Tool: Stakeholder Analysis

Stakeholder management is critical for the success of every project. By identifying the wide range of people affected by your project and by engaging with them in a timely manner, you can improve your success rate.

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1. Identify your stakeholders

You will have more stakeholders than you think; a surprising number of people have an interest or influence on the outcome of your project. A useful method to identify them is to brainstorm using the *9 C Checklist*:

- **Commissioners:** those that pay you to deliver the project

- **Customers:** the immediate recipients of the project (or product), potentially to sell it on (e.g. distributors)

- **Collaborators:** those you work with to deliver the project

- **Contributors:** those who provide content for the project

- **Channels:** those who offer a route to market

- **Commentators:** those whose opinions are heard by customers and others

- **Consumers:** those who are served by our customers: i.e. end users

- **Champions:** those who believe in and will actively promote the project

- **Competitors:** those working in the same area who offer similar or alternative services

2. Prioritise your stakeholders

Having identified your stakeholders, decide for each stakeholder whether they have:

- High or low power (i.e. the level of influence they have on the success of the project) and

- High or low impact (i.e. what effect they have on the ultimate success of your product)

This will then allow you to create a Stakeholder Prioritisation Matrix (see *Table 1*) to help you decide the level of resource required to manage your stakeholders effectively.

3. Analyse your stakeholders

Having prioritised your stakeholders, draw up a plan to understand how the key stakeholders – those who have high power and impact – might react to your project. You need to know how best to engage and communicate with them.

Key questions you can ask are:

- What are their motives?

- What are their unmet needs? How can you generate a win-win situation for them and you?

- What information do they want from you?

- In what format do they want this information?

- How can you set up a 2-way communication channel so they can communicate with you?

- Who are the key influencers? How can you win them round to supporting your project?

- If they are not positive about your project, what will win them around to support your project?

- If you can't win them round, how can you manage the opposition?

	Low impact	High impact
High Power	**Satisfy** Opinion formers. Keep them satisfied with what is happening and review your analysis of their position regularly.	**Manage** Key stakeholders who should be fully engaged through full communication and consultation.
Low power	**Monitor** This group may be ignored if time and resources are stretched.	**Inform** Consumers often fall into this group. It may be helpful to take steps to increase the influence of this key group by organising them into groups or taking active consultative work.

Table 1 – Stakeholder prioritisation matrix

4. Manage your stakeholders

Having established a working relationship with the key stakeholders, enthused supporters and won round doubters, maintain a relevant level of contact with each group. In this way you can proactively manage the situation, reduce risks and improve the likelihood of success of your project.

Conclusion

Identifying and managing your stakeholders are key steps for successful projects.

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