

# Effective stakeholder engagement for project success

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## Today

- **Who are my stakeholders and who is important?**
- **Effective engagement**
  - *Building and maintaining relationships*
- **Some practical tips:**
  - *Managing upwards/downwards*
  - *Managing external stakeholders/peers*
  - *What other organizations do*
- **How ready is your organization?**



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## What is a Stakeholder?

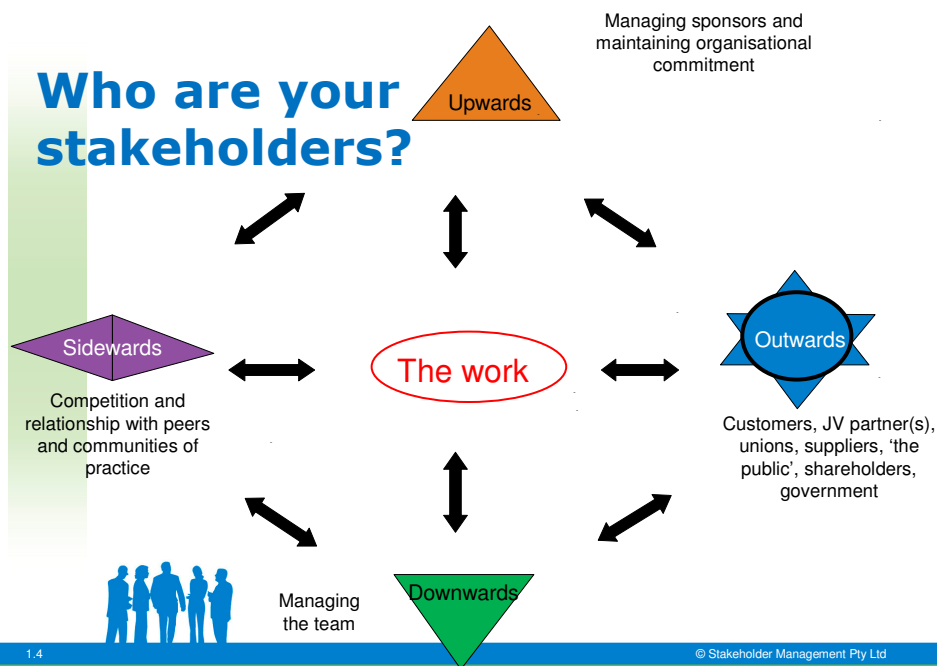
- **French, Spanish, Chinese, German, Danish**
  - *Those who have an interest; Those who are involved*
  - *Assumption of power?*
- **Narrow or broad?**
  - *Owner/shareholder*
  - *Wider range from a broader definition*
- **Groups, individuals, who can effect, or are affected by, the work or outcomes of a project or organisation, or perceive this is the case**



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## Who are your stakeholders?



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## Who is important?

### The questions:

- **Power (to stop the project)**
- **Proximity (to the work)**
- **Urgency**
  - *What is the stake? and*
  - *What is the stakeholder prepared to do to achieve it?*

