

# Stakeholders

SE423: Software Project Management

# Outline

- Stakeholder Management
- Communication
- Stakeholders Communication

# Examples of Project Stakeholders



# Stakeholder Management

# Introduction

- *Stakeholder Management* is the **process** of developing appropriate management **strategies** for all project stakeholders
- The process goal is to effectively **engage** stakeholders throughout the project life cycle
- **Analyze** their needs, interests, and potential impact on project success
- The process provides a **plan** for interacting with project stakeholders with the project's interests as its goal

# Stakeholder Management

## Inputs

- Project charter: Authorizes the project and names key stakeholders (e.g., sponsor, client).
- Procurement documents: Reveal external stakeholders like vendors, contractors, or partners.
- Enterprise environmental factors: like culture, regulations, or market conditions
- Organizational process assets: Internal resources like templates, historical stakeholder lists, lessons learned, and communication policies.

## Tools & Techniques

- Stakeholder analysis: identification of stakeholders, their interests, influence, and potential impact.
- Expert judgment
- Meetings/Company visits

## Outputs

- Stakeholder register
- Stakeholder management plan

# Stakeholder register

- The *stakeholder register* is the primary output from the *Identify Stakeholders* process. For each stakeholder, the register contains:
  - Name
  - Position in organization
  - Location
  - Role in project
  - Contact information
  - List of stakeholder's major requirements
  - List of stakeholder's main expectations
  - Potential influence on the project
  - Phase in the lifecycle of most interest
  - A stakeholder classification. This may include internal/external; supporter/neutral/resister; and high/medium/low influence/power/impact/interest

