

Target: PMP® Certification



Project Stakeholder Management

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Project Stakeholder Management

* **Stakeholder** - an individual, group, or organization who may affect, be affected by, or **perceive** itself to be affected by a decision, activity, or outcome of a project.

Project Stakeholder Management includes

- Identifying the stakeholders
- Determining stakeholders requirements and expectations
- Determining stakeholders interest and level of influence
- Planning how to manage the stakeholders and how to communicate with them
- Developing appropriate management strategies for effectively engaging stakeholders in project decisions and execution
- Managing stakeholders expectations, influence, and engagement
- Fostering appropriate stakeholder engagement in project decisions and activities
- Controlling stakeholders engagement
- Addressing issues as they occur
- Managing conflicting interests

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IDENTIFY STAKEHOLDERS



*** Identify Stakeholders.** The process of identifying project stakeholders regularly and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success.

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IDENTIFY STAKEHOLDERS



INPUTS

- » Project charter
- » Business documents
 - Business case
 - Benefits management plan
- » Project management plan
 - Communications management plan
 - Stakeholder engagement plan
- » Project documents
 - Change log
 - Issue log
 - Requirements documentation
- » Agreements
- » Enterprise environmental factors
- » Organizational process assets

TOOLS & TECHNIQUES

- ✓ Expert judgment
- ✓ Data gathering
 - Questionnaires and surveys
 - Brainstorming
- ✓ Data analysis
 - Stakeholder analysis
 - Document analysis
- ✓ Data representation
 - Stakeholder mapping/representation
- ✓ Meetings

OUTPUTS

- Stakeholder register »
- Change requests »
- Project management plan updates »
 - Requirements management plan
 - Communications management plan
 - Risk management plan
 - Stakeholder engagement plan
- Project document updates »
 - Assumption log
 - Issue log
 - Risk register

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IDENTIFY STAKEHOLDERS



TOOLS & TECHNIQUES

✓ Stakeholder analysis

* **Stakeholder Analysis** - a technique of systematically gathering and analyzing quantitative and qualitative information to determine whose interests should be taken into account throughout the project.

Classification models used for stakeholders analysis:

- **Power/interest grid**, grouping the stakeholders based on their level of authority (“power”) and their level or concern (“interest”) regarding the project outcomes
- **Power/influence grid**, grouping the stakeholders based on their level of authority (“power”) and their active involvement (“influence”) in the project
- **Influence/impact grid**, grouping the stakeholders based on their active involvement (“influence”) in the project and their ability to effect changes to the project’s planning or execution (“impact”)

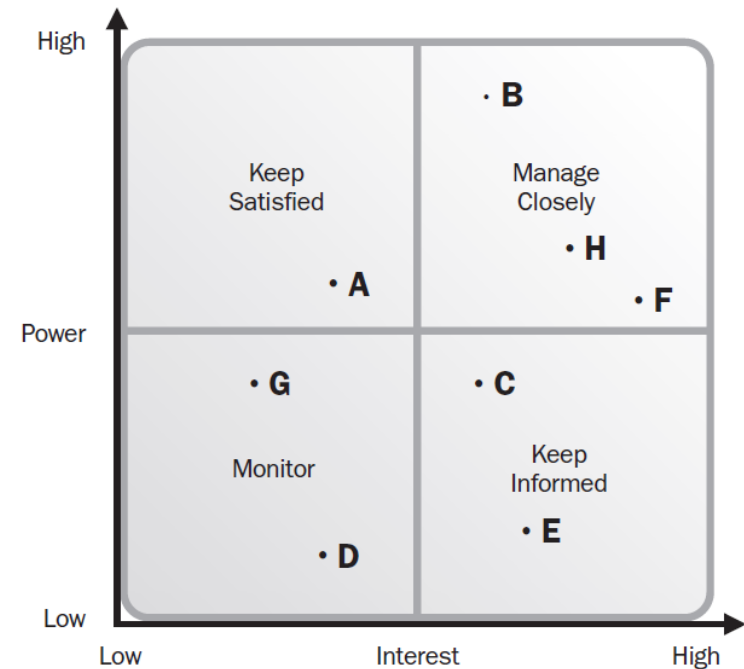


Figure 13-4. Example Power/Interest Grid with Stakeholders

Project Management Institute, A Guide to the Project Management Body of Knowledge, (PMBOK® Guide) – Sixth Edition, Project Management Institute, Inc., 2017, Figure 13-4, Page 397.

