeholder expectations and their impact on the project. It also develops appropriate management strategies for effectively engaging stakeholders in project decisions and execution.

PMI define a stakeholder as:

'A person or organization (e.g. customer, sponsor, performing organization or the public) that is actively involved in the project, or whose interests may be positively or negatively affected by the execution of the project. A stakeholder may also exert influence over the project and its deliverables.' (PMBOK® Guide)

The Project Stakeholder Management processes include the following:

Process	Process Group	Key Deliverables
13.1 Identify Stakeholders	Initiating	Stakeholder Register
13.2 Plan Stakeholders Management	Planning	Stakeholder Management Plan
13.3 Manage Stakeholders Engagement	Executing	Documentation Updates
13.4 Control Stakeholders Engagement	Monitoring & Controlling	Performance Reports

Identify Stakeholders is the only other process to be in the Initiating Process Group other than 'Create Project Charter'. This is because the cost of making changes increases as the project progresses, so it is important to identify and engage the stakeholders as early as possible and to make sure that their requirements are fully understood.

Stakeholder management also focuses on continuous communication with stakeholders to understand their needs and expectations, addressing issues as they occur, managing conflicting interests and fostering appropriate stakeholder engagement in project decisions and activities. Stakeholder satisfaction should be managed as a key project objective.

Introduction

Very early in the life of a project, it is critical to identify all of the organizations and people who may have an impact on the project, and all those who may be impacted by it. A 'stakeholder' is any person or organization that is actively involved in a project, or whose interests may be affected positively or negatively by execution of a project.

A project manager must be sure to identify and list all potential stakeholders for a project. In addition to those on the project team potential stakeholders include:

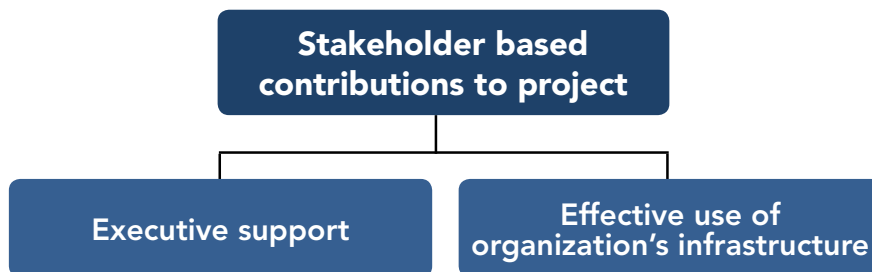
Stakeholders may be:	Employees	Competitors	Labor unions
Government	Local Communities	Investors	Potential Employees
National Communities	Shareholders	Industry Groups	Regulatory Bodies
Professional Associations	Public	Prospective Customers	Suppliers

Stakeholders can be internal to the organization or external. In many projects the public at large will become a stakeholder to be considered during the project. The challenge for the project manager when the public is a stakeholder will be to act while considering public needs. Often there is no direct representative of the public to be consulted during project planning and execution.

Stakeholder involvement should be supported by:

- An emphasis on quality relationships in which the parties:
 - Are aware of their responsibilities
 - Where communication between them is clear and comprehensive.

Stakeholder-based contributions to project success include executive support and effective use of the organization's infrastructure to support the project.



The project manager must document relevant information for all identified stakeholders. This information may include the stakeholder's interests, involvement, expectations, importance, influence, and impact on the project's execution as well as any specific communications requirements. It is important to note that although some identified stakeholders may not actually require any communications they should still be identified.

The PMBOK® Project Stakeholders Management Processes

There are four Project Stakeholder Management processes:

- 13.1 Identify Stakeholders
- 13.2 Plan Stakeholders Management
- 13.3 Manage Stakeholders Engagement
- 13.4 Control Stakeholders Engagement

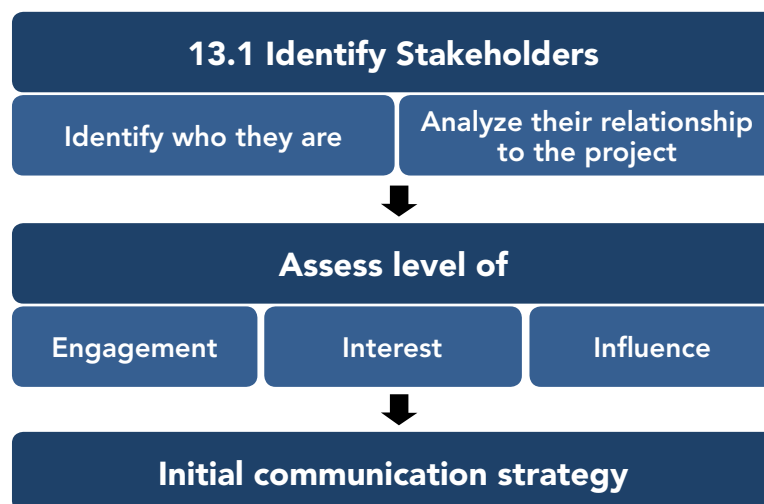
These are dealt with in detail in the following chapters of this eBook.

