

STAKEHOLDER PERFORMANCE DOMAIN

PROJECT MANAGEMENT PROFESSIONAL CLASS

(PMBOK 7TH EDITION)



PROJECT PERFORMANCE DOMAINS



STAKEHOLDERS PERFORMANCE DOMAIN

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The Stakeholder Performance Domain addresses activities and functions associated with stakeholders

Effective execution of this performance domain results in the following desired outcomes:

- A product working relationship with stakeholders throughout the project.
- Stakeholder agreement with project objectives.
- Stakeholders who are project beneficiaries are supportive and satisfied while stakeholders who may oppose the project or its deliverables do not negatively impact project outcomes.

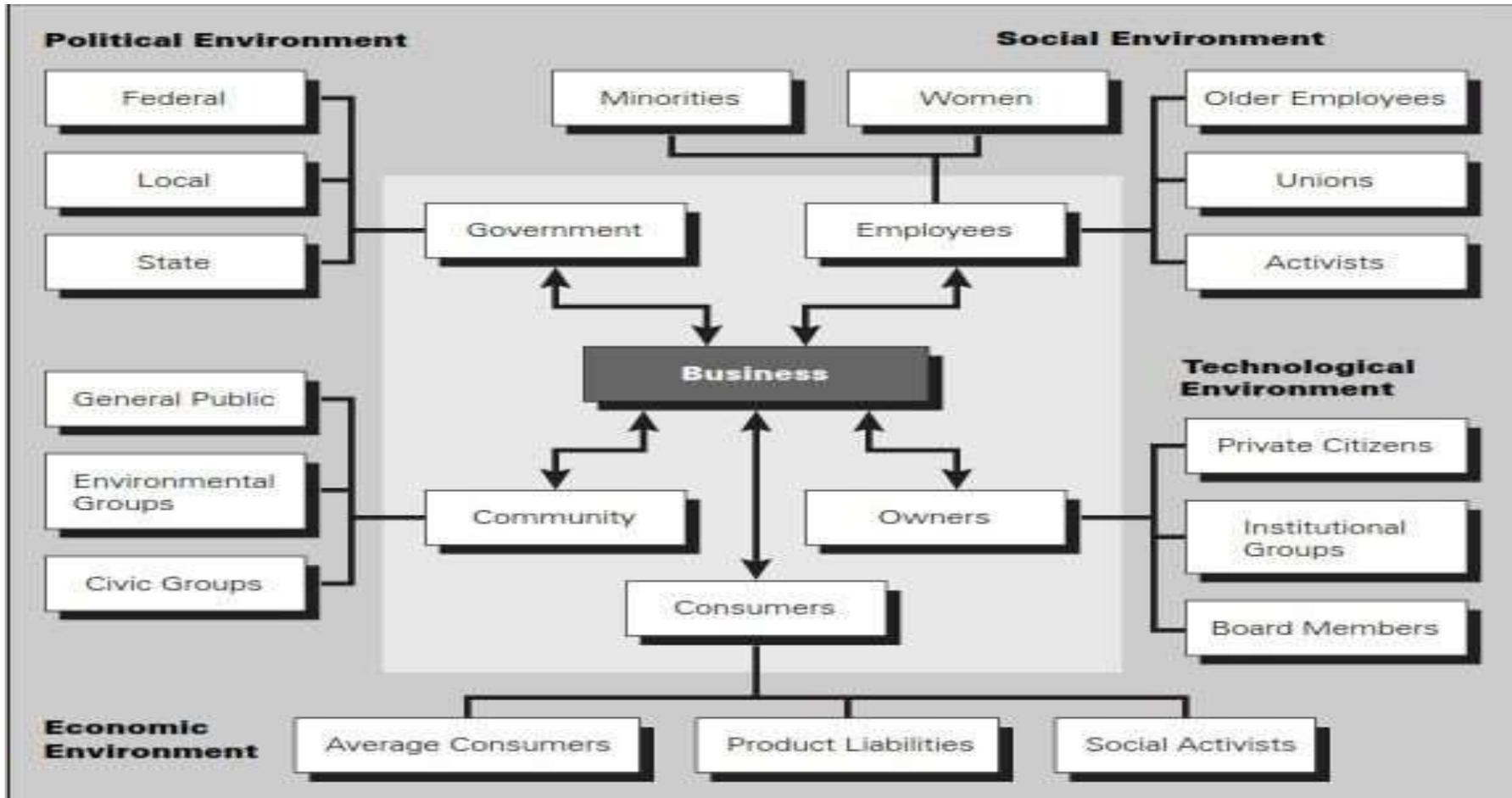
DEFINITIONS

The following definitions are relevant to the Stakeholder Performance Domain:

