



**Association for Project Management  
Risk Specific Interest group**

***How risky are your stakeholders?***

**January 2002**

# Introduction



- ◆ **Deborah Vogwell**  
**Davis Langdon and Everest**
- ◆ **A mechanism for mitigating risk through effective management of stakeholders.**

# A question.



- ◆ **Is it legitimate for project / risk managers to just manage the project, as defined within scope, or should they manage the things / people that affect it?**

# Agenda



- ◆ **Relevance and recent interest in stakeholders.**
- ◆ **Project politics.**
- ◆ **Definition.**
- ◆ **Offer a method for management.**
- ◆ **Your comments please.**

# The rise of the stakeholder.



- ◆ **Growth of professionally managed corporations is dependant on their ability to meet the needs of various members of society - customers, staff, communities as well as investors.**
- ◆ **We are fairly familiar with the need to manage stakeholders on public projects, spending public money to provide facilities for the public.**
- ◆ **Future need to manage stakeholders on all projects?**



# Definition



- ◆ **Stakeholders - parties who have a stake in the organisation. Something at risk, something to gain or loose as a result of the organisation's strategy and the activities it undertakes to achieve that strategy.**
- ◆ **These stakeholders can be internal or external and can have varying levels of interest, involvement in the project.**
- ◆ **They can be supportive or obstructive of the project.**

