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10-MINUTE GUIDE

Stakeholder Management

Winning Support for Your Projects



This guide looks at identifying and communicating with the people who matter.

To run a project successfully, you need the right people supporting it. But how do you know who they are, and how do you manage them?

As you become more successful in your career, the actions you take and the projects you run will affect more people. And some of them will have power and influence over your projects. They could be strong supporters – or they could wish to block you!

Stakeholder Management is an effective way to win support from other people. It helps to ensure that your projects succeed where others fail.

Stakeholder analysis identifies the key people who have to be won over. You then use stakeholder planning to build the support that you need.

The benefits of using a stakeholder-based approach are:

- You can use the most powerful stakeholders' opinions to shape your project at an early stage. This makes it more likely that they will support you, and their input can improve the quality of your project.
- Gaining support from powerful stakeholders can help you to win more resources.
- By communicating with stakeholders early and frequently, you can ensure that they fully understand what you are doing and the benefits of your project. This means that they're ready to support you actively when you need them.
- You can anticipate what people's reaction to your project may be, and build into your plan the actions that will win their support.

Stakeholder Analysis

First, you'll need to identify who your various stakeholders are. Then, work out their relative power and interest, so that you know who you should focus on. Finally, understand the important stakeholders' likely responses, so that you can prepare how to win their support.

Step 1: Identify Your Stakeholders

The first step in your stakeholder analysis is to [brainstorm](#) who your stakeholders are. Think of all the people who are affected by your work, who have influence or power over it, or who have an interest in its conclusion.

The table below shows some of the people who might be your stakeholders:

Your manager	Shareholders	Government
Senior executives	Alliance partners	Trades associations
Your co-workers	Suppliers	The press
Your team	Lenders	Interest groups
Customers	Analysts	The community
Prospective customers	Future recruits	Your family

Remember that, although stakeholders may be both organizations and people, ultimately you must communicate with people! So, make sure that you identify the correct individual stakeholders within a stakeholder organization.