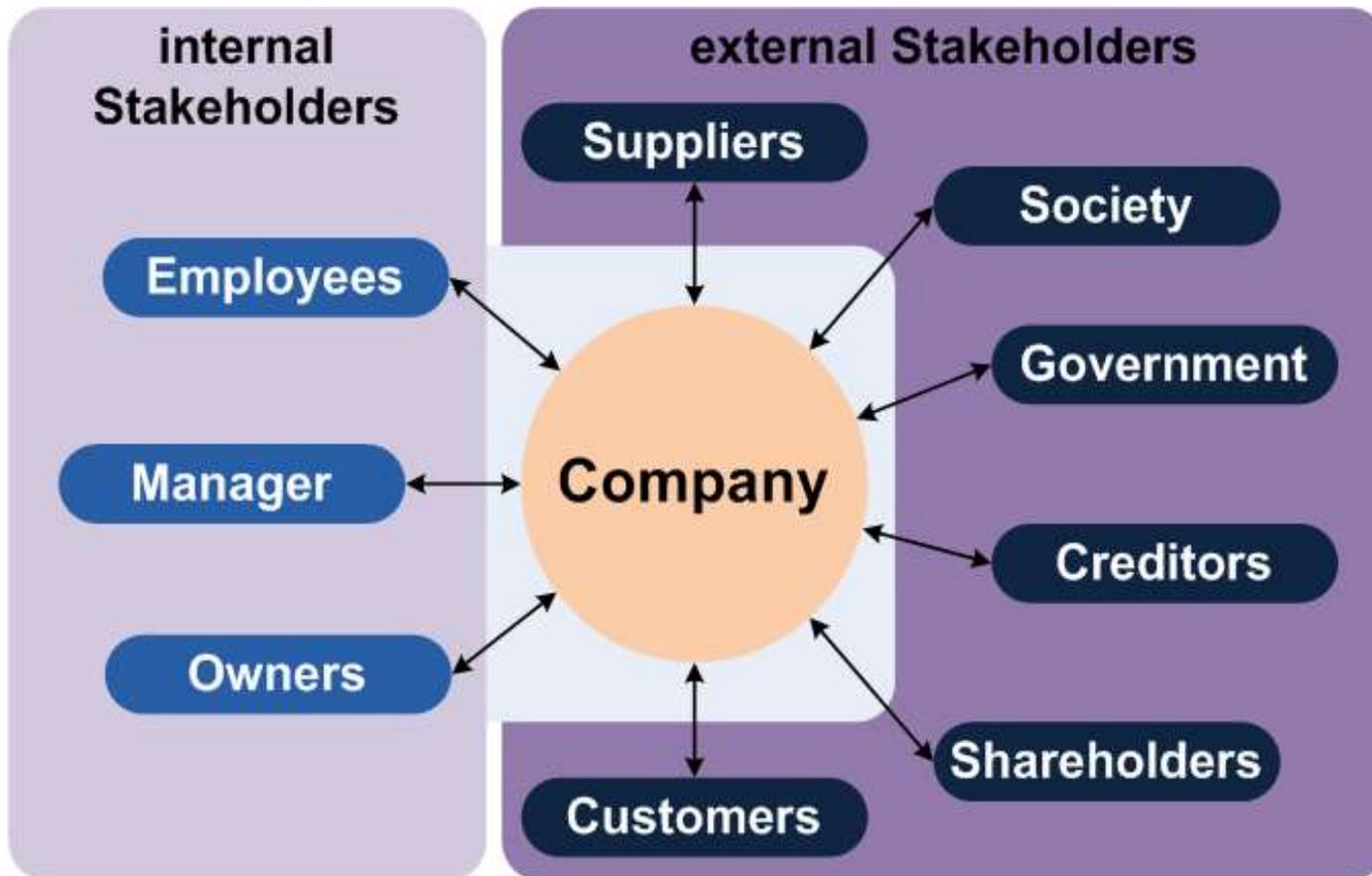
STAKEHOLDER. An individual, group, or organization that may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project, program, or portfolio.

STAKEHOLDER ANALYSIS. A method of systematically gathering and analyzing quantitative and qualitative information to determine whose interests should be taken into account throughout the project.