# Multi headed clients and politics

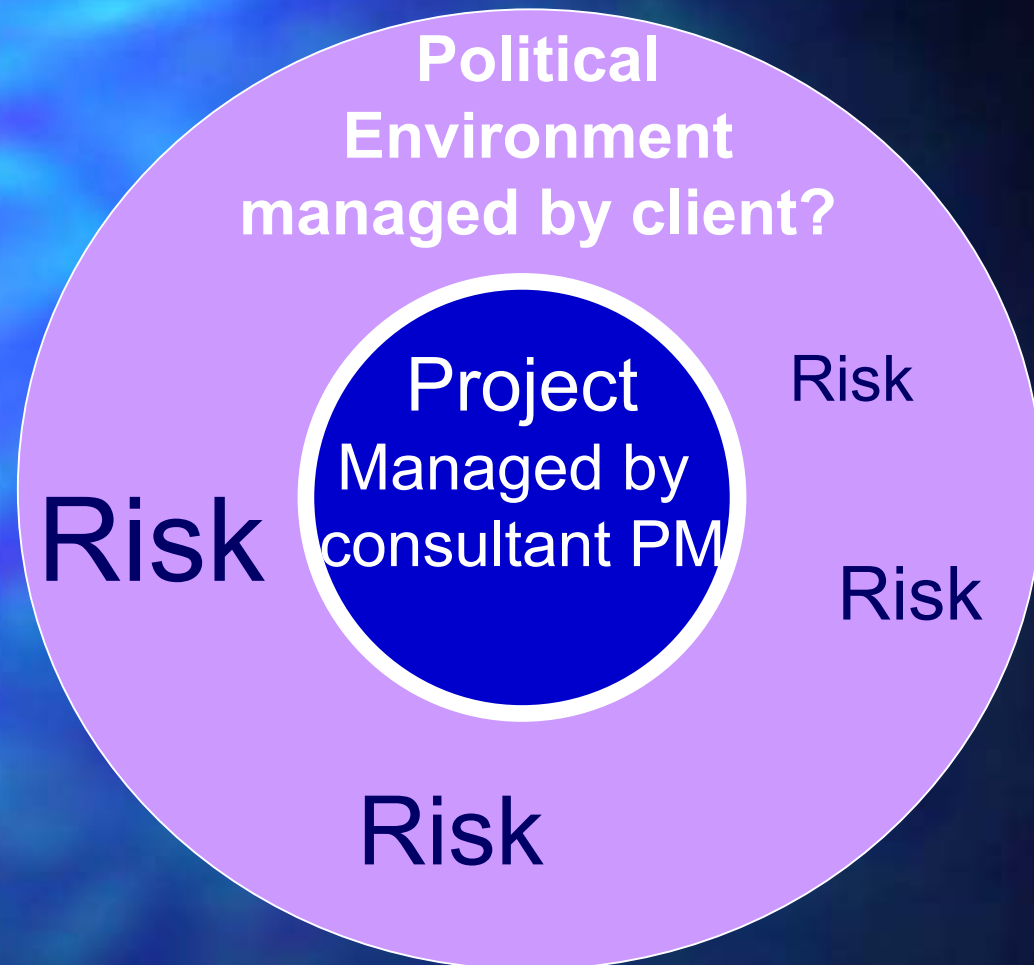


- ◆ **Organisations undertake strategic planning to identify where they should go and what they should do.**
- ◆ **Projects are undertaken in order to achieve organisational strategy. But do all the people in the organisation have the same view of the strategy?**
- ◆ **Think about it - do you go to work to achieve every last bullet point of your company's mission statement?**

# Project Boundries



- ◆ Traditionally project managers manage the project as defined within scope.
- ◆ A significant amount of project risk lies outside scope.
- ◆ Who controls risk outside scope?



# Charting the course of the Project



- ◆ **Client and or PM need to manage stakeholder expectations and influence.**
  - **Find the right solution that meets the needs of as many stakeholders as possible.**
  - **To define a communications plan.**
  - **Counter negative influence.**
  - **Create the most positive environment in which to develop the project.**
  - **To help define where to concentrate resources.**



# Stakeholder Analysis



- ◆ **Identify stakeholders - you can't manage them if you don't know who they are.**
- ◆ **Through brainstorming with a small group of key project personnel.**
- ◆ **Generally between 30 and 50 groups**