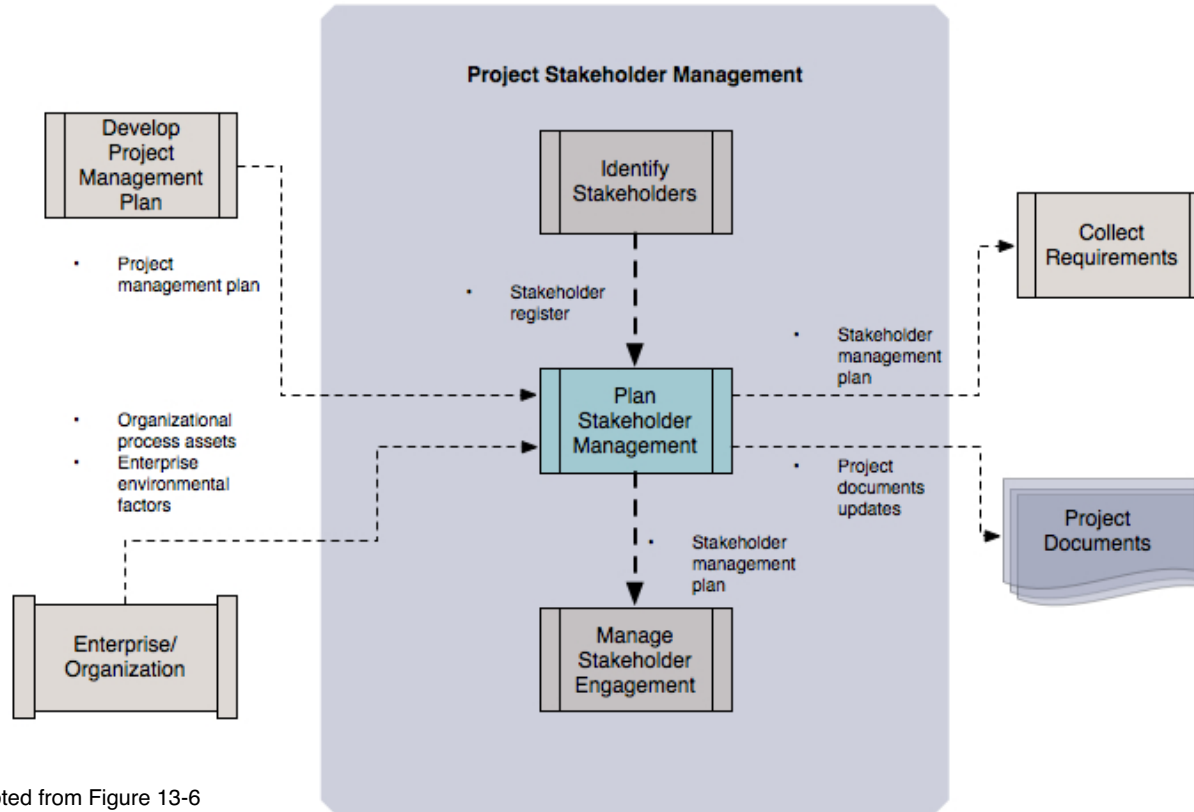
# Stakeholders

- Stakeholder engagement levels can be classified as:
  - *Unaware*. Unaware of project and its potential impacts
  - *Resistant*. Aware of project and its potential impacts and resistant to the changes anticipated by the project
  - *Neutral*. Aware of project and neither supportive nor resistant
  - *Supportive*. Aware of project and its potential impacts and supportive of the changes anticipated by the project
  - *Leading*. Aware of project and its potential impacts and actively engaged in ensuring the project's success

# Stakeholder management plan

- The *stakeholder management plan* identifies the management strategies required to effectively engage stakeholders. It supplements the information in the stakeholder register with:
  - Desired and current engagement levels of key stakeholders
  - Scope and impact of change (due to project) to stakeholders
  - Identified interrelationships and potential overlap between stakeholders
  - Stakeholder communication requirements
  - Information to be distributed to stakeholders, including language, format, content, and level of detail
  - Reason for the distribution of that information and the expected impact on stakeholder engagement
  - Time frame and frequency for the distribution of required information to stakeholders
  - Method for updating and refining the stakeholder mgmt plan as the project progresses and develops
- It contains sensitive information, appropriate precautions are needed to safeguard its information and prevent its inappropriate disclosure

# Stakeholder management plan



Adapted from Figure 13-6  
*PMBOK Guide, 5th Edition*

# Useful if conditions warrant

- From the agile perspective, identifying stakeholders is a valuable process: the more inclusive your understanding of stakeholders, the better
- Agile promotes the idea that transparency is the best policy (builds trust)
  - Agile utilizes information radiators: information tools (e.g., a project wiki) that make project information, including progress and impediments, visible to all interested stakeholders
  - This minimizes the chances for miscommunication and effectively short-circuits rumors

# Useful if conditions warrant

- In some cases, *Stakeholder Management* advocates tailoring information access and flow to the individual stakeholder
- This approach may be justified in some situations: volatile, highly-politicized project, for example, it is not without its risks:
  - “Project managers should be aware of the sensitive nature of the stakeholder management plan and take appropriate precautions. For example, information to stakeholders who are resistant to the project can be potentially damaging, and due consideration should be given regarding the distribution of such information.”

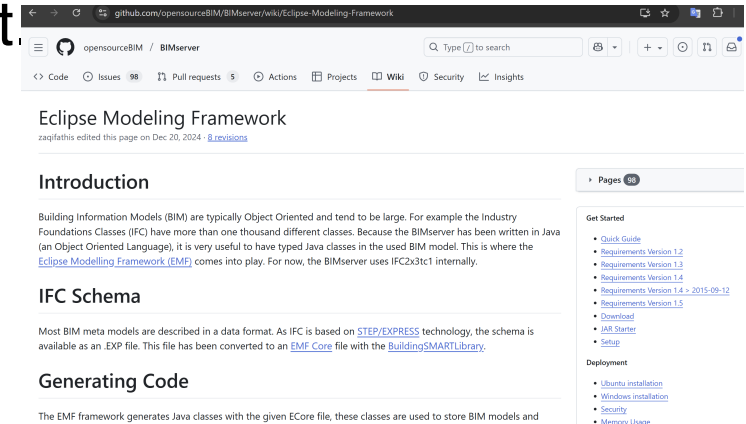
# Important Stakeholders

Champion: Often a senior leader, sponsor, or influential stakeholder

Stakeholder	Project Roles	Ways to Improve Alignment with Project
Champion	<ul style="list-style-type: none"><li>• Initiates the project</li><li>• Promotes the project</li><li>• Allocates time to the project</li><li>• Provides project resources</li></ul>	<ul style="list-style-type: none"><li>• Communicate objectives and benefit of the system</li><li>• Demonstrate prototypes of system</li><li>• <i>Engage and inform</i></li></ul>
Organizational management	<ul style="list-style-type: none"><li>• Know about the project</li><li>• Budget money for the project</li><li>• Encourage use and acceptance of system</li></ul>	<ul style="list-style-type: none"><li>• Communicate objectives and benefit of the system</li><li>• Demonstrate prototypes of system</li><li>• Encourage champion to communicate about project</li><li>• <i>Engage and inform</i></li></ul>
System users	<ul style="list-style-type: none"><li>• Make decisions that influence the project</li><li>• Perform hands-on activities for the project</li><li>• Determine project success by using or not using the system</li></ul>	<ul style="list-style-type: none"><li>• Encourage users to have ownership in the project</li><li>• Encourage user feedback on project</li><li>• <i>Engage and inform</i></li></ul>

