PROJECT STAKEHOLDER MANAGEMENT
WHAT DOES THE STAKEHOLDER MANAGEMENT KNOWLEDGE AREA DO?

• Identify the people, groups, or organizations that could impact or be impacted by the project

• Analyse stakeholders’ expectations and their impacts on the project

• Develop appropriate management strategies that will be used to effectively engage stakeholders in project decisions and executions

• Focus on continuous communication with stakeholders to understand their needs and expectations, address issues as they occur, and manage conflicting interests.
13.1 **Identify Stakeholders** – Is 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 analysing and documenting relevant information regarding their interests, involvements, interdependencies, influence, and potential impacts on the success of the project.

13.2 **Plan Stakeholder Management** – Is the process developing appropriate management strategies to effectively engage stakeholders throughout the lifecycle of the project based on the analysis of their needs, interests, and potential impacts on project success.
13.3 Manage Stakeholder Engagement – Is the process of communicating and working with stakeholders to meet their needs/expectations, address issues as they occur, and develop appropriate stakeholder engagement in project activities throughout the project lifecycle.

13.4 Control Stakeholder Engagement – Is the process of monitoring overall project stakeholder relationships and adjusting strategies and plans for engaging stakeholders.
# PROJECT STAKEHOLDER MANAGEMENT

## PROCESSES BY PROCESS GROUP

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IDENTIFY STAKEHOLDERS

WHY DO WE NEED TO IDENTIFY STAKEHOLDERS?

• The key benefit of this process is that it allows the Project manager to identify the appropriate focus of each stakeholder.

• Proper project management requires that you identify ALL stakeholders; determine ALL of their requirements, determine their expectations, determine their interests, plan how you will communicate with them, and determine their level of influence.

• Any stakeholders who are missed will likely be found later. When they are uncovered, they will make changes and the change(s) could cause delays.
IDENTIFY STAKEHOLDERS

**INPUTS**
- Project Charter
- Procurement documents
- Enterprise environmental factors
- Organizational Process assets

**TOOLS & TECHNIQUES**
- Stakeholder Analysis
- Expert judgement
  - Meetings

**OUTPUTS**
- Stakeholder Register
IDENTIFY STAKEHOLDERS

INPUTS

Project Charter

- It is the document that formally authorizes the existence of a project and provides the PM with some form authorities.

- It is an input to this process because it contains information about internal and external parties related with the project and affected by the result or execution of the project.

Procurement Documentation

If a project is the result of a procurement activity or is based on an established contract/agreement/, the parties in the contract are key stakeholders. Procurement documentation is described in section 12.1.3.3.
IDENTIFY STAKEHOLDERS - INPUTS

Enterprise Environmental Factors
The enterprise environmental factors that can influence IDENTIFY STAKEHOLDERS process include, but not limited to:

• Organizational culture and structure;
• Government or industry standards; and
• Global, regional, and local practices.

Organizational Process Assets
The organizational process assets that can influence IDENTIFY STAKEHOLDERS process include, but not limited to:

• Stakeholder register templates;
• Lessons learned from previous projects or phases; and
• Stakeholders register from previous projects
Stakeholder Analysis

Is a technique of systematically gathering and analysing quantitative and qualitative information to determine whose interests should be taken into account throughout the project.

Stakeholder analysis generally follows the steps described below:

- Identify all potential stakeholders and relevant information such as their roles, departments, interests, knowledge, expectations, and influence levels. Key stakeholders are usually easy to identify, they include anyone in a decision-making or management role who is impacted by the project outcome. Other stakeholders are identified by interviewing identified stakeholders and expanding the list until ALL stakeholders are identified and included in the list.
IDENTIFY STAKEHOLDERS – T&T

• Analyse potential impact or support each stakeholder could generate, and classify them so as to define an approach strategy. It is also important to prioritize the stakeholders to ensure efficient use of efforts to communicate and manage their expectations.

• Assess how key stakeholders are likely to react or respond in various situations, in order to plan how to influence them to enhance their support and mitigate potential negative impacts.
IDENTIFY STAKEHOLDERS – T&T

Examples of classification models used for stakeholder analysis are:

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

Fig. 13-4, p.397 presents an example of power/interest grid with stakeholders.
IDENTIFY STAKEHOLDERS – T&T

Expert Judgment

Meetings
Meetings are designed to develop and understand major stakeholders, and they can be used to exchange and analyze information about roles, knowledge, interest, and the overall position of each stakeholder facing the project.
Stakeholder Register Stakeholder register contains all details related to the identified stakeholders including, but not limited to:

- **Identification information.** Name, organizational position, location, role in the project, contract information;

- **Assessment information.** Major requirements, main expectations, potential influence in the project, phase in the life cycle with the most interest; and

- **Stakeholder classification.** Internal/external, supporter/neutral/resistor, etc.