13.1 Identify Stakeholders

This process takes place before the detailed planning stage of the project begins, as it is an essential input to the project plan. It has a dual purpose:

- 1st To identify the stakeholders
- 2nd To analyze the project's relationship with them to establish their:
 - Level of engagement or interest in the project
 - Level of influence on it.

Both of these factors together determine the best strategy to use when engaging them throughout the course of the project.

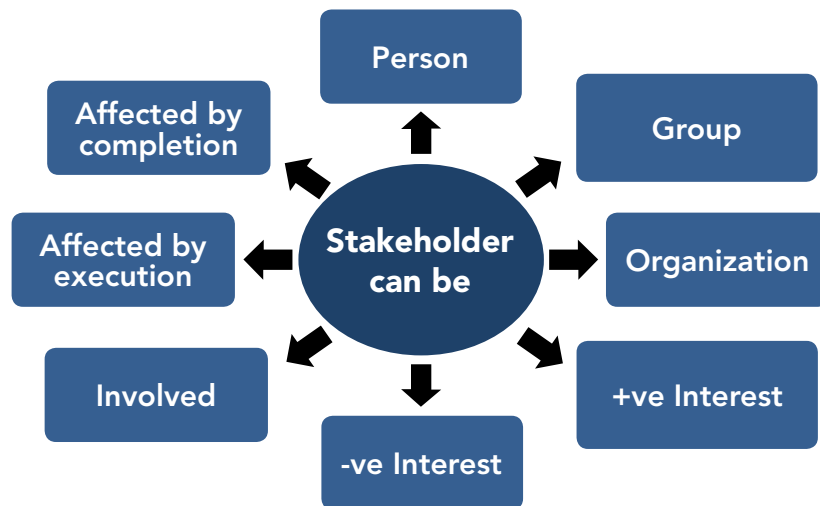


The PMBOK® describes this process as:

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

A stakeholder is defined as anyone with an interest in the project, irrespective of whether that interest is positive or negative. They may be individuals or organizations that are

actively involved in the project, or whose interests may be affected by the execution or completion of the project.



There are three broad categories of stakeholders:

- *Involved*—this group would include the project manager, sponsor, and team members.
- *Affected*—this group is more diverse and includes both internal and external entities, for example, other departments within the organization, customers, suppliers, regulatory bodies etc. In the case of a construction project, those affected might include also neighboring premises and the wider local community.
- *Exerting Influence*—this group includes the press (local and national), environmental groups and other 'interest' groups (for example worker's rights) as well as departments within the performing organization that are not directly affected by the project but may wish to influence it in some way. This last group would typically include legal, financial and public relations departments.

Grouping stakeholders in this way is simply an aid to identifying them. These groups often overlap, and in the case of a software project the end-users would be both affected by the project and able to exert influence on it. The key issue is to make sure that all stakeholders are identified so that their influence can be assessed and planned for.

The important thing is to understand what it is that the stakeholder is seeking to protect, profit from or enhance. You can then structure your communications to let the person know that you are aware of their interest in the project and are taking it into account.

Communications with Stakeholders need to:

Match their expectations

Show you understand their interest

Enable effective negotiations

Prevent or mitigate problems

& take it into account in the plan & execution

By understanding what each stakeholder wants from the project, and communicating with them according to their expectations, you can negotiate with them effectively and prevent problems from arising or at least mitigate the effect of any that do arise.

Ideally for each stakeholder, you will understand:

The 'stake' the stakeholder has in the project.

What the project needs from the stakeholder.

What the stakeholder expects or requires from the project.

It is important to identify the stakeholders early in the project, and to analyze their levels of interest, expectations, importance and influence. They should then be classified according to their:

Interest

Influence &

Involvement.

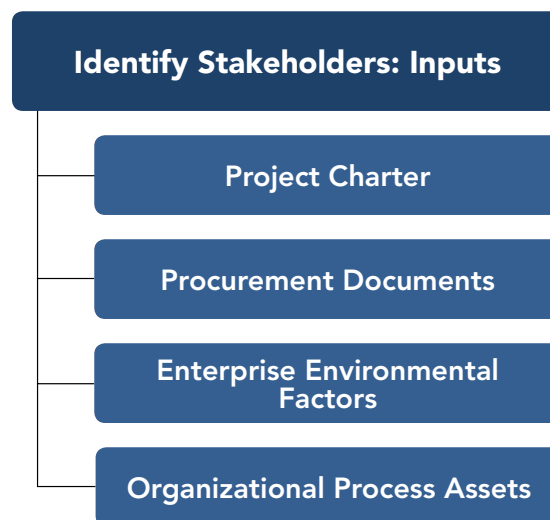
The assessment should be periodically reviewed during project execution to allow for changes.