# The Need for Stakeholder Reporting

- DevOps and Agile needs proper tooling, particularly around reporting to key stakeholders, to be really successful.
- As DevOps has evolved a complex tool chain has emerged to help manage Agile projects.
- Because agile processes are iterative it is sometimes difficult for stakeholders to really understand what is happening in projects or whether projects are on time and on budget.



# The Need for Stakeholder Reporting

- These stakeholders include not only Dev and Ops but management, product management, marketing, sales, finance etc.
- The problem is increased when stakeholders need to look across multiple projects.
- Business value metrics dashboards provide managers with real-time automated reporting on best-practice KPIs.
- Customers can set targets and automate KPI reporting in order to understand the agile processes that need to be improved.

# Communication

# Communication

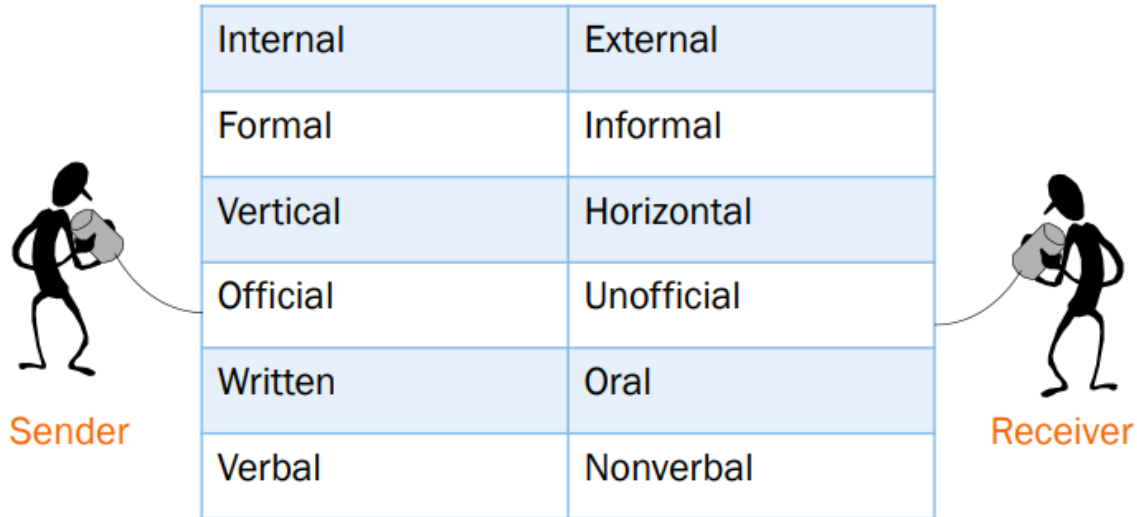
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- Communication planning overlaps with stakeholder identification, analysis, prioritization, and engagement.
- Communication is the most important factor in engaging with stakeholders effectively.

# Communication

- Planning communication for the project entails considering the following:
  - **Who needs** information?
  - **What** information does each stakeholder need?
  - **Why** should information be shared with stakeholders?
  - What is the **best way** to provide information?
  - **When** and **how often** is information needed?
  - **Who has** the information needed?
- There may be different categories of information, such as internal and external, sensitive and public, or general and detailed.
- Analyzing the stakeholders, information needs, and categories of information provides the foundation for establishing the communications processes and plans for the project.

# Types of Communication



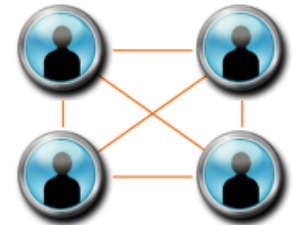
Channel and Noise Considerations

Factor	Impact
<b>Technology?</b>	Is the message sent via email, chat, or a dashboard?
<b>Meeting?</b>	Is it face-to-face, virtual, or asynchronous?
<b>From Who?</b>	Authority and credibility of the sender matter.
<b>Context?</b>	Timing, emotional state, and environment influence interpretation.