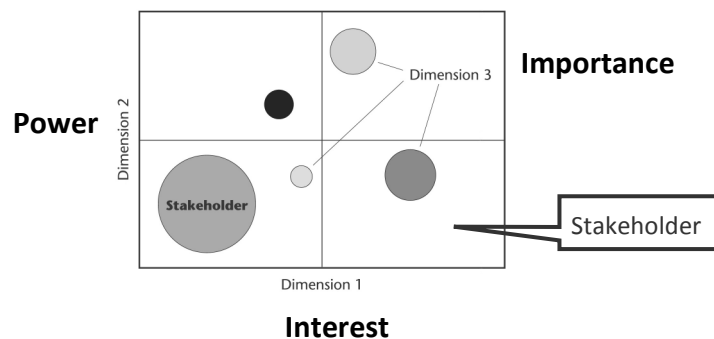


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## Mapping Stakeholders

### The 'grid' representation used in the *PMBOK® Guide*



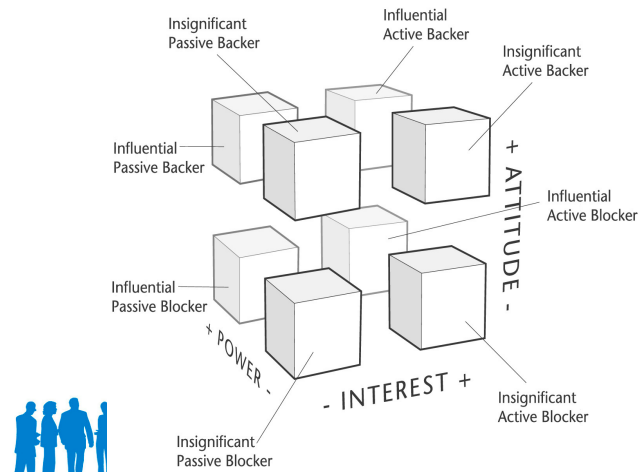
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## Mapping Stakeholders

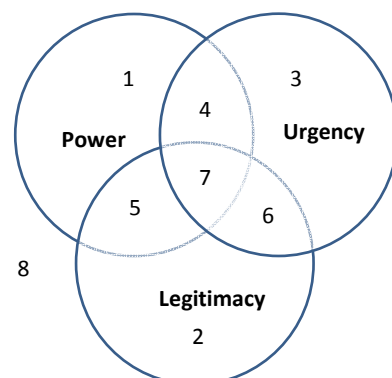
- **The Stakeholder 'Cube'**



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## Mapping Stakeholders

- **The 'Salience model'**



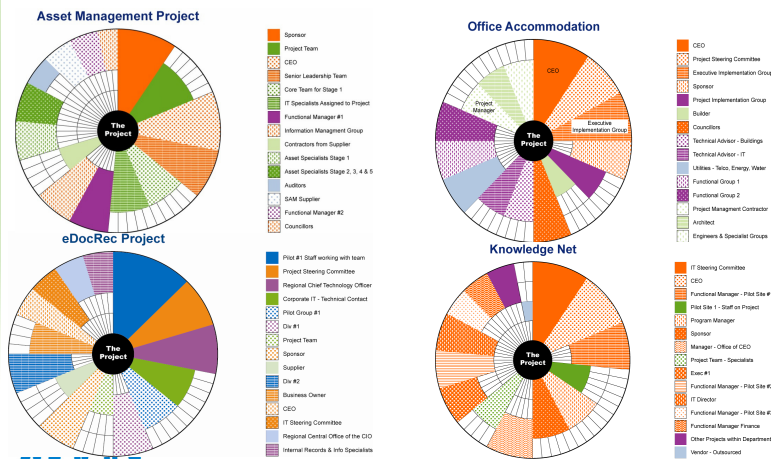
1. Dormant
2. Discretionary
3. Demanding
4. Dominant
5. Dangerous
6. Dependent
7. Definitive
8. Non stakeholder

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## Mapping Stakeholders

### Stakeholder Circle: Project Communities



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## A new approach to stakeholders

- **Stakeowners:**
  - 'legitimate' (traditional) claim on the firm
- **Stakewatchers: pressure groups**
  - Possess only an indirect claim
- **Statekeepers:**
  - regulators who impose external control and regulations on the firm
- **Stakeseekers:**
  - seek to have a voice in the public debate and 'pretend' to have a claim on the firm



Fassin, Y, (2012).