*This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (PMBOK® Guide) – Sixth Edition, Project Management Institute, Inc., 2017.

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IDENTIFY STAKEHOLDERS

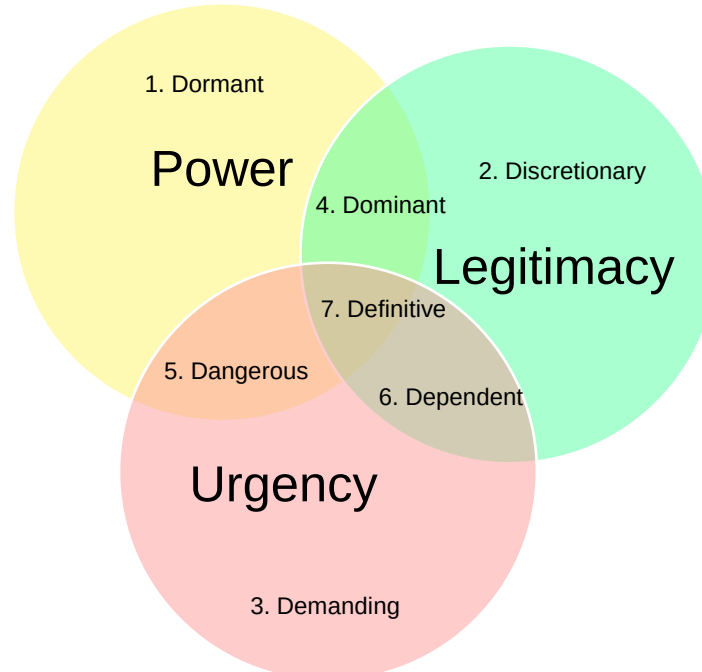


TOOLS & TECHNIQUES

✓ Stakeholder analysis

Classification models used for stakeholders analysis:

- **Salience model**, describing classes of stakeholders based on their **power** (ability to impose their will), **urgency** (need for immediate attention), and **legitimacy** (their involvement is appropriate)



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IDENTIFY STAKEHOLDERS



TOOLS & TECHNIQUES

✓ Stakeholder analysis

Salience Model

- **Latent stakeholders:** one attribute, low salience:
 1. **Dormant Stakeholders** - Possess power to impose their will through coercive, utilitarian or symbolic means, but have little or no interaction /involvement as they lack legitimacy or urgency.
 2. **Discretionary Stakeholders** - Likely to recipients of corporate philanthropy. No pressure on managers to engage with this group, but they may choose to do so. Examples are beneficiaries of charity.
 3. **Demanding Stakeholders** - Those with urgent claims, but no legitimacy or power. Irritants for management, but not worth considering. Examples are people with unjustified grudges, serial complainers or low return customers.
- **Expectant stakeholders:** two attributes, moderate salience:
 4. **Dominant Stakeholders** - The group that many theories position as the only stakeholders of an organization or project. Likely to have a formal mechanism in place acknowledging the relationship with the organization or project e.g. Boards of directors, HR department, public relations.
 5. **Dangerous Stakeholders** – Those with powerful and urgent claims will be coercive and possibly violent. For example employee sabotage or coercive/unlawful tactics used by activists.
 6. **Dependent Stakeholders** – Stakeholders who are dependent on others to carry out their will, because they lack the power to enforce their stake. For example local residents & animals impacted by the oil spill. Advocacy of their interests by dominant stakeholders can make them definitive stakeholders.
- **Definitive stakeholders:** all three attributes, high salience
 7. **Definitive Stakeholders** - An expectant stakeholder who gains the relevant missing attribute. Often dominant stakeholders with an urgent issue, or dependent groups with powerful legal support. Finally those classed as dangerous could gain legitimacy

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IDENTIFY STAKEHOLDERS



OUTPUTS

Stakeholder register »

Stakeholder Register is a **project document** which should include, but not limited to:

- **“Identification information.** Name, organizational position, location, role in the project, contact information;
- **Assessment information.** Major requirements, main expectations, potential influence in the project, phase in the life cycle with the most interest;
- **Stakeholder classification.** Internal/external, supporter/neutral/resistor, etc.”