# Communication Concepts

- Interactive vs. Push vs. Pull Communication
- To achieve meeting Success
  - Send notice in advance / Time limit for the meeting
  - Regular but not too frequent
  - Clear purpose and agenda announced beforehand
  - Assign deliverables/action items from the meeting w/ clear time limits and distribution channels
  - Document and publish meeting minutes
- Communication Channels
  - # Communication Channels

# Communication Channels	$\frac{N(N - 1)}{2}$	N = the number of people
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- Communication Blockers (no agenda, poor timing, ...)

# Plan Communications

- Consider: culture, expectations, technology, methods, established policies and procedures
- Plan to Communicate: Who, when, what channel, and with what frequency
- Plan to Communicate: What

Type	Examples
Project Documents	Charter, PM Plan
Schedule/Resources	WBS, Resource needs, Meeting Schedule, Work Assignments (upcoming and current)
Status	General Status, Impacts to/from other projects, Performance Reports
Risks	New Risks, Uncertainties, Realized Risks (problems)
Change Control	Scope changes, CCB communications (change control board)

•A **Change Control Board (CCB)** group of stakeholders (project managers, sponsors, technical leads, quality assurance, etc.) responsible for **reviewing, evaluating, and approving or rejecting change requests** in a project.

# Ethical Responsibility

- As a PM or Team Member, communication is at the heart of ethical and honest behavior and responsibility.
- Try to understand the truth
  - Be careful – your perception of the truth may be false
  - Seek the whole truth
- Be truthful in all communications
  - Communicate honestly, even if the project is in trouble
- Create an environment where others tell the truth
  - Telling the truth consistently lets project team members know that only the truth is acceptable



# Professional Responsibility

- Only accept assignments you are qualified to complete
  - Lack of qualification presents a major risk to the project
- Protect proprietary information, Report unethical behavior and violations
- Maintain an attitude of mutual cooperation
  - Consider other projects and operational work when asking for resources
  - Protect reputations of your team members as it relates to project work
  - Ask what communication method is favored by your stakeholders/team
- Be direct in dealing with conflict
  - Openly discuss conflict with the other party, not behind their back
- Continuously look for conflicts of interest and disclose them
  - Treat the search and resolution of conflicts of interest like risks

# Communication Management Plan

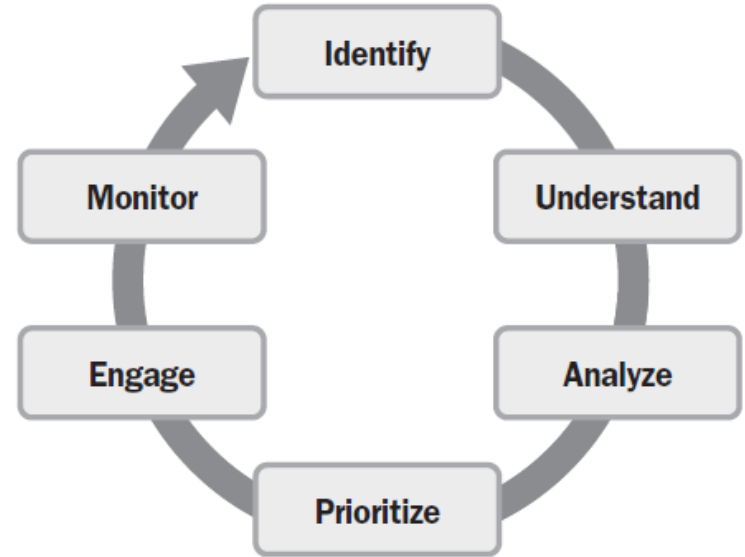
- Primary output of Plan Communications

What needs to be Communicated	Why	Between Whom	Best Communication Method	Responsibility for Sending	When / How Often

# Stakeholders Communication

# Stakeholder Engagement

1. Identify your stakeholders
2. Understand your stakeholders
3. Analyze your stakeholders
4. Prioritize your stakeholders
5. Engage your stakeholders
6. Monitor your stakeholders



# Identify Stakeholders

1. Analyze Stakeholders continuously
2. Create and Maintain a Stakeholder Register
3. Create and execute a Stakeholder Management Strategy

Stakeholder Register – Project Title:

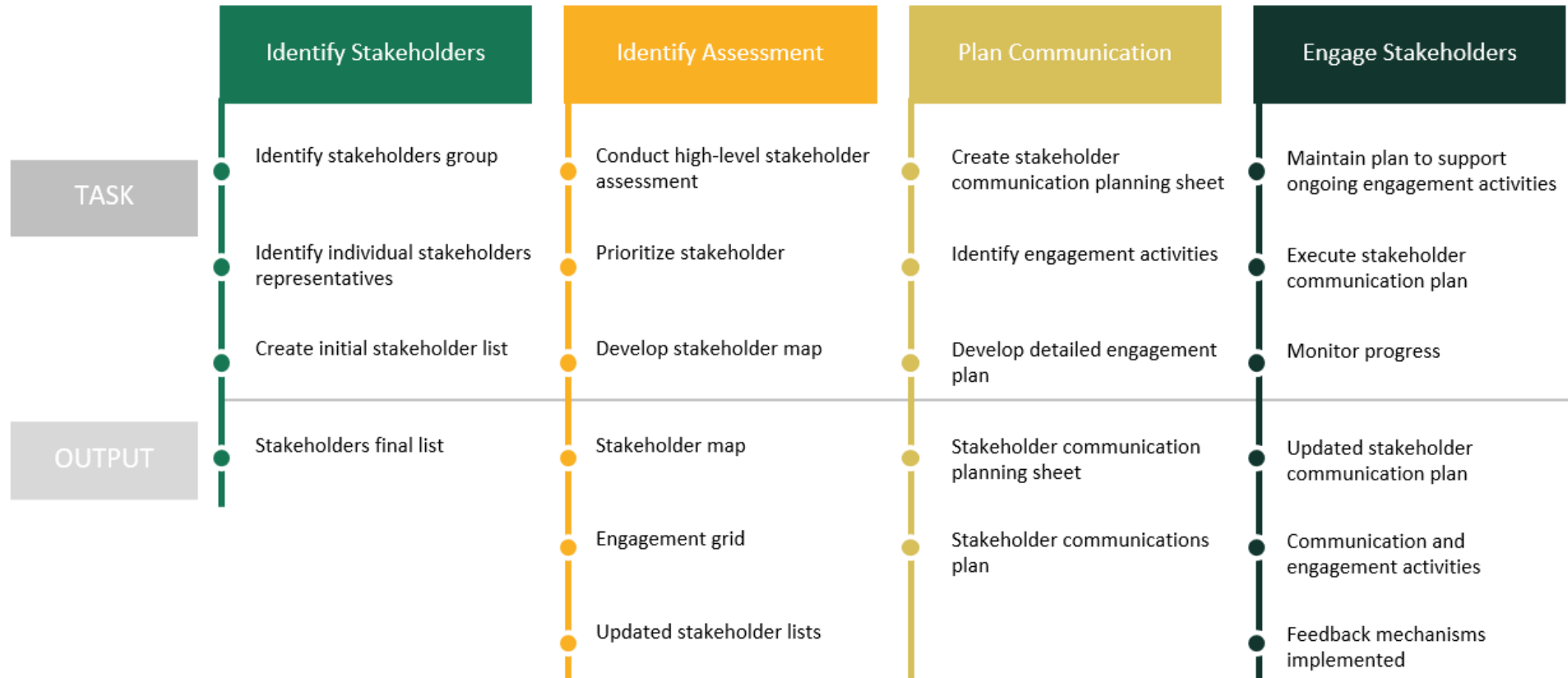
Project Number:

ID	Name	Title	Department(s) /Supervisor	Contact Info	Impact					
					Major Req'ts	Main Ex- pectations	Influence (1-5)	Role(s) in Project	Responsibilities in Project	Classification
1										
2										