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## The rules of engagement

### Your stakeholders:

- Why you have chosen them
- Their expectations
- Their attitude (+ or -)
- Communication strategies
- Measuring effectiveness



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## Neuroscience view

- **Status**
- **Certainty**
- **Autonomy**
- **Relationships**
- **Fairness**



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## Managing upwards



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## Managing upwards

### Points to ponder:

- They may not know (or care) about stakeholder management techniques
- We need them to be flexible, understanding, prepared to listen, and supportive
- They have used entirely different skills to get to this senior position



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## LB's 3 rules for advising up

- **Never problems BUT solutions and recommendations**
  - *Enough information for good decisions*
- **Always use business language**
  - *Not jargon*
- **Make them 'look good'**
  - *No surprises ever!!*



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## Building the relationships

- **How they can help you?**
  - *Research: Senior stakeholder support is ESSENTIAL for successful delivery of project, program outcomes*
- **How you can help them (help you)?**
  - *Build relationships early so they know your project*
  - *Help them assist you through providing them with information for good decisions*



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## Managing downwards (the team)



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## Leadership

- **Leadership involves:**
  - A leader and followers (team)
  - A common goal
- **Leadership qualities (in all cultures):**
  - Motivating and inspiring followers
  - Dealing with uncertainty and ambiguity
- **Other leadership relationships will vary according to cultural rules**

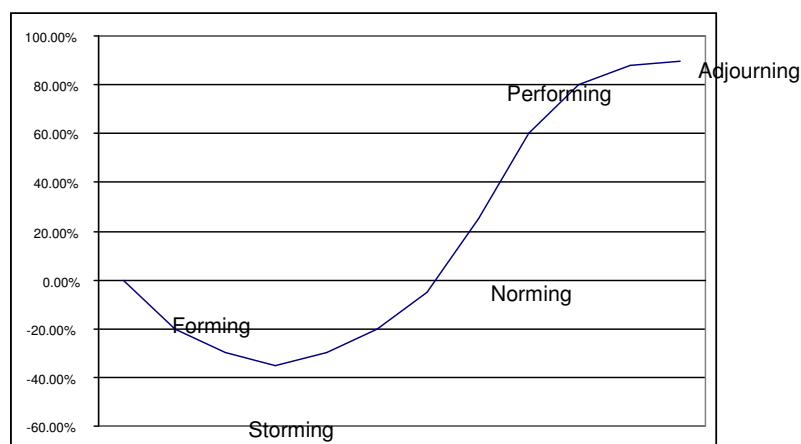


*Differences in Asia, USA, Europe*

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## Team Building (Tuckman)

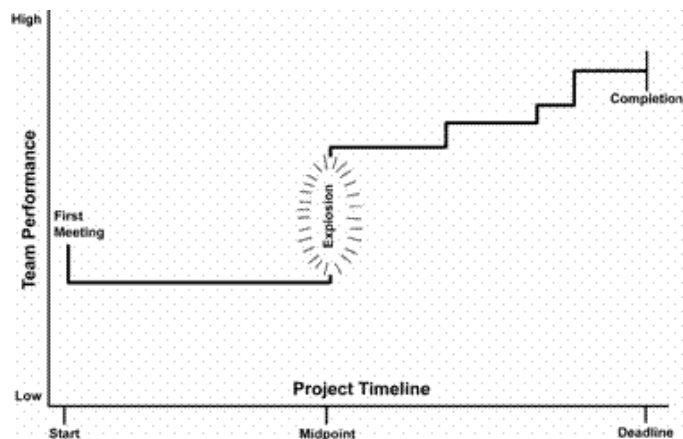


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## 'Punctuated Equilibrium'



Source :  
Gersick, 1988

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**Rattlesnake:**  
*political; protectors  
of territory; eternal  
bluffers*