The inputs, tools and techniques, and outputs of this process are summarized in the table below.

Inputs	Tools & Techniques	Outputs
Project Charter	Stakeholder Analysis	Stakeholder Register
Procurement Documents	Expert Judgment	
Enterprise Environmental Factors	Meetings	
Organizational Process Assets		

13.1.1 Identify Stakeholders: Inputs

This process requires the following inputs:



13.1.1.1 Project Charter

The project charter is created early on in the initiating process group and formally authorizes a project or a phase and specifies initial requirements that satisfy the stakeholder's needs and expectations. It should answer the following questions:

What is the project going to do?

What is the business case for doing it?

Who wants it done?

Where is the money coming from?

Who is going to manage the work?

Who is going to do the work?

The project charter may describe some of the stakeholders along with their interests either in the project itself or the end-product/deliverable. As such, it can provide information about internal and external parties involved in and affected by the project, such as project sponsor(s), customers, team members, groups and departments participating in the project, and other people or organizations affected by the project.

13.1.1.2 Procurement Documents

This can be used if there is a contract involved, in which case such procurement documents should lay out who the main stakeholders are and their needs. Other relevant parties, such as suppliers, should also be considered as part of the project stakeholder's list.

If the project is a procurement for another organization, then the buyer is a stakeholder. If the project requires procurements from other organizations to be completed, then the supplier or seller is a stakeholder.

13.1.1.3 Enterprise Environmental Factors

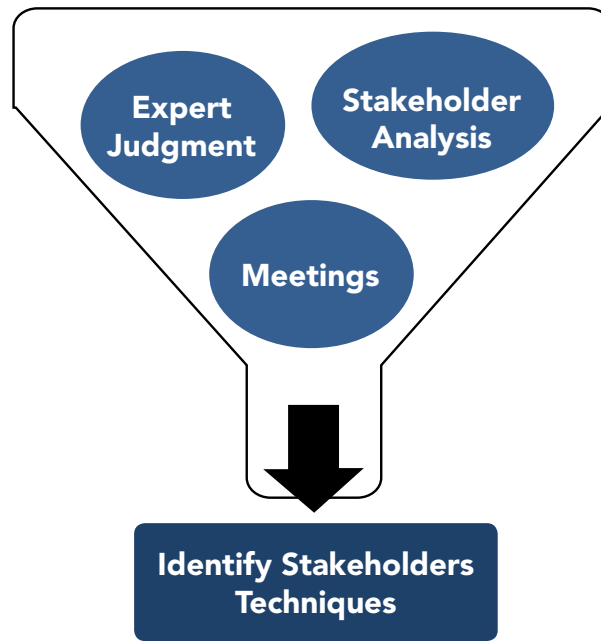
These include anything external to your project that will have an effect upon it including governmental or industry standards as well as the organizational or company culture.

13.1.1.4 Organizational Process Assets

This refers to anything that will assist your project, either in the planning or the implementation and includes lessons learned from previous projects, stakeholders register templates, and stakeholder registers from previous projects.

13.1.2 Identify Stakeholders: Tools and Techniques

There are three tools and techniques that can be used.



13.1.2.1 Stakeholder Analysis

This is the job of identifying which stakeholders should receive project communications, what communications they should receive, and how often they should receive them. It should identify the interests, expectations, and influence of the stakeholders and relate them to the purpose of the project.

Remember, not all stakeholders need the same treatment. There will be significant differences in their interest in the project and some will be more important and influential than others.

Stakeholder analysis can be broken down into two stages:

- *Stakeholder Identification*—create a list of who has an interest, involvement or influence on the project. For each stakeholder define their level of authority and level of interest.
- *Stakeholder Impact Assessment*—assess the type of impact they could have on the project and then prioritize and group the stakeholder list created in the first stage.

On completing this analysis the project manager is then in a position to develop a practical and effective stakeholder management strategy.

The first action is to start making a list of anyone in a decision-making or management role that is impacted by the project, such as the:

- Sponsor
- Project Manager, &
- Primary Customer

and to interview them. As a result of these interviews others will be added to your list to interview. You continue with this activity until you have added all potential stakeholders.

To ensure that the list is as comprehensive as possible you should also seek input from those with specialized training or knowledge of the subject area such as:

- Senior Management
- Project Managers who have worked on projects in the same area
- Experts in the business area
- Industry Groups
- Professional & Technical Associations.

