THE PROJECT STAKEHOLDER ANALYSIS PROCESS

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2019 Project Management Symposium
→ Exploratory Study

→ 40+ Stakeholder Analyses Reviewed on Projects in Several Categories, Including Construction & Civil Infrastructure Development

→ Objective: To Explore and Supplement Existing Approaches Used for Analyzing Stakeholders on Projects to Improve Effectiveness of Primary Stakeholder Management & Secondary Stakeholder Engagement
FACT: Stakeholders are

- A Major Critical Success Factor on Projects
  (Project Performance Surveys, Project Practice)

- A Big Risk Factor & Problem Causer for Projects
  (Negative Impact on Project Performance, Premature Project Termination)

- A Source of Opportunity for Projects
  (Beneficial for Projects)

- Often Inappropriately Managed/Engaged by Projects
  (Observed Conflicts, High Level of Opposition)
Project Stakeholder Governance Framework (Instrumental Component)

1. Stakeholder Management Maturity Levels (Evolution)
2. Study & Understand the Project Context
3. Identification of P & S Project Stakeholders
4. Stakeholder Analysis
5. Design Stakeholder Management & Engagement Strategies
6. Execute Stakeholder Management & Engagement Strategies
7. The Project Life-Cycle (Initiation to Completion)

Constraints: Experience, Available Information, Knowledge, Project Complexity, Cost & Time Constraints, Creativity, etc.

Policies, Principles, Rules, Org. Culture etc.

(PSIS) Project Stakeholder Information System

Education & Research

Effectiveness & Efficiency

Periodic Revision & Modification When & Where Appropriate (Continuous Improvement)

Developed by Khan, Skibniewski & Cable, UMD PM Symposium, June 2014
## Preconditions for an Excellent Stakeholder Analysis

- **Interest & Commitment**  
  (from top level of organization downwards, strictly adhered to stakeholder policy, sustainability)

- **Financial Guarantee**  
  (Stakeholder Analysis, Management/Engagement)

- **Technical & Institutional Support Infrastructure**  
  (e.g. Stakeholder Information System, PMO)

- **Stakeholder Analysts**  
  (Knowledge, Skills, Experience, Creative Talent)

- **High-Quality Information on Stakeholders**  
  (accurate, specific, reliable, relevant, complete, up-to-date, actionable, comprehensible, legal etc.)

- **Set of Powerful & Integrated Analytical Tools**
Shortcomings of Current Approaches: Dimensionality & Time Factor
Suggested Stakeholder Analysis Tools

Primary Stakeholders
- SWOT-Analysis
- Attributes Analysis
- Issues & Complications Analysis
- Scoring Models

Secondary Stakeholders
- SWOT-Analysis
- Attributes Analysis
- Scenario & Project Impact Analysis
Sources of Information on Primary & Secondary Stakeholders

- Organizational Profiles
- Employment Records
- Performance Appraisals
- Project Documentation
- Other Project Managers & Teams
- Surveys & Interviews
- Observation
- Newspapers & Magazines
- Case Studies
- Websites of Stakeholders
  - (Organizational, Individual)
- Government Agencies
- Subject Matter Experts
- Informants
- Etc.

Analyze ALL Primary Stakeholders (Individual, Organizational)

Analyze Supportive & Adversarial Secondary Stakeholders Separately and Collectively

BUT

Analyze All Known Powerful Secondary Stakeholders Individually
PROJECT PRIMARY STAKEHOLDERS
Strengths
- Professionalism
- Experience
- Process Maturity
- Cooperativeness
- Resource Strength

Weaknesses
- Absence of Some Indicated Strengths
- Cumbersome Procedures
- Sluggishness
- Resource Bottlenecks

Opportunities
- Build Long-term Relationships
- Learn New Systems, Tools & Processes
- Professional Networking
- Leverage Strengths

Threats
- Underperformance
- Unprofessional Conduct
- Insolvency
- Decline in Interest
- Leakage of Project Information
Stakeholder Attribute Analysis