**Triceratops:**  
*satisfaction from  
seeing change fail  
(‘the only sane ones’)*

**Lion:** *in charge; and  
feared; defeating a  
challenger*

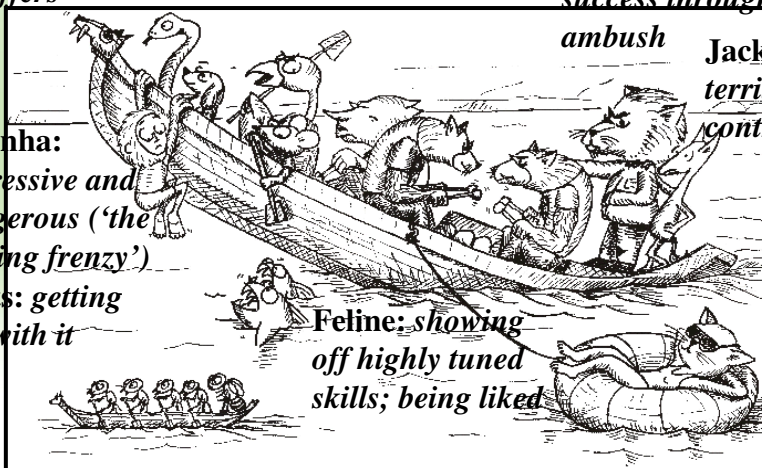
**Hyena:** *scheming;  
success through  
ambush*

**Jackal:**  
*territorial;  
controlling*

**Piranha:**  
*aggressive and  
dangerous (‘the  
feeding frenzy’)*

**Ants:** *getting  
on with it*

**Feline:** *showing  
off highly tuned  
skills; being liked*



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## Managing external stakeholders

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### Who?

- **Do you have direct contact with them?**
- **Do you have to brief someone else?**
  - *These people are also your stakeholders*
- **Same questions**
  - *Who is important? Expectations?*
- **Try for information back as well**

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## Managing relationships with your peers



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## The value of networking

- **Not just 'what you know' but 'who you know'**
- **Source of:**
  - *Information*
  - *Collaboration*
  - *Jobs, resources and opportunities*
  - *Influence*
- **Messages to non-supportive stakeholders**



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## How ready are you?

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SRMM Stage	Features	Methodology Steps	Reporting / Tools	Comments
<b>1. Ad hoc:</b> some use of processes	One area recognises the need for improved SHM	Generally focuses on simplified selected steps. Sometimes just Steps 4 and 5	Self-developed tools - Word templates - Spreadsheet lists	Requires continuous and significant management 'push' to maintain impetus
<b>2. Procedural:</b> focus on processes and tools	SHM introduced as part of implementation of consistent processes (perhaps result of CMMI assessment)	Sometimes all five steps but truncated and simplified	Standardised tools - Word templates - Spreadsheets with macros - Simple database	Require continuous and significant management 'push' to maintain impetus
<b>3. Relational:</b> focus on the stakeholders and mutual benefits	Recognition of usefulness for competitor analysis, or support for mergers/acquisition	All five steps implemented. Move towards valuing insights / information in decision making	Fully functional tools - Spreadsheets with macros - Sophisticated databases	Useful for specific applications or events; rarely with an intention of continuous application
<b>4. Integrated:</b> methodology is repeatable and integrated	'Business as usual' application using the full methodology for all projects and selected operational work	Steps 1 – 5 with Step 4: engage and Step 5: being vital for evidence of success	Graphic reports, visualisation, engagement profiles, etc, used in management reports and KPIs	The methodology and tool are used as a demonstration of repeatable application within that part of the organisation
<b>5. Predictive:</b> used for health checks, predictive risk assessment and management:	Implementation of the full methodology and supporting tools tool	Steps 1 - 5. 'Lessons Learned' & comparative data. Integrated data across programs, etc.	Trend reporting, pro-active risk identification (unusual profiles) Comparison between projects and different categories of work	Organisation –wide and complete focus on continuous improvement as competitive advantage



## Why is SRMM necessary?

- **For effective implementation of relationship management process and practice in organisations**
- **Tailor the level of sophistication to the readiness of the organisation**
  - *Too ambitious for some organisations*
  - *Too simplistic for others*
- **Judge the appropriate level**



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## Implementing improved stakeholder engagement ?

- **Federal government, Australia**
- **Maersk Shipping, Denmark**
- **Transet, South Africa**
- **Various mining companies in Chile and Brasil**



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Questions Please



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