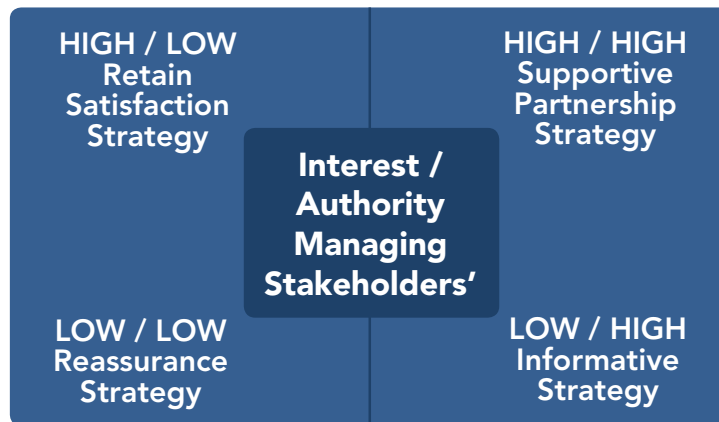
You can then proceed to classify stakeholders according to level of authority and their level interest regarding the project. This can be done using a matrix grid that is similar to the risk matrix used in the knowledge area of Project Risk Management, where certain events having low or high impact, and low or high probability.

A stakeholder can also impact a project in the same way that an event can and this must be assessed and planned for. The impact can potentially be both positive and negative and is measured in terms of interest and authority as shown in the grid below.

	Authority	
	Low	High
	High	Low
Interest		
	Low	High

The strategy a project manager needs to adopt for each quadrant needs to take into account its level of interest and authority, which influences the level of impact it can have on the project. This knowledge will form a key element of how you manage each of your stakeholders.

- *Low (Interest)—Low (Authority) quadrant.* These stakeholders need a simple strategy that will reassure them that the project is meeting their needs. They need the lowest level of management.
- *Low (Interest)—High (Authority) quadrant.* This stakeholder group can wield significant power over your project and how you manage them must ensure they are kept informed accordingly retaining their valuable support. It requires a nominal amount of management time due to their low interest in the project, but must be specific to the stakeholder's role in the project.
- *High (Interest)—Low (Authority) quadrant.* Neglecting this group just because their authority is low is a bad management strategy. Their interest in the project is high so your management efforts are greater than the previous group and focus on convincing them that their interests are being serviced.
- *High (Interest)—High (Authority) quadrant.* As you would expect these stakeholders need the project manager to carefully and closely manage their ways to keep them informed and supportive as the project progresses.



The initial level of stakeholder analysis gives a broad qualitative analysis of the stakeholder's power and interest so that the broad strategy of engagement can be determined. This grid also indicates the level of engagement and influence each stakeholder has on the project overall, or in a particular phase.

The analysis then looks into the type of relationship a project manager should have with each type of stakeholder. It provides a means to assess the impact they can have on or level of risk their involvement brings to the project. This impact can be potentially positive, negative or neutral. Classifying the project stakeholders in this way makes the stakeholder management strategy easier to develop later on.

13.1.2.2 Expert Judgment

This is required whenever the project team or the project manager does not have sufficient expertise to carry out a process or activity and can be obtained through individual consultations, workshops or focus groups. The following experts can assist in a complete identification of stakeholders:

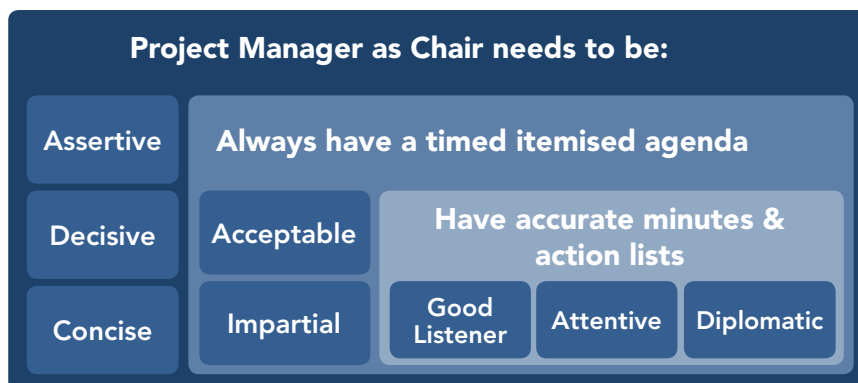
- Upper management
- Other organizational units (in functional organization)
- Other project managers or Project Management Office
- Subject Matter Experts in business or project area
- Industry groups or consultants
- Professional and technical associations
- Regulatory bodies, non-governmental organizations

13.1.2.3 Meetings

Profile analysis meetings are used to develop understanding of major project stakeholders. Collective decision-making is very important area of project management that the PMBOK® does not go into any detail about but which can make or break this part of the project. Four key characteristics of effective and productive meetings are where everyone displays:

- An understanding of the issues and topics being discussed.
- Listens attentively and impartially.
- Act with diplomacy to ensure all contributions are heard.
- Avoids diversions by focusing on the discussion topic.