Stakeholder Register may need to be updated on a very regular basis as stakeholders join and leave the project and their level of interest and influence changes.

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PLAN STAKEHOLDER ENGAGEMENT



* **Plan Stakeholder Engagement.** The process of developing approaches to involve project stakeholders, based on their needs, expectations, interests, and potential impact on the project.

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PLAN STAKEHOLDER ENGAGEMENT



INPUTS

- » Project charter
- » Project management plan
 - Resource management plan
 - Communications management plan
 - Risk management plan
- » Project documents
 - Assumption log
 - Change log
 - Issue log
 - Project schedule
 - Risk register
 - Stakeholder register
- » Agreements
- » Enterprise environmental factors
- » Organizational process assets

TOOLS & TECHNIQUES

- ✓ Expert judgment
- ✓ Data gathering
 - Benchmarking
- ✓ Data analysis
 - Assumption and constraint analysis
 - Root cause analysis
- ✓ Decision making
 - Prioritization/ranking
- ✓ Data representation
 - Mind mapping
 - Stakeholder engagement assessment matrix
- ✓ Meetings

OUTPUTS

- Stakeholder engagement plan »

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PLAN STAKEHOLDER ENGAGEMENT



TOOLS & TECHNIQUES

✓ Analytical techniques

- The current engagement level of all stakeholders needs to be compared to the planned engagement levels required for successful project completion
- **Stakeholders Engagement Assessment Matrix** is a tool to document stakeholder engagement. The engagement level of the stakeholders can be classified as follows:
 - **“Unaware.** Unaware of project and potential impacts.
 - **Resistant.** Aware of project and potential impacts and resistant to change.
 - **Neutral.** Aware of project yet neither supportive nor resistant.
 - **Supportive.** Aware of project and potential impacts and supportive to change.
 - **Leading.** Aware of project and potential impacts and actively engaged in ensuring the project is a success.”

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

Legend:
C – Current
D - Desired

Figure 13-7. Stakeholders Engagement Assessment Matrix

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PLAN STAKEHOLDER ENGAGEMENT



OUTPUTS

Stakeholder engagement
plan »

- The stakeholder management plan identifies the **management strategies** required to effectively engage stakeholders.
- * It is a subsidiary plan of the project management plan that defines the processes, procedures, tools, and techniques to effectively engage stakeholders in project decisions and execution based on the analysis of their needs, interests, and potential impact.
- Information on stakeholders who are resistant to the project can be potentially damaging so that the project managers should be aware of the **sensitive nature of the stakeholder management plan** and take appropriate precautions regarding distribution.
- The validity of assumptions used as input should be reviewed to ensure continued accuracy and relevancy.

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MANAGE STAKEHOLDER ENGAGEMENT

* **Manage Stakeholder Engagement.** The process of communicating and working with stakeholders to meet their needs and expectations, address issues, and foster appropriate stakeholder involvement.

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MANAGE STAKEHOLDER ENGAGEMENT



INPUTS

- » Project management plan
 - Communications management plan
 - Risk management plan
 - Stakeholder engagement plan
 - Change management plan
- » Project documents
 - Change log
 - Issue log
 - Lessons learned register
 - Stakeholder register
- » Enterprise environmental factors
- » Organizational process assets

TOOLS & TECHNIQUES

- ✓ Expert judgment
- ✓ Communication skills
 - Feedback
- ✓ Interpersonal and team skills
 - Conflict management
 - Cultural awareness
 - Negotiation
 - Observation/conversation
 - Political awareness
- ✓ Ground rules
- ✓ Meetings

OUTPUTS

- Change requests »
- Project management plan updates »
 - Communications management plan
 - Stakeholder engagement plan
- Project documents updates »
 - Change log
 - Issue log
 - Lessons learned register
 - Stakeholder register

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MANAGE STAKEHOLDER ENGAGEMENT



INPUTS

- » Stakeholder management plan
- » Communications management plan

Stakeholder Management Plan

- Best described by the word “**strategical**”.
- Provides guidance on **how** the various stakeholders can be best involved in the project.
- Describes the methods and technologies used for stakeholder communication.
- * The stakeholder management plan is a subsidiary plan of the project management plan that defines the processes, procedures, tools, and techniques to effectively engage stakeholders in project decisions and execution based on the analysis of their needs, interests, and potential impact.