# Project Stakeholder Management

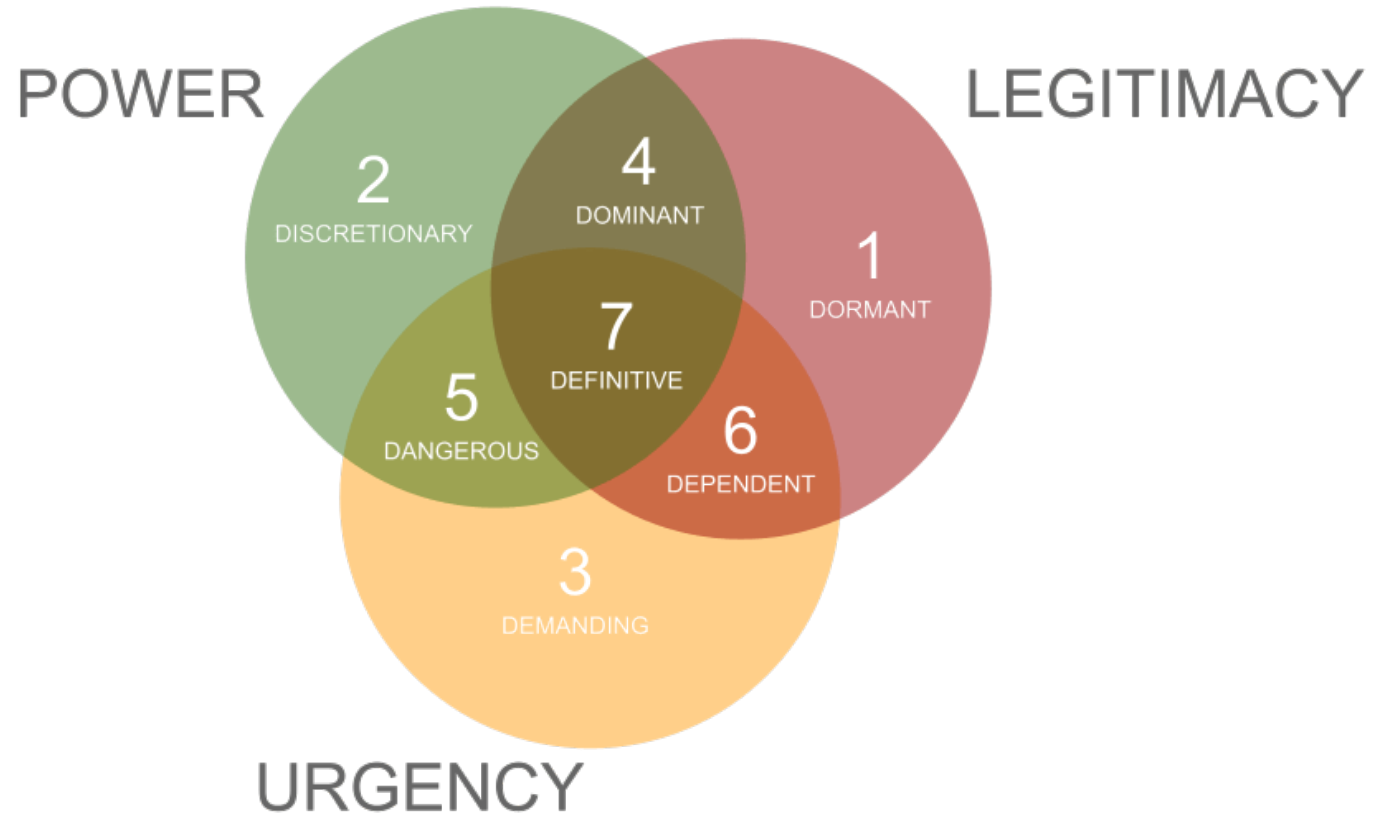
Stakeholder	Current Level Of Engagement	Desired Level Of Engagement	How And/or What Activity To Be Taken?	Priority	POC Responsible (POC – Point Of Contact)
Alex Ryan	Leading	Leading	<ul style="list-style-type: none"> <li>› Conduct Weekly Discussions With Design Manager</li> <li>› Add Text Here</li> </ul>	High	Executive Manager
Billy Burr	Resistant	Supportive	<ul style="list-style-type: none"> <li>› Ensure Regular Engagement By Project Manager</li> <li>› Add Text Here</li> </ul>	Critical	Project Manager
Jones Raymond	Neutral	Supportive	<ul style="list-style-type: none"> <li>› Seek Recommendations On Process Improvement</li> <li>› Add Text Here</li> </ul>	Normal	Project Manager
Add Text Here	Add Text Here	Add Text Here	<ul style="list-style-type: none"> <li>› Add Text Here</li> </ul>	Add Text Here	Add Text Here