Almost all of the processes that form part of project management will involve meetings between the project manager, the team and other stakeholders in order to make decisions about the activity definitions and associated estimates.



To learn about becoming an effective chair download our free eBook on this topic with this link <http://www.free-management-ebooks.com/dldebk/dlmt-chair.htm>. How well these meetings are conducted will have a major impact on how smoothly the project runs. The diagram above shows all the key characteristics the project manager, as chair of many of these meetings needs to display for them to be productive.

If you want to learn more about ensuring your project meetings are efficient then visit our online library page dedicated to 'Meeting Skills' eBooks <http://www.free-management-ebooks.com/skills-meeting.htm> where you have access to eBooks, checklists and templates. These free resources cover all aspects of meetings including how to set an agenda that will ensure that the meeting achieves its aims and how to chair a meeting so that it is as productive as possible.

13.1.3 Identify Stakeholders: Outputs

The identification of stakeholders goes into the Stakeholder Register, which includes classification and assessment information. It is the only output from this process.

13.1.3.1 Stakeholder Register

This contains all details related to the identified stakeholders including the type of information shown in the table. This information is based on perception and explicitly describes each stakeholder from the perspective of the project. The stakeholder register is elaborated in subsequent processes of this knowledge area.

Stakeholder Register				
Name				
Job Title				
Role				
Contact Information				
Location				
Category	Internal		Supporter	Neutral
	External		Resistor	Other
Major requirements				
Main expectations				
Classification	Interest	Low	Med	High
	Influence	Low	Med	High
	Involvement	Low	Med	High

Even though it is a legitimate document, in that it helps the project manager to communicate with all those listed, the information it contains can be sensitive and is one perception at a specific point in time. This makes the register a potential to be a source of controversy. For example,

A departmental head might be described as having a negative attitude to the project because it will have an adverse impact on them personally. However, he or she could feel that they are being unfairly misrepresented in a way that could damage their future prospects within the organization.

For this reason, this document should be available only to the project manager and perhaps one or two trusted project staff.

13.2 Plan Stakeholders Management

The objectives of this process are to analyze the engagement level of the stakeholders identified in process 13.1 Identify Stakeholders and create a Stakeholder Management Plan to manage and control that engagement level of stakeholders throughout the project.

The PMBOK® describes this process as:

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

Stakeholder analysis is so important that a wide variety of experts are consulted to help analyze the actual level and the desired level of engagement level of the various stakeholders. These experts are the same ones that were consulted in the previous process to identify the stakeholders and analyze their interest and/or influence on the project in order to determine the general strategy for engaging them.

The inputs, tools and techniques, and outputs of this process are summarized in the table below.

Inputs	Tools & Techniques	Outputs
Project Management Plan	Expert Judgment	Stakeholder Management Plan
Stakeholder Register	Meetings	Project Document Updates
Enterprise Environmental Factors	Analytical Techniques	
Organizational Process Assets		

13.2.1 Plan Stakeholders Management: Inputs

This process requires the following inputs:



13.2.1.1 Project Management Plan

Information from several subsidiary plans of the overall project management plan, such as the scope, change, human resources, and communications management plan, are helpful in analyzing the engagement level of stakeholders.

13.2.1.2 Stakeholder Register

This was created in the '13.1 Identify Stakeholders' process and is used to ensure that all stakeholders are included in the project communications.

13.2.1.3 Enterprise Environmental Factors

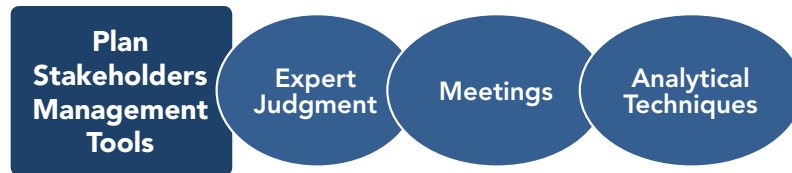
An organization's culture, structure, and political climate determine the best options for managing stakeholders.

13.2.1.4 Organizational Process Assets

Historical information from previous projects can provide information on stakeholder management for the current project.

13.2.2 Plan Stakeholders Management: Tools and Techniques

There are three tools and techniques that can be used.