- **MOTIVATION**: Positivity of Stakeholder to Project (Fulfillment of Needs & Wants)
- **CONCERN**: Negativity of Stakeholder to Project (Worries, Misgivings, Apprehension)
- **EXPECTATION**: Future Impacts on Stakeholder (Positive and/or Negative Over Time)
- **PERCEPTION**: Compare Expectation to Project Reality (Expectation-Perception Gap)
- **ATTITUDE**: Feeling of Stakeholder About Project (Like, Indifferent, Dislike)
- **BEHAVIOR**: Outward Manifestation of Attitude (Supportive, Indifferent, Adversarial)

Developed by Khan, Skibniewski & Cable, UMD PM Symposium, 2017
Stakeholder Issues & Complications Analysis

- Issues & Complication Source
  - (Bilateral, Trilateral, Multilateral)
- Issues & Complication Category
  - (Diverse, e.g.: Performance, Behavioral, Communicational)
- Issues & Complication Severity
  - (Minor, Moderate, Serious, Crisis)
- Issues & Complication Duration
  - (Very Brief, Brief, Enduring)
- Issues & Complication Manageability
  - (Low, Medium, High)

FREQUENCY? CAUSES? PREVENTABILITY?
Impact on Project
(Quantifiable, Unquantifiable)

Stakeholder Issues & Complications Analysis

- Project Existence
  (i.e. On Hold, In Serious Danger, Premature Termination)

- Project Scope
  (e.g. Undesired / Unanticipated Modifications)

- Project Cost & Schedule
  (i.e. Cost Overruns & Delays (Activities, Phases, Project))

- Project Image
  (i.e. Damage Potential)

- Project Objectives & Outcomes
  (Partially Attainable, Non-Attainable)
# Stakeholder Scoring Models

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Stakeholder A</th>
<th>Stakeholder B</th>
<th>Stakeholder C</th>
<th>Stakeholder D</th>
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<td>N</td>
<td>AN</td>
<td>BN</td>
<td>CN</td>
<td>DN</td>
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<td><strong>TOTAL SCORE</strong></td>
<td>Σ(A1+..AN)</td>
<td>Σ(B1+..BN)</td>
<td>Σ(C1+..CN)</td>
<td>Σ(D1+..DN)</td>
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### Stakeholder Scoring Models: Vendor Example

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<tr>
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<th>WF</th>
<th>Vendor A</th>
<th>Vendor B</th>
<th>Vendor C</th>
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<td><strong>90</strong></td>
<td><strong>100</strong></td>
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PROJECT SECONDARY STAKEHOLDERS
**Strengths**

- Well-Informed About Project & Consequences
- Tenacity
- Persuasiveness
- Access to Resources
- ICT Skills
- Openness to Change
- Resource Providers
- Adversaries Become Supporters

**Weaknesses**

- Absence of Some Indicated Strengths
- Disunity
- Disinterested
- Lacking Time & Resources
- Legal Action
- Petitions
- Political Challenge
- Demonstrations
- Supporters Turn Hostile

**Opportunities**

- Influenceability
- Prioritize Powerful Stakeholders
- Passive Become Active Supporters
- Willingness to Enter Dialogue With Project
- Adversaries Become Supporters

**Threats**

- Legal Action
- Petitions
- Political Challenge
- Demonstrations
- Supporters Turn Hostile
- Alliances, Coalitions
Project Stakeholder Attribute Analysis

MOTIVATION
Positivity of Stakeholder to Project (Fulfillment of Needs & Wants)

CONCERN
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EXPECTATION
Future Impacts on Stakeholder (Positive and/or Negative Over Time)

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What-If Stakeholders Exercise their Options (Soft, Hard, Illicit) For or Against the Project? How Will This Affect Project Success Dimensions?

- Cost Overrun?
- Schedule Overrun?
- Unwanted Scope Modification?
- Future Benefits Realization?
- Non-Attainment of Objectives?
- Image Loss?
- Client & Stakeholder Satisfaction?
- Premature Termination?
THANK YOU!

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QUESTIONS & COMMENTS