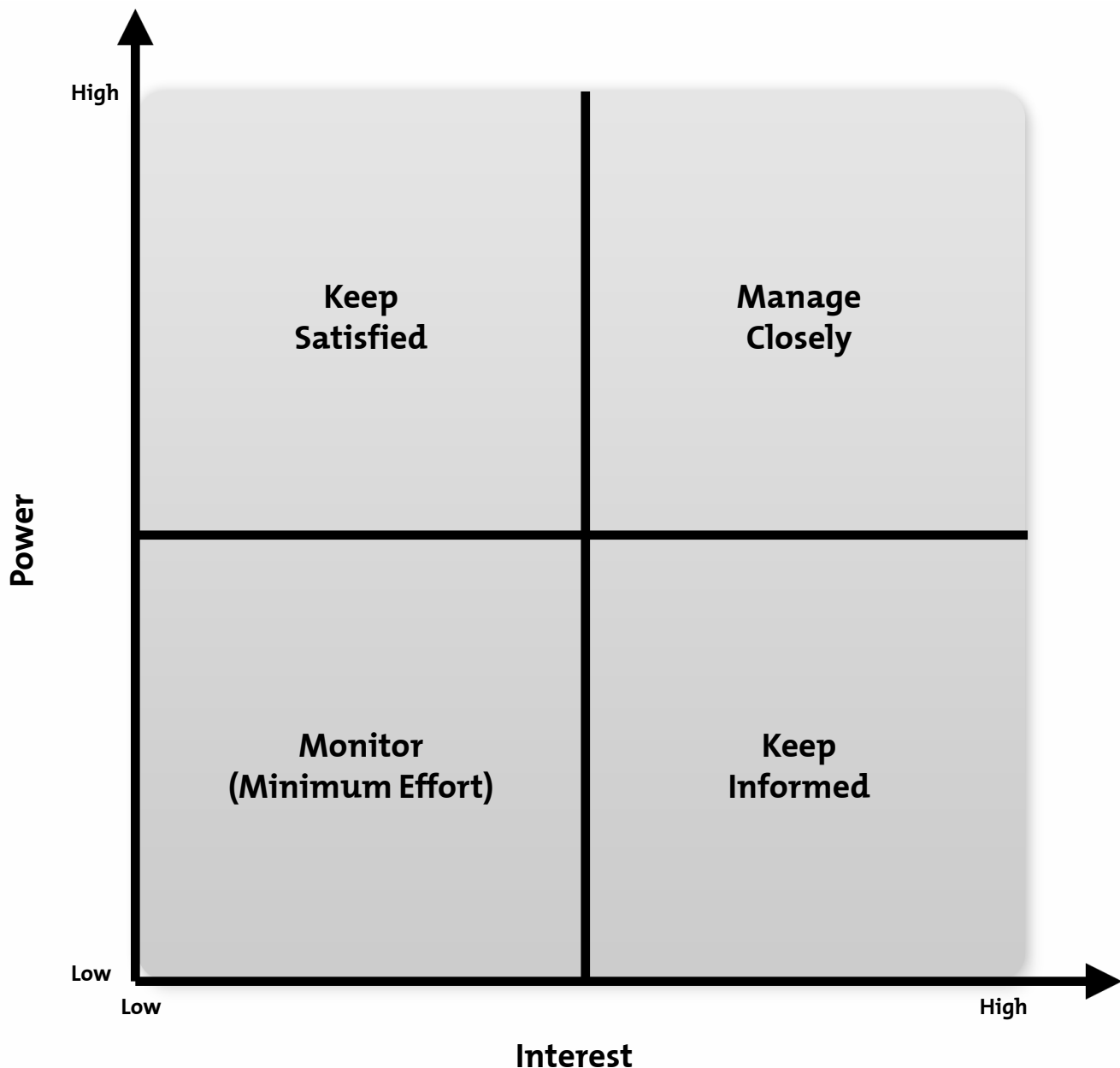
Step 2: Prioritize Your Stakeholders

You may now have a long list of people that are affected by your work. Some of these may have the power to either block or advance your project. Some may be interested in what you are doing, others may not care.

Map out your stakeholders and classify them by their power over your work and by their interest in it.

Use the interactive grid in Figure 1, below, or use the [on-screen app](#) on our website.

Figure 1: Stakeholder Map, Power/Interest Grid



For example, your manager is likely to have both high power over your project and high interest in it. Your family, on the other hand, may have high interest but are unlikely to have any power.

Each person's position on the grid shows you the actions to take to get and keep him or her engaged:

- **High power/high interest** These are the ones you must fully engage and make the greatest efforts to satisfy.
- **High power/low interest people.** Put enough work in to keep them satisfied, but not so much that they become bored with your message.
- **Low power/high interest people.** Keep them informed, and talk to them regularly to check for issues. (These people can often be very helpful with the detail of your project.)
- **Low power/low interest people.** Monitor them, but don't bore them or spend too much of your valuable time on them.



Step 3: Understand Your Key Stakeholders

You now need to know more about your key stakeholders. In particular, how are they likely to react to your project? And how best can you engage them with it and communicate with them?

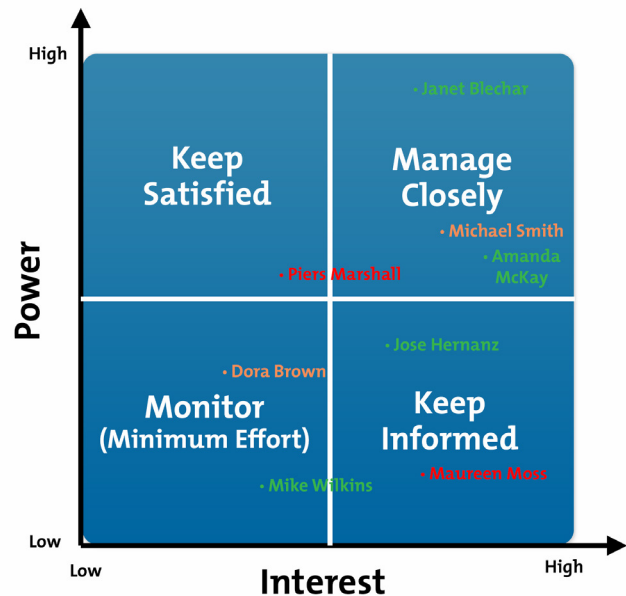
Key questions that can help you to understand your stakeholders are:

- What financial or emotional interest do they have in the outcome of your work? Is it positive or negative?
- What motivates them most?
- What information do they want from you?
- How do they want to receive information from you? What is the best way of communicating your message to them?
- What is their current opinion of your work? Is it based on accurate information?
- Who influences their opinions generally, and who influences their opinion of you? Do some of these influencers therefore become important stakeholders in their own right?
- If they are not likely to be positive, what will win them around to support your project?
- If you don't think you will be able to win them around, how will you manage their opposition?
- Who else might be influenced by their opinions? Do these people become stakeholders in their own right?

A very good way of answering these questions is to talk to your stakeholders directly. People are often quite open about their views, and asking their opinions is often the first step in building a successful relationship with them.

Summarize your findings on the stakeholder map, so that you can easily see which stakeholders might be blockers or critics, and which stakeholders will likely be advocates and supporters. A good way of doing this is by color coding: showing advocates and supporters in green, blockers and critics in red, and others who are neutral in orange. Figure 2 shows an example of this.