13.2.2.1 Expert Judgment

In order to assess the level of engagement required from each stakeholder at each stage of the project, the following experts should be consulted:

- Senior management
- Project team members
- Other functional units within the organization
- Identified key stakeholders
- Project managers (who have worked on similar projects)
- Subject matter experts (SMEs) in business or project area
- Industry groups or consultants
- Professional and technical associations
- Regulatory bodies, non-governmental associations (NGOs)

13.2.2.2 Meetings

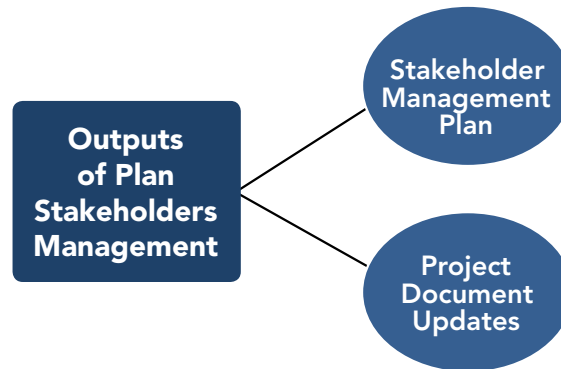
Meetings are used to define the required engagement levels of all stakeholders.

13.2.2.3 Analytical Techniques

The current engagement levels of stakeholders are compared to required engagement level.

13.2.3 Plan Stakeholders Management: Outputs

This process will create the following outputs:



13.2.3.1 Stakeholder Management Plan

This identifies management strategies required to effectively engage stakeholders.

13.2.3.2 Project Document Updates

These include the project schedule and the stakeholder register. Activities that are required to effectively engage stakeholders are explicitly added to the project schedule.

13.3 Manage Stakeholders Engagement

This process is in the Executing Process group, and involves communicating and engaging with stakeholders throughout the project in order to meet their needs and address any issues that affect them. By reducing resistance from stakeholders and gaining their support, a project manager can increase the chances for success on a project.

The PMBOK® describes this process as:

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

The inputs, tools and techniques, and outputs of this process are summarized in the table below.

Inputs	Tools & Techniques	Outputs
Stakeholder Management Plan	Communication Methods	Issue Log
Communications Management Plan	Interpersonal Skills	Change Requests
Change Log	Management Skills	Documentation Updates
Organizational Process Assets		

13.3.1 Manage Stakeholders Engagement: Inputs

This process requires the following inputs:



13.3.1.1 Stakeholder Management Plan

This is an output from process '13.2 Plan Stakeholders Management' that identified stakeholders and analyzed them. Firstly, on a macro level, based on their impact and interest level and then on a micro level based on their individual level of engagement with the project. (For example, unaware, resistant, neutral, supportive, or leading). This plan:

Describes methods and technologies used for communication with stakeholders

Determines current level and desired level of stakeholder engagement

Describes strategy for managing stakeholders throughout the project life cycle.

13.3.1.2 Communications Management Plan



This is output from process '10.1 Plan Communications' and forms part of the project management plan, and will contain the following information:

- Information to be communicated, including:
 - Language
 - Format
 - Content, &
 - Level of detail
 - Reason for the distribution
 - Glossary of common terminology

It also defines the timing and frequency of the distribution, as well as the individual responsible. There is always a need within any project to communicate confidential information and it is this plan that outlines who is responsible for authorizing the release of such information and in defining who (individuals, organizations or groups) should receive it.

The communications management plan describes the methods or technologies to be used and lists the resources allocated for communication activities. In addition, a process for identifying issues that cannot be resolved at a lower staff level will need to be worked out so that issues can be escalated.

13.3.1.3 Change Log

This documents changes that occur on a project, and their impact on the project's time, cost and risk. The impact of any changes needs to be communicated to the appropriate stakeholders.

13.3.1.4 Organizational Process Assets

These include organizational policies, procedures and guidelines and communication templates and distribution lists from previous projects.

13.3.2 Manage Stakeholders Engagement: Tools and Techniques

There are three tools and techniques that can be used.

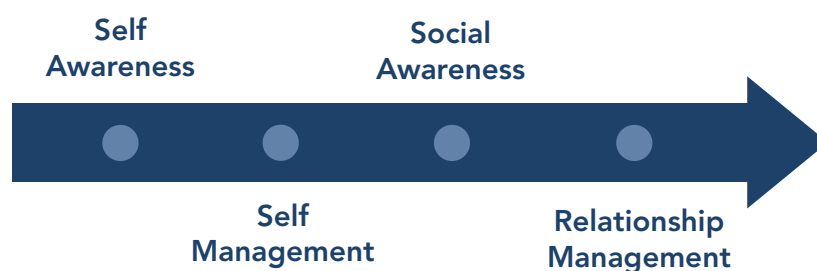


13.3.2.1 Communication Methods

The methods of communication identified for each stakeholder in the communications management plan are put into practice. In the event of a serious issue coming to light the best approach is usually a face-to-face meeting in which contentious issues can be dealt with diplomatically to everyone's satisfaction.

