

**In the 80s  
management in organisations  
thought quality took too much  
time...**

**Now the same management  
thinks stakeholder  
engagement takes too much  
time...**



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**'quality is free'**

**Cost of  
investment**



**Cost of rework**



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**Today...**  
*stakeholder engagement is free*

<b>Cost of investment:</b>	<b>Cost of rework: 'failure dollars'</b>
Training Initial + ongoing Process development Time and effort in CONTINUOUS review of stakeholder community	Reduce rework Retain customer loyalty Safety Product recall PR and reputation retrieval

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**What is stakeholder engagement?**

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## Who is important?

- **CUSTOMER?**
  - *Quality*
- **SHAREHOLDERS?**
  - *MBA Schools*
  - *CFOs, CEOs*
- **TAXPAYERS? CLIMATE?**
- **WHAT ABOUT THE OTHERS??**



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## Scenes from T5 opening



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**Heathrow T5 Construction –  
best ever!!  
Prevented and managed  
conflicts**

**Opening – disaster  
Neglected training and  
preparation of staff**



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**Gulf of Mexico: BP's latest disaster**



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**Cost-cutting management culture over years**

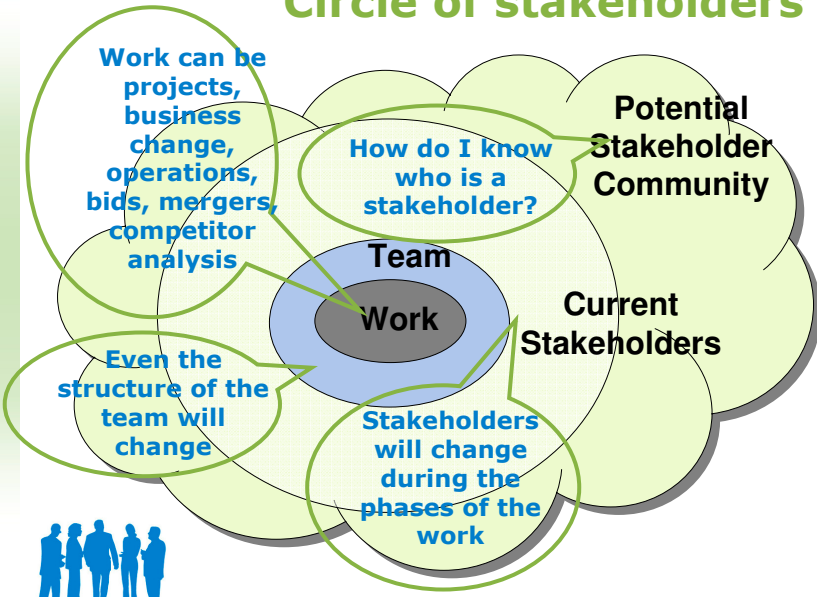
**Equipment maintenance and staff safety included in mandatory cost reductions**

**BP's safety record 'worst' in industry**



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**Circle of stakeholders**



Work can be projects, business change, operations, bids, mergers, competitor analysis

How do I know who is a stakeholder?

Even the structure of the team will change


Stakeholders will change during the phases of the work

Team

Work

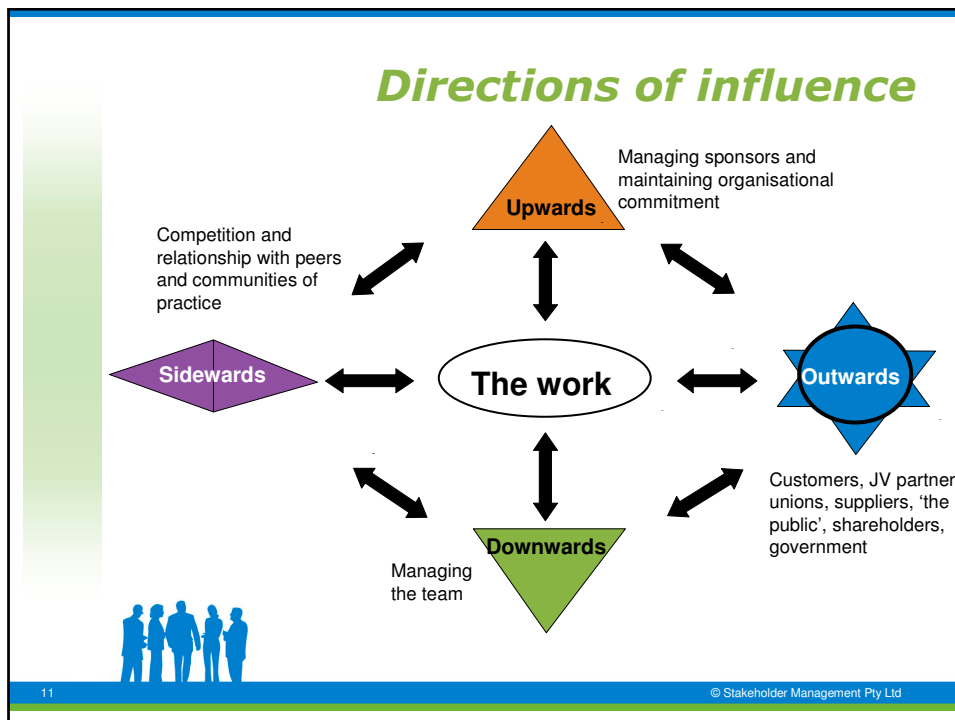
Current Stakeholders

Potential Stakeholder Community



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## Communication



- Information exchange



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## BP Share Price



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**Stakeholder engagement  
is NOT an overhead  
AND it is NOT discretionary!!**

***AND IT IS FREE!!***