ORGANIZATIONAL STAKEHOLDERS



PROJECT STAKEHOLDER



Projects are performed by people and for people. This performance domain entails working with stakeholders to maintain alignment and engaging with them to foster positive relationships and satisfaction.

Stakeholders include individuals, groups, and organizations. A project can have a small group of stakeholders or potentially millions of stakeholders.



THE NEED TO MANAGE STAKEHOLDERS

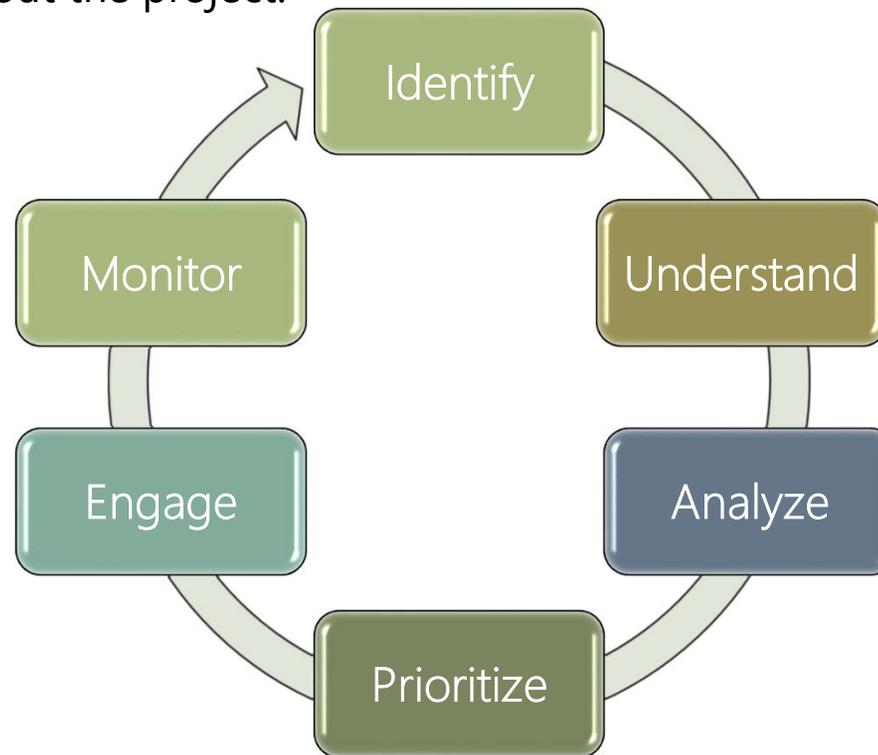
- Stakeholders are individuals or groups that benefit from a project.
- Stakeholders can affect Project functioning, goals, development and survival.
- They are **protagonist** beneficial when they help you achieve your goals and they are **antagonistic** when they oppose your mission.
- Therefore, stakeholders have power to be either a threat or a benefit to an project/organization (Gibson, 2000).

THE NEED TO MANAGE STAKEHOLDERS

- Their influence can be small or great and can be exercised either intentionally or incidentally.
- Individuals and organizations need to be wary of their stakeholders and their influences.
- If stakeholders have negative influence on us, why should we deal with or bother about them? **WHY?**

STAKEHOLDER ENGAGEMENT

Stakeholder engagement includes implementing strategies and actions to promote productive involvement of stakeholders. Stakeholder engagement activities start before or when the project starts and continue throughout the project.