# Stakeholder Engagement Plan



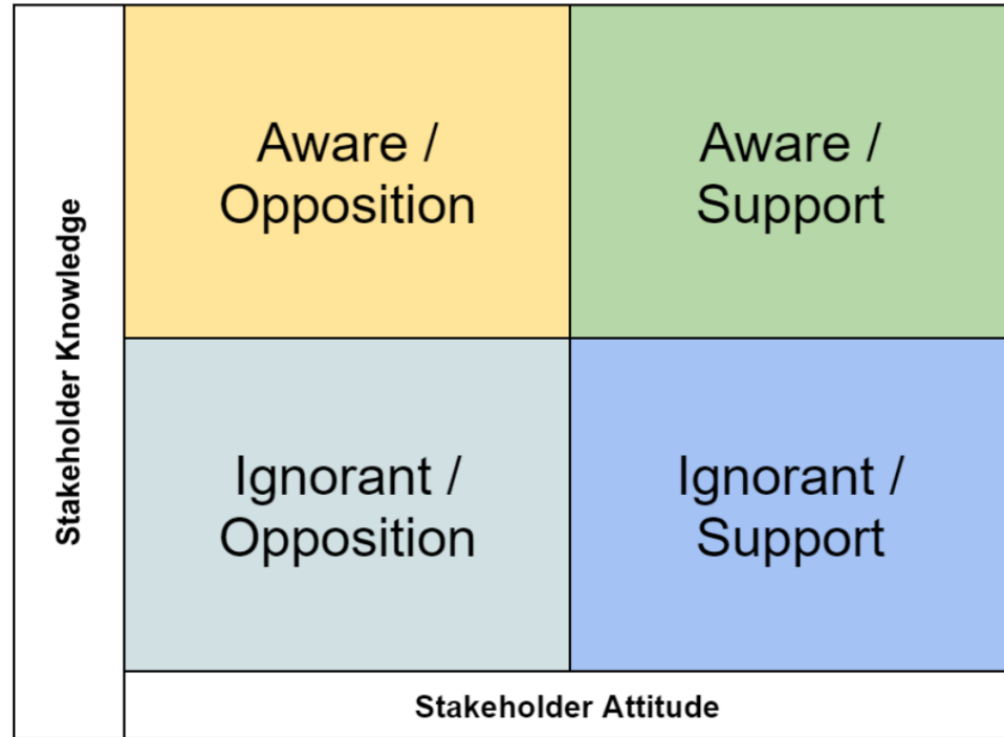
# Common Stakeholder Mapping Models

- The Salience Model helps project managers **prioritize** stakeholders by how much attention they demand.



# Common Stakeholder Mapping Models

- Stakeholder Knowledge Base Chart is a strategic tool for shaping **communication tactics** based on two dimensions: how much a stakeholder knows about the project, and whether they support or oppose it.