Communications Management Plan

- Best described by the word “**tactical**”.
- Provides guidance and information on **managing stakeholder expectations**: stakeholder communications requirements, information to be communicated, person or groups who will receive information; escalation process etc.
- * A component of the project, program, or portfolio management plan that describes how, when, and by whom information about the project will be administered and disseminated.

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MANAGE STAKEHOLDER ENGAGEMENT



TOOLS & TECHNIQUES

✓ Interpersonal skills

* **Interpersonal skills** - Ability to establish and maintain relationships with other people.

“The project manager applies interpersonal skills to manage stakeholders’ expectations.

For example:

- **Building trust**
- **Resolving conflict**
- **Active listening**
- **Overcoming resistance to change”**

**This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (PMBOK® Guide) – Sixth Edition, Project Management Institute, Inc., 2017.*

Project Management Institute, A Guide to the Project Management Body of Knowledge, (PMBOK® Guide) – Sixth Edition, Project Management Institute, Inc., 2017, Page 407.

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MANAGE STAKEHOLDER ENGAGEMENT



TOOLS & TECHNIQUES

✓ Management skills

* **Management skills** - The ability to plan, organize, direct, and control individuals or groups of people to achieve specific goals.

“The project manager applies management skills to coordinate and harmonize the group toward accomplishing the project objectives. For example:

- **Facilitate consensus toward project objectives**
- **Influence people to support the project**
- **Negotiate agreements to satisfy the project needs**
- **Modify organizational behavior to accept the project outcomes”**

**This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (PMBOK® Guide) – Sixth Edition, Project Management Institute, Inc., 2017.*

Project Management Institute, A Guide to the Project Management Body of Knowledge, (PMBOK® Guide) – Sixth Edition, Project Management Institute, Inc., 2017, Page 408.

48**MANAGE STAKEHOLDER ENGAGEMENT****OUTPUTS****Issue log »**

* **Issue Log** is a project document used to document and monitor elements under discussion or in dispute between project stakeholders.

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MONITOR STAKEHOLDER ENGAGEMENT

* **Monitor Stakeholder Engagement** is The process of monitoring project stakeholder relationships, and tailoring strategies for engaging stakeholders through the modification of engagement strategies and plans.

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MONITOR STAKEHOLDER ENGAGEMENT



INPUTS

- » Project management plan
 - Resource management plan
 - Communications management plan
 - Stakeholder engagement plan
- » Project documents
 - Issue log
 - Lessons learned register
 - Project communications
 - Risk register
 - Stakeholder register
- » Work performance data
- » Enterprise environmental factors
- » Organizational process assets

TOOLS & TECHNIQUES

- ✓ Data analysis
 - Alternatives analysis
 - Root cause analysis
 - Stakeholder analysis
- ✓ Decision making
 - Multicriteria decision analysis
 - Voting
- ✓ Data representation
 - Stakeholder engagement assessment matrix
- ✓ Communication skills
 - Feedback
 - Presentations
- ✓ Interpersonal and team skills
 - Active listening
 - Cultural awareness
 - Leadership
 - Networking
 - Political awareness
- ✓ Meetings

OUTPUTS

- Work performance information »
- Change requests »
- Project management plan updates »
 - Resource management plan
 - Communications management plan
 - Stakeholder engagement plan
- Project documents updates »
 - Issue log
 - Lessons learned register
 - Risk register
 - Stakeholder register

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Project Stakeholder Management



- Stakeholder register content
- Classification models used for stakeholders analysis
- Salience Model
- Stakeholders Engagement Assessment Matrix
- Stakeholder Mgmt. Plan sensitivity
- Stakeholder Mgmt. Plan vs Communication Mgmt. Plan
- Interpersonal skills vs Management skills
- Issue log
- Manage stakeholder engagement vs Control stakeholder engagement