IDENTIFY

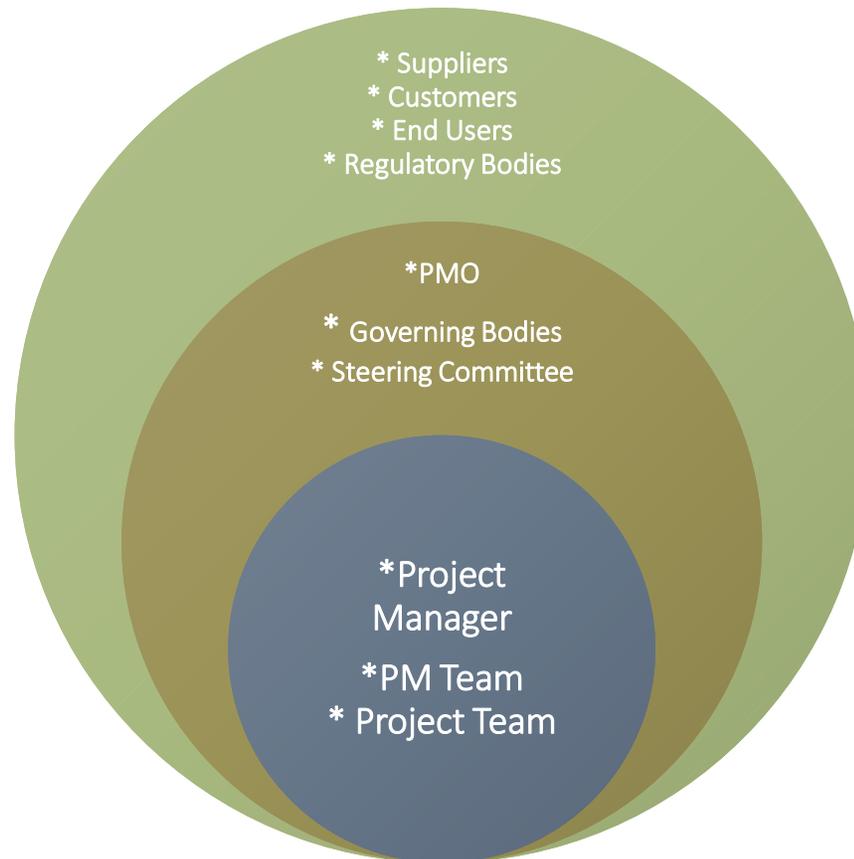
High level stakeholder identification may be carried out prior to forming the project team. Detailed stakeholder identification **progressively elaborates** the initial work and is a continuous activity throughout the project.



IDENTIFY

Sphere of Influence

There may be different stakeholders in different phases of the projects, and the influence, power, or interests of stakeholders may change as the project unfolds.

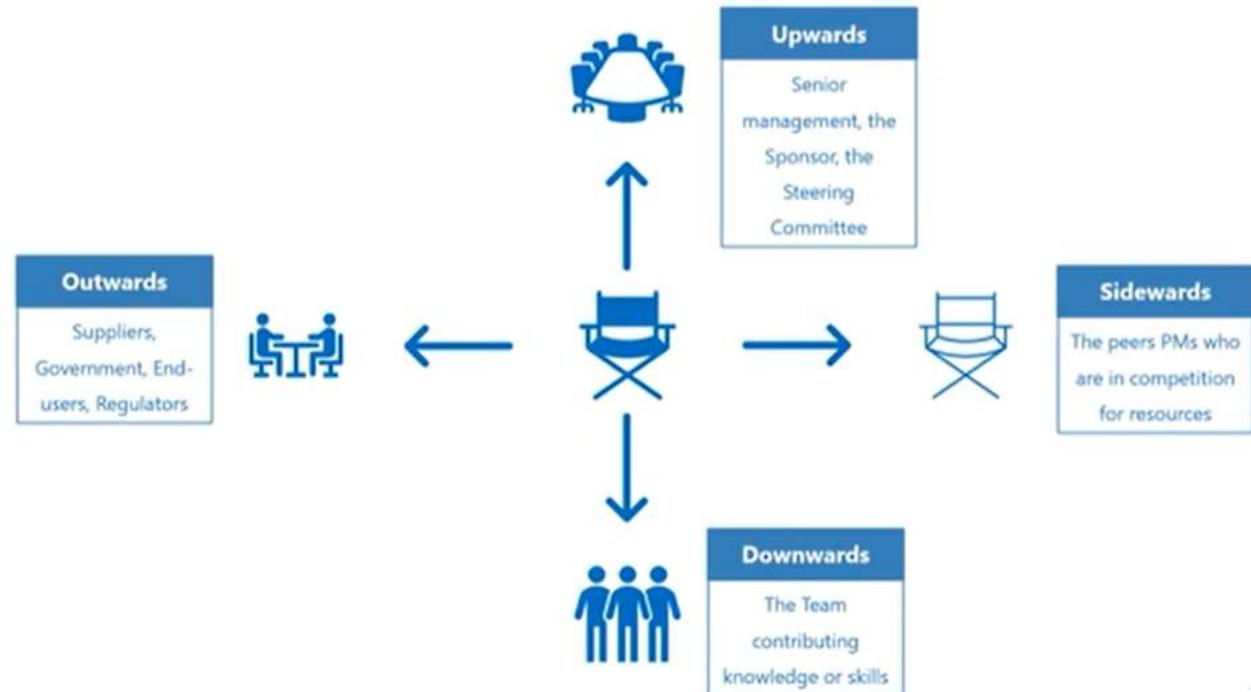


IDENTIFY

Directions of Influence

Similar to Spheres of influence.
-360 approach to identifying stakeholders.