13.3.2.2 Interpersonal Skills

These include communication skills and people skills to ensure that your message is clearly and positively delivered. Our free communication resources will ensure that your communications and presentations are effective <http://www.free-management-ebooks.com/skills-communication.htm>.



The important thing is that the project manager should have the ability to build trust and relationships. An individual's capability in building successful working relationships is now recognized as relating to their level of emotional intelligence (EI). (To learn more about your level of EI download our free resources <http://www.free-management-ebooks.com/skills-people.htm>.) This is at the heart of both individual success and project team productivity.

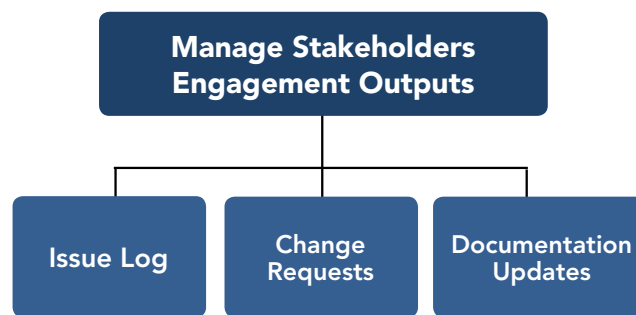
13.3.2.3 Management Skills

These include coordination and harmonization the group toward accomplishment of project objectives through consensus building.

Creating a positive tone between the project team and its stakeholders is fundamental to your project's success.

13.3.3 Manage Stakeholders Engagement: Outputs

This process will create the following outputs:



13.3.3.1 Issue Log

This identifies issues and records their resolution. If changes are requested, the stakeholders who may be impacted should be communicated with to gauge their reaction.

13.3.3.2 Change Requests

Managing stakeholder expectations may result in a change request to the product or the project. It may also include corrective or preventive actions as appropriate.

13.3.3.3 Documentation Updates

These include the stakeholder management strategy, the stakeholder register and the issue log. If in the course of the project, the stakeholders have new requirements or needs, or if those needs change, the stakeholder management plan should be changed to reflect this.

Also, if the requirements for communicating with the stakeholders change, these must be reflected in the communication management plan. Any changes in the engagement of specific stakeholders need to be included in updates to the stakeholder register, and the

company should keep the experience with stakeholders on the current project in mind for inclusion in lessons learned documentation, which may help stakeholder management on future projects.

13.4 Control Stakeholders Engagement

This process monitors the current engagement level of stakeholders and takes action if that level is not in line with the desired level of engagement at that point in the project.

The PMBOK® describes this process as:

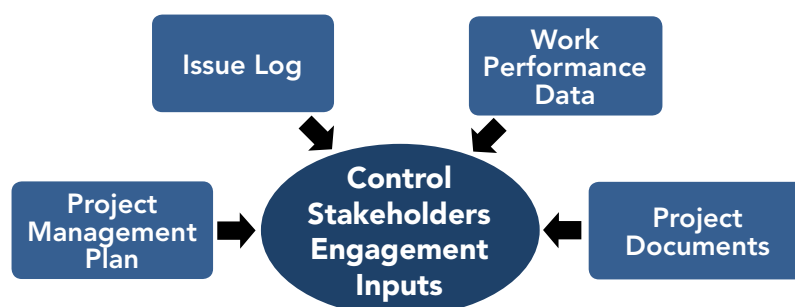
‘The process of monitoring overall project stakeholder relationships and adjusting strategies and plans for engaging stakeholders.’

The inputs, tools and techniques, and outputs of this process are summarized in the table below.

Inputs	Tools & Techniques	Outputs
Project Management Plan	Information Management Systems	Work Performance Information
Issue Log	Expert Judgment	Change Requests
Work Performance Data	Meetings	Project Management Plan Updates
Project Documents		Project Documentation Updates
		Organizational Process Assets Updates

13.4.1 Control Stakeholders Engagement: Inputs

This process requires the following inputs:



13.4.1.1 Project Management Plan

The project management plan is used to develop the stakeholder management plan, as described in Section 13.1.3.1. The information used to Control Stakeholder Engagement includes:

- 1.** The life cycle for the project (project phases)
- 2.** How work will be executed to accomplish project objectives
- 3.** Human resources requirements:
 - Roles & responsibilities
 - Reporting relationships
 - Staffing management
- 4.** Change management plan
- 5.** Communication management plan
- 6.** Stakeholder management plan-gives current and desired level of stakeholder engagement

13.4.1.2 Issue Log

This is used to record any new issues that come up or to note the resolution of any current issues.

13.4.1.3 Work Performance Data

This includes such data as:

- Percentage of work completed
- Technical performance measures
- Number of change requests
- Number of defects
- Budgeted costs vs. Actual costs
- Scheduled activity durations vs. Actual durations.