Stakeholder register should be updated and consulted on a regular basis, as stakeholders may change or new ones are identified throughout the life cycle of the project.
## STAKEHOLDER MANAGEMENT PROCESSES

### PROCESSES BY PROCESS GROUP

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PLAN STAKEHOLDER MANAGEMENT

WHAT HAPPENS IN PLAN STAKEHOLDER MANAGEMENT?

• This is the process identifies how the project will affect stakeholders, which then allows the project manager to develop various ways to effectively engage stakeholders and manage their expectations and ultimately achieving project objectives.
• Stakeholder management is more than improving communications and requires more than managing a team.
• This process generates the Stakeholder Management Plan, which contains detailed plans on how effective stakeholder management can be realized. Stakeholders and their required level of engagement changes as project progresses, therefore, stakeholder management planning is an iterative process that needs to be reviewed on a regular basis by the project
**PLAN STAKEHOLDER MANAGEMENT**

**INPUTS**
- Project management plan
- Stakeholder register
- Enterprise environmental factors
- Organizational process assets

**TOOLS & TECHNIQUES**
- Expert judgement
- Meetings
- Analytical techniques

**OUTPUTS**
- Stakeholder Management Plan
- Project document (updates)
PLAN STAKEHOLDER MANAGEMENT- INPUTS

INPUTS

• Project Management Plan (Section 4.2.3.1)

• Stakeholder Register (Section 13.1.3.1)

• Enterprise Environmental Factors (Section 2.1.5)

• Organisational Process Assets (Section 2.1.4)
PLAN STAKEHOLDER MANAGEMENT – T&T
Tools & Techniques

Expert Judgement

Expert judgement should be used to decide the level of engagement required at each stage of the project from each stakeholder. For instance, at the beginning of the project, it may be necessary for senior stakeholders to be highly engaged in order to avoid any obstacles to success and as the project progresses, it may be sufficient for senior stakeholders to change their level of engagement from leading to supportive, and other stakeholders such as; the end users, may become more important.
Analytical Techniques

The current engagement of stakeholders needs to be compared to planned engagement levels required for successful project completion. Stakeholder engagement throughout the life cycle of the project is critical to project success.

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 and yet neither supportive nor resistant,
PLAN STAKEHOLDER MANAGEMENT – T&T

- **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.

Current engagement can be documented using the *Stakeholder Engagement Assessment Matrix*. This analytical process helps find gaps between current and desired engagement levels. Actions and communications required to bridge these gaps can be identified by the project team using expert judgement.
## PLAN STAKEHOLDER MANAGEMENT – T&T

<table>
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<tr>
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<th>Neutral</th>
<th>Supportive</th>
<th>Leading</th>
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<tbody>
<tr>
<td>Stakeholder 1</td>
<td>C</td>
<td></td>
<td></td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>Stakeholder 2</td>
<td></td>
<td>C</td>
<td></td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>Stakeholder 3</td>
<td></td>
<td></td>
<td></td>
<td>DC</td>
<td></td>
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</tbody>
</table>

*C - Current engagement
*D - Desired engagement

**Meetings**
PLAN STAKEHOLDER MANAGEMENT OUTPUTS

Stakeholder Management Plan
Is one of the component plans of the project management plan (Section 4.2.3.1) and identifies the management strategies required to effectively engage stakeholders.

Project Documents Updates
The project documents that may be updated include, but are not limited to:

- Project schedule, and
- Stakeholder register
# Stakeholder Management Processes

## Processes by Process Group

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MANAGE STAKEHOLDER ENGAGEMENT

WHY DO WE NEED TO MANAGE STAKEHOLDER ENGAGEMENT?

A Project manager needs to regularly involve the stakeholders in order to increase support and minimize resistance from stakeholders as this significantly increases the chances to achieve project success.

Manage Stakeholder Engagement involves activities such as:

- Managing stakeholder expectations through negotiation and communication, ensuring project goals are achieved;
- Engaging stakeholders at appropriate project stages to obtain or confirm their continued commitment to the success of the project; and
- Clarifying and resolving issues that have been identified.