Other techniques
-Expert judgement
-Peers
-OPAs etc.



UNDERSTAND AND ANALYZE

Once stakeholders are identified, the project manager and the project team should seek to understand stakeholders' feeling, emotions, beliefs, and values. These elements can lead to additional threats or opportunities for the project outcomes.



UNDERSTAND AND ANALYZE

Once stakeholders are identified, the project manager and the project team should seek to understand and analyze them.

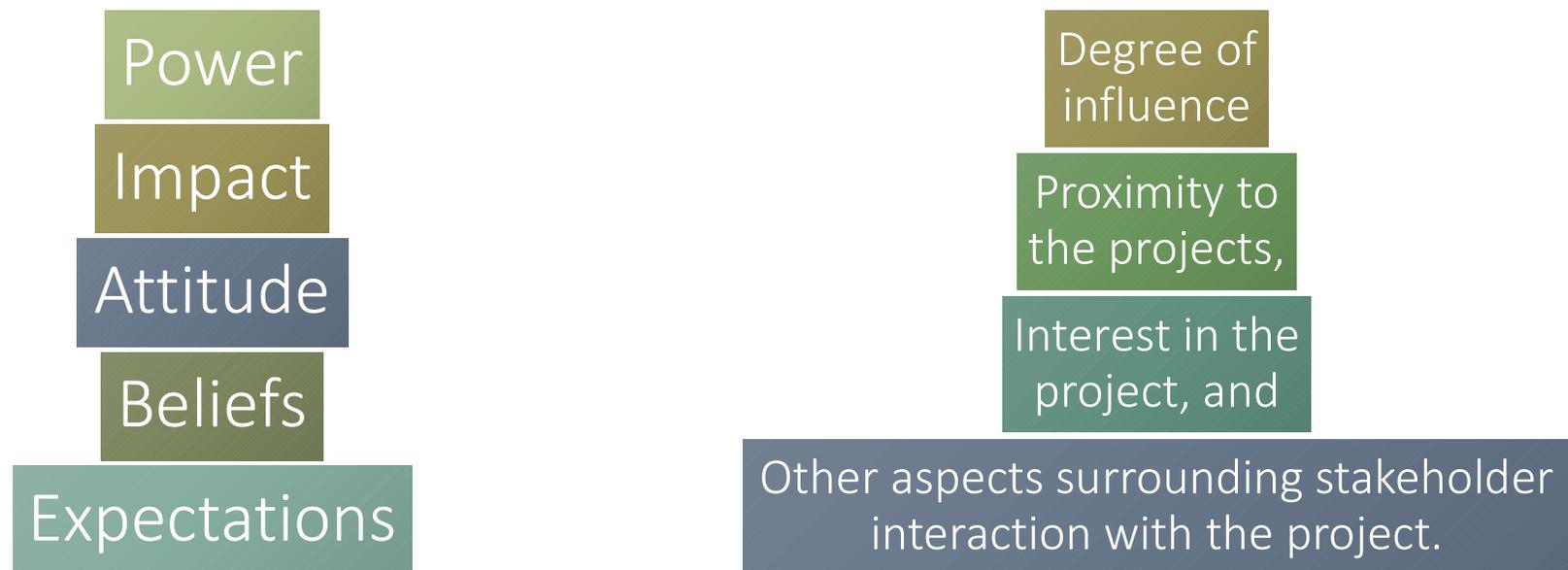
Stakeholders are not created equal.



These elements can lead to additional threats or opportunities for the project outcomes.

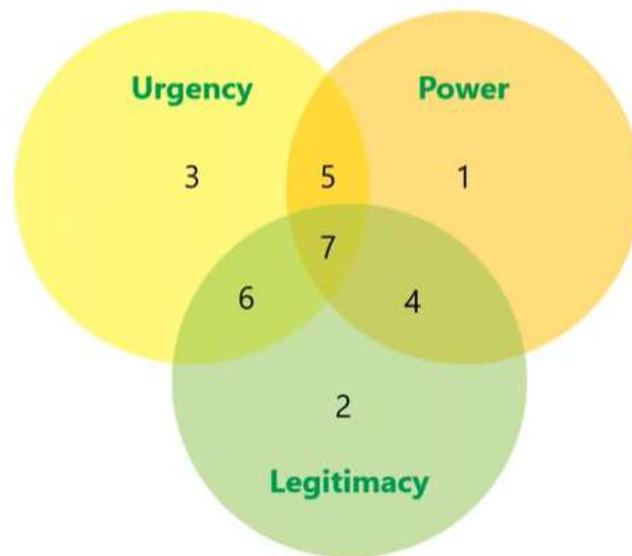
UNDERSTAND AND ANALYZE

Related to understanding the project stakeholder is the need to analyze aspects of each stakeholder's position and perspective on the project. As a PM, you need to understand...