Figure 2: Example Stakeholder Map, Power/Interest Grid With Stakeholders



You can see that a lot of effort needs to be put into persuading Piers and Michael of the project's benefits, while Janet and Amanda also need to be managed well as powerful supporters.

You can create your own example of stakeholder analysis at work, whether for your current role, a job you want to do, or a new project.

Ask yourself whether you are communicating as effectively as you could be with your stakeholders. What actions can you take to get more from your supporters or win over your critics?

Try this out with our interactive [on-screen app](#) .

Stakeholder Planning

Having conducted a stakeholder analysis, the next stage is to plan your communication with your key stakeholders so that you can be sure of their support for your project. Download our Stakeholders Communication Plan [worksheet](#) or use the interactive table on the next page, and follow these steps:

1. Add the Power/Interest Information to Your Communication Plan

Based on the grid you created in your stakeholder analysis, enter the stakeholders' names, their influence over and interest in your job or project, and your current assessment of where they stand.

2. Plan Your Approach to Stakeholder Management

The amount of time you need to allocate to managing stakeholders depends on the size and difficulty of your projects and goals, the time available for communication, and the amount of help that you need to achieve the results you want. (Stakeholders can help you by sponsoring your project, by giving expert advice and by reviewing your material, and so on.)

3. Think Through What You Want From Each Stakeholder

Work through your list of stakeholders, deciding the level of support that you need from each one and the roles that you would like them to play (if any). Think about specific actions that you would like them to perform. Write this information down in the "Desired Support," "Desired Project Role," and "Desired Actions" columns of the communication plan.

4. Identify the Messages That You Need to Convey

What messages do your stakeholders need to hear to persuade them to support you and to engage with your projects or goals? Typical messages will show the benefits to the person or organization of what you are doing, and will focus on key performance indicators like increasing profitability or delivering real improvements.

5. Identify Actions and Communications

Finally, work out what you need to do to win and manage the support of these stakeholders. With the time and resources that you have available, identify how you will communicate with your stakeholders and manage their input.

Focus on the high-power/high-interest stakeholders first, and the low-interest/low-power stakeholders last. Devise a practical plan to communicate with them as effectively as possible.

Think through what you need to do to keep your best supporters engaged and on board. Work out how to win over or neutralize your skeptics. Where you need the active support of people who are not currently interested in what you are doing, think about how you can engage them and raise their level of interest.

Also, consider how what you are doing will affect your stakeholders. Where appropriate, let them know as early as possible of any difficult issues that may arise, and discuss with them how you can minimize or manage any impact.

Once you have prepared your stakeholders communication plan, all you need to do is to implement it! As with all plans, it will be easier to action if you break it down into a series of small, achievable steps and tackle these one-by-one.



Top Tip

It is usually a good idea to manage people's expectations about likely problems as early as possible. This gives them time to think about how to manage issues, and preserves your reputation for reliability.

Figure 3: Stakeholders Communication Plan

For information about stakeholder communications, visit www.mindtools.com/rs/StakeholderComms.

Stakeholder Name	Communications Approach (From Power/Interest Grid) ¹	Key Interests and Issues	Current Status ²	Desired Support ³	Desired Project Roles (if any)	Actions Desired (if any)	Messages Needed	Action and Communication

¹ Manage closely/Keep satisfied/Keep informed/Monitor. ² Advocate/Supporter/Neutral/Critic/Blocker. ³ High/Medium/Low.

Key Points

Your projects will likely affect many people beyond the hands-on team, or even your organization. Some have the power to undermine your projects and your position. Others may be strong supporters of your work.

Stakeholder management is the process by which you identify your key stakeholders and win their support. It comprises two main steps:

1. Stakeholder Analysis:

- Brainstorm who your stakeholders are.
- Prioritize them by their power and interest.
- Understand your key stakeholders.

2. Stakeholder Planning:

- Consider your resources, needs and priorities for the project.
- Work out what you want from each stakeholder.
- Identify the messages you need them to hear.
- Identify your actions and communications.

Skillful stakeholder management will help you to manage both the practicalities and the politics of major projects. This will eliminate a major source of stress! But it takes time and effort, so keep yourself motivated by remembering the risks and the benefits, as follows:

If you fail to identify stakeholders early on, you'll experience real problems as the project moves forward – and it might not even get off the ground.

If you're patient and spend time on planning and communication, you'll likely enjoy a smoother-running and more successful project, which is supported by the people who matter.

Power/Interest Grid adapted from Mendelow, A.L. (1981).

'Environmental Scanning -The Impact of the Stakeholder Concept,' ICIS 1981 Proceedings, 20.

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