# Great Court



March 2001

Davis Langdon & Everest

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# Great Court Stakeholders



Museum Trustees

Foster and Partners

Planners

English Heritage  
The British Tax payer

Building Control

Millennium  
Neighbours  
Commission

Heritage Lottery Fund  
Regular Readers Group

Trade Contractors

The Press Hotels

Marketing Director

P&RBA

The supply chain

Private Donors

Building Maintenance department

Buro Happold

Mace Financial Director

DCMS  
Museum Head of Design  
Visitors

Museum Curators

Development  
Bloomsbury Group  
Museum Directors

Disability Groups  
Stone Conservation

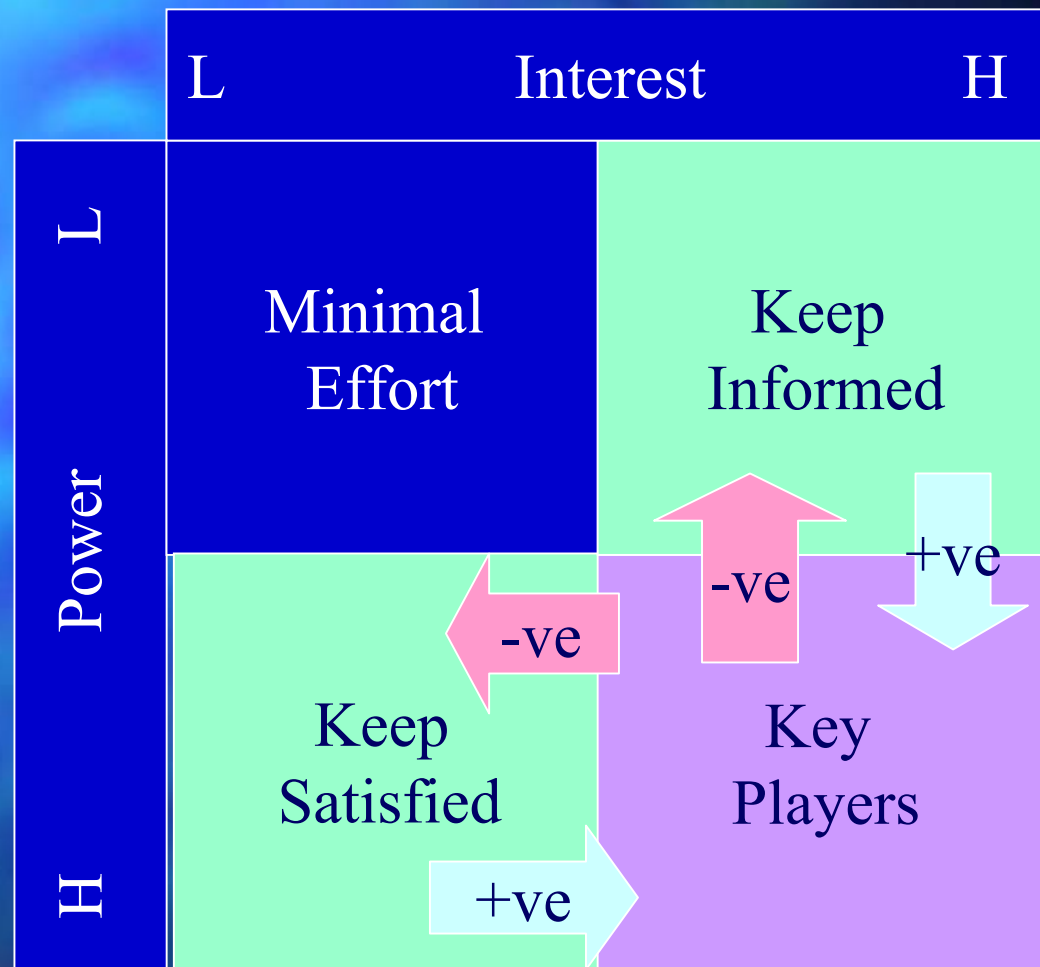
Georgian Group

Camden Civic Society

# Stakeholder Mapping



- ◆ Stakeholder can be positive or negative
- ◆ May need to divide groups in order to map
- ◆ High interest tend to be strongly positive or negative
- ◆ Watch for changes - the model is not static



Johnson and Scholes

# Key Players



		L	Interest	H
Power	L	Minimal Effort		Keep Informed
	H		Keep Satisfied	

**Key Players**  
 Trustees(+ve)  
 Major donors(+ve)  
 Museum Curators(+/-ve)  
 Marketing Director(+ve)

## Strategies

**+ve**

- Provide info to maintain support
- Involve in project management decisions
- Use to lobby other groups
- Nurture.
- Use to voice support

**-ve**

- Use other groups to lobby and change views
- Bargain to ensure neutrality
- Keep in dark - hmmm!
- Counter negative influence on other groups
- Reduce power.

# Keep Satisfied



		L	Interest	H
Power	L	Minimal Effort	Keep Informed	
	H	Keep Satisfied	Key Players	

**Keep Satisfied**  
 The Press(+/-)  
 Government(+)  
 Jocelyn Stevens (-ve)  
 Neighbours

## Strategies

- Low level of interest until something goes wrong.
- Watch for changes of individual
- Need to maintain watching brief.
- Can change from positive to negative - unpredictable

# Minimal Effort



Minimal Effort  
Georgian group  
Neighbours

		Interest	H
			Keep Informed
H	Power		Key Players
		Keep Satisfied	

## Strategies

- Low cost information
- Monitor in case they move
- Newsletter
- Invite to presentations

# Keep informed



		L	Inter
H Power	L	Minimal Effort	
	H	Keep Satisfied	Key Players

**Keep Informed**  
 BM Society(+ve)  
 Minor donors(+ve)  
 Users(+ve)  
 Disability Groups(+ve)  
 BM Design Office(-ve)  
 BM Print Shop(-ve)

## Strategies

### +ve

- Your friends - treat them well.
- Use to lobby other groups
- Make them feel involved

### -ve

- Don't waste too much time on them.
- Use key players to take a firm line
- Make sure they don't join forces to increase power

# Resulting matrix is not an answer to everything. It helps to :-



- ◆ to bring order to a very complex situation.
- ◆ bring collective understanding if compiled by a group.
- ◆ Suggest strategies for management and communication of the various groups
- ◆ It is not static it needs to be monitored and major changes assessed against the matrix.
- ◆ Helps manage resources and time and use these where most benefit will be derived.

# Relevance to Project Managers



- ◆ **We could say - 'We just manage the project'**
- or
- ◆ **We could say - 'We can help you to manage the things that affect your project and thereby ensure its success'**

# What do you think?