This entire process is called Stakeholder analysis. Information helps the project team consider interactions that may influence the motivations, actions, and behaviors of stakeholders.

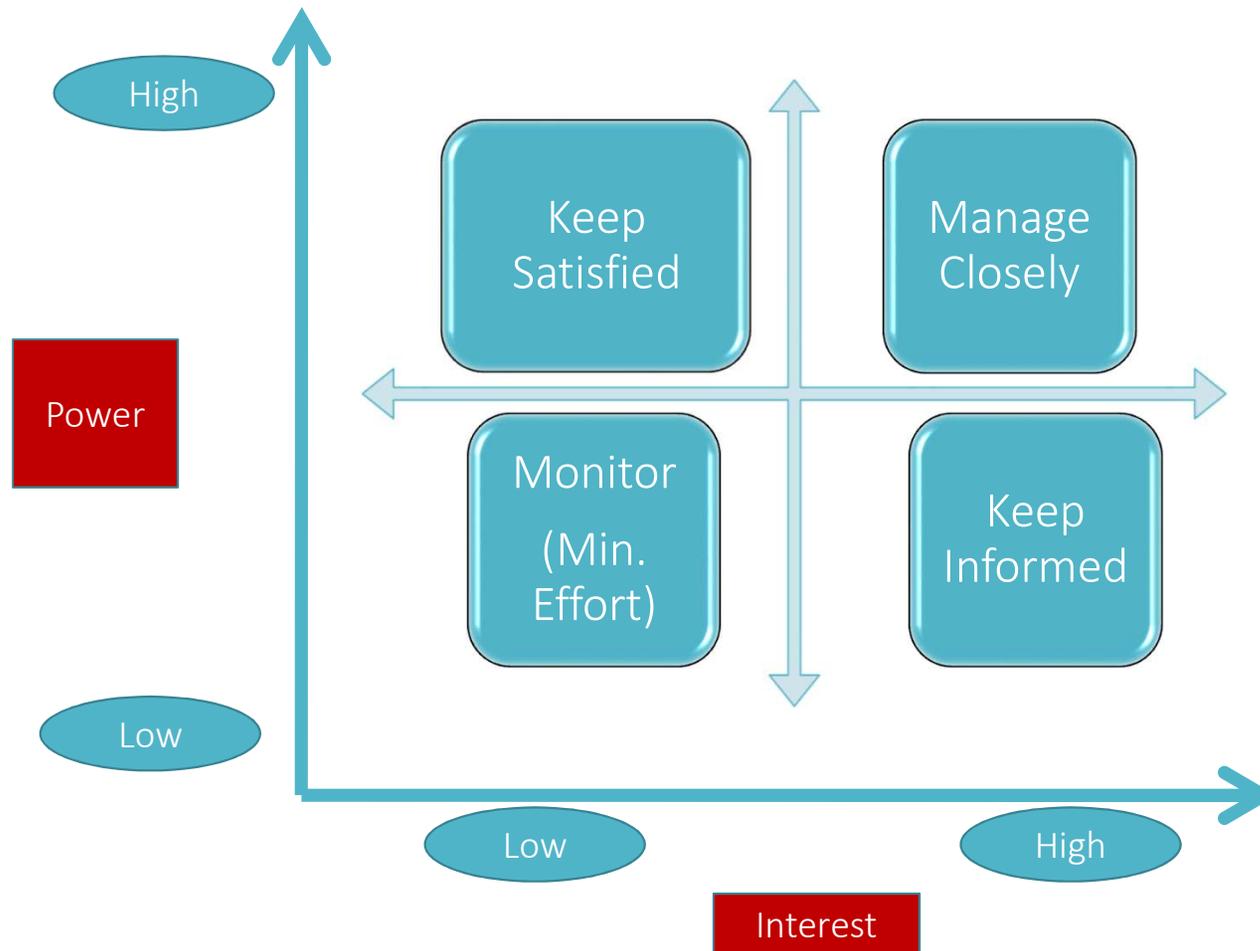
STAKEHOLDER ANALYSIS – SALIENCE MODEL



- 1. Dormant**
- 2. Discretionary**
- 3. Demanding**
- 4. Dominant**
- 5. Dangerous**
- 6. Dependent**
- 7. Definitive**