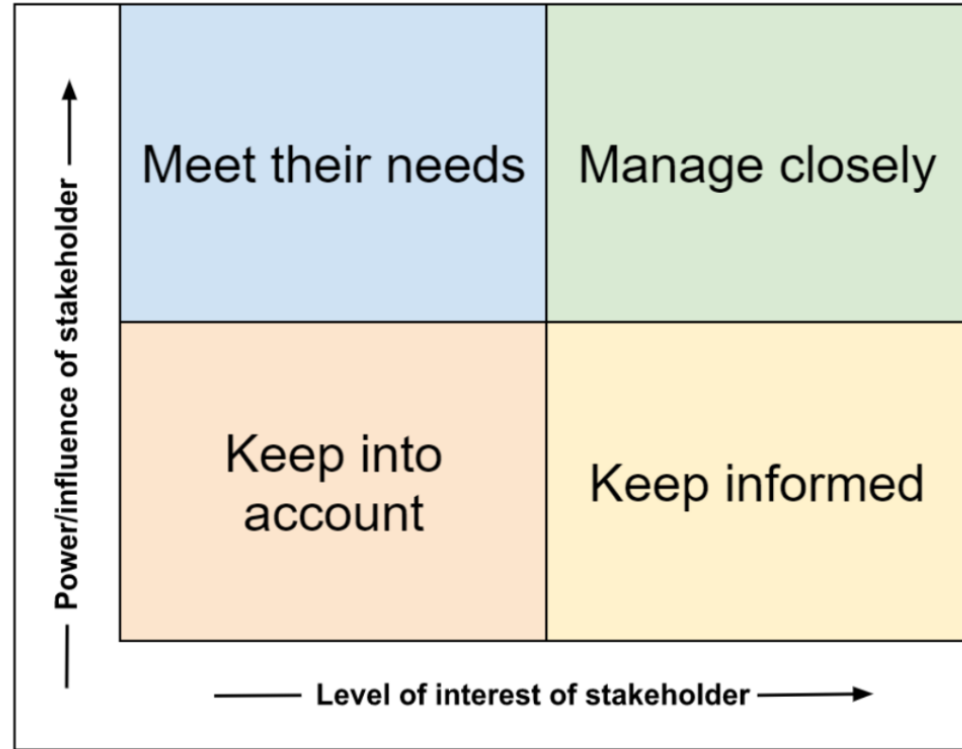


# Stakeholder Knowledge Base Chart

- **Aware / Opposition**
  - These stakeholders may be a risk and require management.
- **Aware / Support**
  - These stakeholders are worth keeping informed so they can continue to champion your project or work.
- **Ignorant / Opposition**
  - Increasing the understanding of these stakeholders may help to change their attitude.
- **Ignorant / Support**
  - Engaging with these stakeholders will help to keep them onboard and strengthen their support.

# Common Stakeholder Mapping Models

- Power/Interest Grid helps you **prioritize communication efforts** based on two dimensions: a stakeholder's **power/influence** and their **interest in the project**.



# Power/Interest Grid

- High power / high interest
  - Manage closely, regularly engage, and manage expectations
- High power / low interest
  - Meet their needs, keep them satisfied, and actively consult
- Low power / low interest
  - Monitor and provide information as needed
- Low power / high interest
  - Keep informed and maintain interest

# Stakeholder Engagement

- Engage

- Stakeholder engagement entails working collaboratively with stakeholders to introduce the project, elicit their requirements, manage expectations, resolve issues, negotiate, prioritize, problem solve, and make decisions.
- Engaging stakeholders requires the application of soft skills, such as active listening, interpersonal skills, and conflict management, as well as leadership skills such as establishing the vision and critical thinking.

# Stakeholder Engagement

- Engage

Type	Formal	Informal
Verbal	Presentations Project reviews Briefings Product demos Brainstorming	Conversations Ad hoc discussions
Written	Progress reports Project documents Business case	Brief notes Email Instant messaging/texting Social media

# Stakeholder Engagement

- Engage

- Communication methods include push, pull, and interactive communication:
  - Push
    - Sent to stakeholders such as memos, emails, status reports, voice mail, and so forth.
    - One-way communications with individual stakeholders or groups of stakeholders.
    - Inhibits the ability to immediately gauge reaction and assess understanding; therefore, it should be used deliberately.
  - Pull
    - Information sought by the stakeholder, such as a project team member going to an intranet to find communication policies or templates, running internet searches, and using online repositories.
    - Pulling information is used for indirect sensing of stakeholder concerns.

# Stakeholder Engagement

- Engage

- With all forms of communication, quick feedback loops provide useful information to:
  - Confirm the degree to which the stakeholder(s) heard the message.
  - Determine if stakeholders agree with the message.
  - Identify nuanced or other unintended messages the recipient detected.
  - Gain other helpful insights.

# Manage Stakeholders Expectations

- Items that may need regular communication
  - Schedule, Budget, Forecasts
  - Risk Register, Issue Log, Change Log
  - Items outside of the control of the project that affect the project
- Involves the application of Communication Methods, Interpersonal Skills, and Management Skills to manage expectations of people important to the project.

# Performance Report Types

- Status Report – Where is the project against the performance measurement baseline?
- Progress Report – What has been accomplished?
- Trend Report – Is performance improving or deteriorating?
- Forecasting Report – What are the predictions for the future?
- Variance Report – How do the actual results compare to the baselines?
- Earned Value Report – Where is the project in pure Earned Value/Cost Management terms?
- Lessons Learned – What information could be useful for future projects?

# Making Reports and Metrics Useful

- Collecting information, analyzing it, packaging it, and sending it to Stakeholders.
  - Level of Detail
  - Appropriate communication channel
  - Don't let reports prevent you from managing the project
  - Are measurements against a consistent baseline
  - Truthful with accurate metrics
  - All three sides of the project triangle plus quality
  - Can and should be enhanced with forecasts
  - Get feedback
  - Use multiple types of reports

# Conclusion

- Communication concepts must be applied to both stakeholder and team communication
- Communication is not effective unless it is ethical and honest
- Stakeholder Expectation Management starts with understanding each stakeholder, then deciding what communication is best for them
- Make reports and metrics useful by viewing them from the Stakeholder's perspective