Stakeholder influences are at the highest during the initial stages of the project and get progressively lower as the project progresses.
MANAGE STAKEHOLDER ENGAGEMENT

**INPUTS**
- Stakeholder management plan
- Communications management plan
- Change log
- Organizational process assets

**TOOLS & TECHNIQUES**
- Communication methods
- Interpersonal skills
- Management skills

**OUTPUTS**
- Issue log
- Change requests
- Project management plan (updates)
- Project documents (updates)
- Organizational process assets (updates)
MANAGE STAKEHOLDER ENGAGEMENT

INPUTS

Stakeholder Management Plan (Section 13.2.3.1)

Communications Management Plan (Section 10.1.3.1)

Change Log - Is used to document changes that occur during a project. It is an input to this process because changes and their impacts on the project in terms of risks, time, and cost—need to be communicated to appropriate stakeholders

Organisational Process Assets (Section 2.1.4)
Communication Methods (Section 10.1.2.4)

Interpersonal Skills

Proper project management requires that a project manager applies interpersonal skills to manage stakeholders’ expectations. For example:

• Resolving conflicts
• Active listening
• Building trusts, and
• Overcoming resistance to change
MANAGE STAKEHOLDER ENGAGEMENT
TOOLS & TECHNIQUES

Management skills

The project manager applies management skills to coordinate and harmonize the group towards achieving project objectives. For example:

• Facilitate consensus towards project objectives,
• Influence people to support the project, and
• Negotiate agreement to satisfy the project needs.
MANAGE STAKEHOLDER ENGAGEMENT

OUTPUTS

Issue Log
Managing stakeholder engagement may result in the development of an issue log. Issue log is updated as new issues are identified and current issues resolved.

Change Request
Managing stakeholder engagement may also result in a change request to the product or the project. Change request may include corrective or preventive actions to the project itself or to the interaction with the impacted stakeholder(s) as appropriate.

Project Management Plan Updates
MANAGE STAKEHOLDER ENGAGEMENT

OUTPUTS

Project Document Updates

Organizational Process Assets

The organizational process assets that may be updated include, but not limited to:

- Project reports,
- Project presentations,
- Project records,
- Feedback from stakeholders, and
- Lesson learned documentation.
# Stakeholder Management Processes

## Processes by Process Group

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CONTROL STAKEHOLDER ENGAGEMENT

WHAT HAPPENS IN CONTROL STAKEHOLDER ENGAGEMENT?

• This process monitors overall stakeholder relationships and adjusts strategies and plans for engaging stakeholders.

• Stakeholder engagement activities are included in the stakeholder management plan; a component of the project management plan and they are executed during the life cycle of the project.

• Stakeholder engagement should be continually controlled.
CONTROL STAKEHOLDER ENGAGEMENT

**INPUTS**
- Project management plan
  - Issue log
  - Work performance data
  - Project documents

**TOOLS & TECHNIQUES**
- Information management system
  - Expert judgement
  - Meetings

**OUTPUTS**
- Work performance information
  - Change request
- Project mgmt. plan (updates)
- Project documents (updates)
- Organizational process assets (updates)
CONTROL STAKEHOLDER ENGAGEMENT

INPUTS

Project Management Plan

As described section 4.2.3.1 is used to develop the stakeholder management plan. A project manager will need the to measure stakeholder engagement against the stakeholder management plan which is found in the project management plan.

Issue Log (See section 13.3.3.1)

Work performance Data (See section 4.3.3.2)
INPUTS

Project Documents

Project documents that may be used to control stakeholder engagement include, but not limited to:

• Project schedule,
• Stakeholder register,
• Issue log,
• Change log, and
• Project communications
Information Management System

An information management system provides a standard tool for the project manager to capture, store, and distribute information to stakeholders about the project cost, schedule progress, and performance. It also allows the project manager to consolidate reports from several systems and facilitate reports distribution to the project stakeholders. Example of distribution formats may include spreadsheet analysis and presentations.
Meetings

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

Expert Judgement
CONTROL STAKEHOLDER ENGAGEMENT OUTPUTS

Work Performance Information

Work performance data are not used in the decision-making process until they are transferred into WORK PERFORMANCE INFORMATION; however, the data are correlated and conceptualized to provide sound foundation for project decisions.

Examples of work performance information include, but are not limited to:

• Status of delivery,
• Forecasted estimates to complete, and
• Implementation status for change request.
CONTROL STAKEHOLDER ENGAGEMENT OUTPUTS

Change Requests

Project Management Plan Updates

Project Documents Updates

Organizational Process Assets Updates