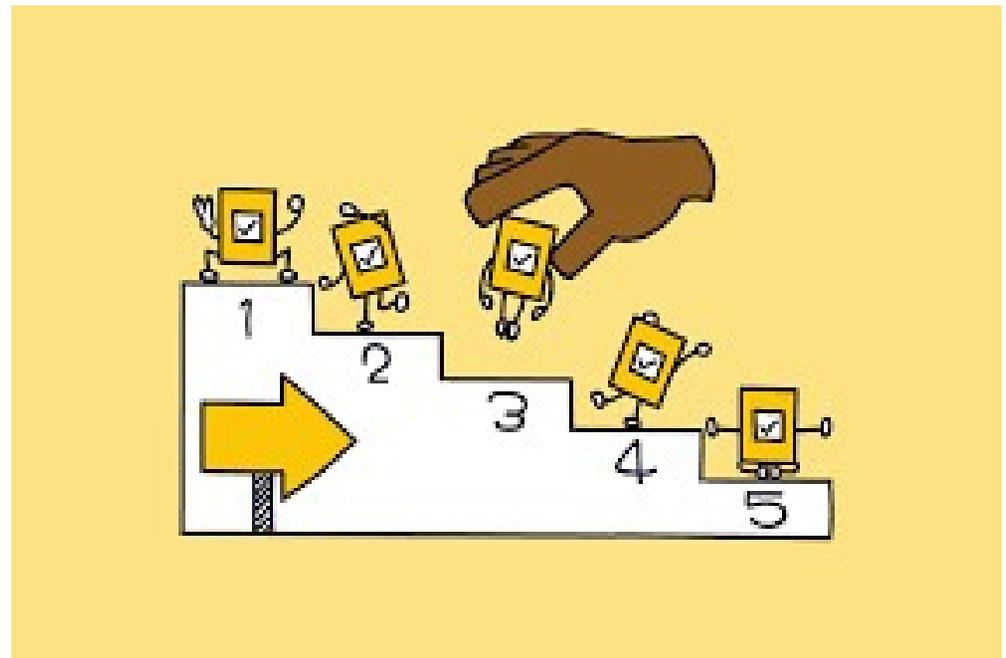
Helps you identify and categorize your stakeholders based on their degree of importance to your project.

STAKEHOLDER ANALYSIS – POWER/INTEREST GRID



PRIORITIZE

On many projects, there are too many stakeholders involved for the project team to engage directly or effectively with all of them. Based on its analysis, the project team can complete an initial prioritization of stakeholders.



STAKEHOLDER ANALYSIS – STAKEHOLDER REGISTER



-According to PMBOK, your stakeholder should be maintained in a document called the Stakeholder register.

Stakeholder identification/engagement continues throughout the project

Who identifies the stakeholders on a project?

Stakeholder Register				
Name	Position	Internal/External	Project Role	Contact Information
David Capatch	Project Manager	Internal	Project Manager	dwc5277@psu.edu
Evan Farrell	Consultant	Internal	Lead Programmer	emf5184@psu.edu
Ryan LaBossiere	Consultant	Internal	Lead Designer	rjl5201@psu.edu
Erik Moyer	Consultant	Internal	Programmer	efm5035@psu.edu
Sean Kidney	Consultant	Internal	Designer	skk5119@psu.edu
Darcie Lubalin	IT Leader for Global Professional Education	External	Sponsor	DLubalin@its.jnj.com

Name	Organizational Position	Location	Role in Project	Contact Information	Influence	Internal/External	Supporter?
Anita Kapoor	HR Manager	Mumbai	Project Manager	Head Office, Mumbai	HIGH	Internal	Y
Kabir Chugh	Employee SPOC	Hyderabad	Project Staff	Hitech-City, Hyderabad	LOW	Internal	Y
Srikanth Lakhani	VP, Finance	Mumbai	Project Sponsor	Head Office, Mumbai	HIGH	Internal	N

STAKEHOLDER ANALYSIS

Stakeholder analysis is a technique used to gather whose interest should be taken into account throughout the project.