13.4.1.4 Project Documents

These include the project schedule, stakeholder register and change log.

13.4.2 Control Stakeholders Engagement: Tools and Techniques

There are three tools and techniques that can be used.



13.4.2.1 Information Management Systems

These capture, store, and distribute information to stakeholders on project cost, schedule progress, and performance

13.4.2.2 Expert Judgment

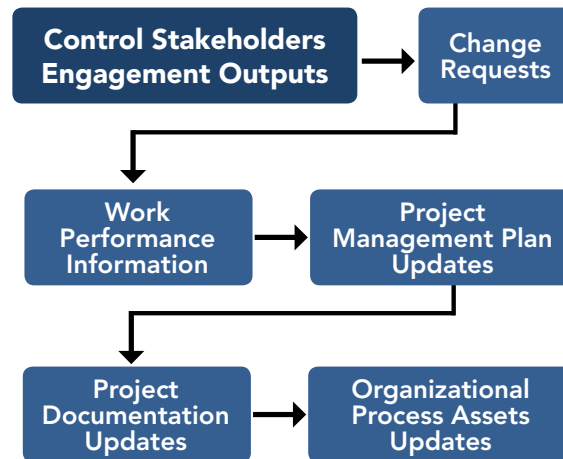
Engagement levels of stakeholders are monitored and adjusted by conferring with senior management, key stakeholders, project managers on other projects in same area, SME's (Subject Matter Experts) in business or project area and industry groups and consultants.

13.4.2.3 Meetings

Status review meetings are used to analyze information about stakeholder engagement.

13.4.3 Control Stakeholders Engagement: Outputs

This process will create the following outputs:



13.4.3.1 Work Performance Information

Performance data that are collected, analyzed, and integrated.

13.4.3.2 Change Requests

Analysis of project performance and interactions with stakeholders often generates change requests.

13.4.3.3 Project Management Plan Updates

As stakeholders engage with the project the overall effectiveness of the stakeholder management strategy can be evaluated. As needed changes in approach or strategy are identified, affected sections of the project management plan may need to be updated to reflect these changes.

13.4.3.4 Project Documentation Updates

These include the stakeholder register, which is updated when new stakeholders are identified or there is a change in engagement level of existing stakeholders. The issue log may also need to be updated as new issues identified or current issues are resolved.

13.4.3.5 Organizational Process Assets Updates

These include stakeholder notifications, project reports, presentations, records, feedback from stakeholders and lessons learned documentation.

Summary

One of the key objectives of any project must be managing and maintaining stakeholder satisfaction. This management is a continual process of communication between the project manager and the stakeholders, in order to:

- Understand their needs and expectations
- Address issues as they occur
- Manage conflicting interests
- Foster their engagement in project decisions & activities.

Project Stakeholder Management includes the processes required to manage all of the parties with an interest in the project. Stakeholder identification and management is a key skill for all project managers.

Stakeholders are individuals who represent specific interest groups served by the outcomes and performance of a project or program.

Project managers must give due consideration to the people issues surrounding projects and recognize that the appropriate involvement and management of stakeholders is almost always a critical success factor.

Project Stakeholders Management processes

Identify Stakeholders

Plan Stakeholder Management

Manage Stakeholder Engagement

Control Stakeholder Engagement

This area of project management is important because it helps an organization to achieve its strategic objectives by creating a positive relationship with everyone involved through

effective management of their expectations. The four project stakeholder management processes are:

- *13.1 Identify Stakeholders* is the process that identifies people, groups, or organizations that could impact or be impacted by a decision, activity, or outcome of the project. It analyzes and documents their interests in and influence on the project.
- *13.2 Plan Stakeholder Management* is the process that develops appropriate management strategies to effectively engage stakeholders throughout the project.
- *13.3 Manage Stakeholder Engagement* is the process that communicates and works with stakeholders to meet their needs and expectations, address issues as they occur, and support stakeholder engagement.
- *13.4 Control Stakeholder Engagement* is the process that monitors overall project stakeholder relationships, adjusts strategies and plans for engaging stakeholders.

By successfully managing your stakeholders, you will be better able to keep a lid on scope creep, ensure project requirements are aligned, understand tolerance for risk, and mitigate issues that would otherwise delay the project. Good stakeholder management is a testimony to your influence in an organization, and a key component to a healthy project environment.

If you want to know more about project management the eBooks in this skill set available from <http://www.free-management-ebooks.com/skills-project.htm> are:

- Principles of Project Management
- Process Groups
- Integration Management
- Scope Management
- Time Management
- Cost Management
- Quality Management
- Human Resources (HR) Management
- Communications Management
- Risk Management
- Procurement Management
- Stakeholder Management

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