It follows the step described below:

1. Identify all potential (key) project stakeholders and relevant information about them e.g roles, department expectations, knowledge level
2. Analyze the potential impact or support each stakeholder could generate e.g power/interest grid
3. Assess how key stakeholders are likely to react or respond in various situations in order to plan how to influence them or to enhance their support and mitigate potential negative impacts.

ENGAGE

As a PM – your role is to ensure that once identified and analyzed, you

1. Engage

2. Inform

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.



STAKEHOLDER ENGAGEMENT ASSESSMENT



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 impact and actively engaged in ensuring the project is a success.

STAKEHOLDER ENGAGEMENT ASSESSMENT MATRIX

- Tool used to assess engagement level of SH
- Plan for their engagement based on their desired engagement level

C = Current Engagement Level

D = Desired Engagement Level

Stakeholder	Unaware	Resistant	Neutral	Support	Leading
Harry	C			D	
Sally			C	D	
Kumar				C	D

STAKEHOLDER ANALYSIS MATRIX

STAKEHOLDER	INTEREST	ASSESSMENT OF IMPACT	STRATEGY
GOIL (Project Sponsor)	Project overall objective and project earnings	High – can easily influence the project	Weekly performance report indicating project status
Nigerian National Petroleum Corporation (Regulatory body)	Project activities and deliverables	High – can easily influence project	Regular updates of project activities as it is done within the confines of NNPC regulations

COMMUNICATION WITH STAKEHOLDERS

Communication with stakeholders can take place via written or verbal means, and it can be formal or informal. Examples of each type of communication are shown in table.

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

COMMUNICATION METHODS



Push

Push. Communication sent to stakeholders such as memos, emails, status reports, voice mail, and so forth. Push communication is used for one way communications with individual stakeholders or groups of stakeholders.



Pull

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.

STAKEHOLDERS ENGAGEMENT

Engagement goes deeper than pushing or pulling communication. Engagement is interactive. It includes an exchange of information with one or more stakeholders such as conversations, phone calls, meeting, brainstorming, product demos, and the like.

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.

COMMUNICATION MGMT PLAN

- As a PM, you will spend about 90% of your time communicating
- .One of the artifacts that will be helpful to you is a Communications Mgmt plan
- Define: **What, who, when, frequency, methods, responsible person etc.**
- **In an agile environment – communication happens mostly through agile ceremonies**

Communication	Frequency	Responsibility	Stakeholder
Project Kickoff	Once	Project Manager	Sponsor, Senior Stakeholders
Executive Steering Committee	Monthly	Project Manager	PM, Steering Committee
Project Status Meeting	Weekly	Project Manager	PM, Project Team, Customer & Team
Newsletter	Weekly	Team Lead	Entire Department
Daily Standup	Daily	Project Team	Project Team

STAKEHOLDER ENGAGEMENT

Defining and sharing a clear vision at the start of the project can enable good relationships and alignment throughout the project.



MONITOR

Throughout the project, stakeholders will change as new stakeholders are identified and others cease to be stakeholders. As the project progresses, the attitude or power of some stakeholders may change.



STAKEHOLDER — Interaction with other Performance Domain

Stakeholders permeate all aspects of the project. They define and prioritize the requirements and scope for the project team. They participate in and shape the planning. They determine acceptance and quality criteria for the project deliverables and outcomes.

The Project Manager and the Project Team MUST consistently monitor project stakeholder's relationships and tailoring strategies for engaging stakeholders through modification of engagement strategies and plans.

STAKEHOLDER — Checking Result

Checking Outcomes – Stakeholder Performance Domain

Outcome	Check
A productive working relationship with stakeholders throughout the project	Productive working relationships with stakeholders can be observed. However, the movement of stakeholder along a continuum of engagement can indicate the relative level of satisfaction with the project
Stakeholder agreement with project objectives.	A significant number of changes or modifications to the project and product requirements in addition to the scope may indicate stakeholders are not engaged or aligned with the project objectives.

STAKEHOLDER — Checking Result

Outcome	Check
<p>Stakeholders who are project beneficiaries are supportive and satisfied. Stakeholders who may oppose the project or its deliverables do not negatively impact project result.</p>	<p>Stakeholder behavior can indicate whether project beneficiaries are satisfied and supportive of the project or whether they oppose it. Surveys, interviews, and focus groups are also effective ways to determine if stakeholders are satisfied and supportive or if they oppose the project and its deliverables.</p> <p>A review of the project issue register and risk register can identify challenges associated with individual stakeholders.</p>

