

“Identify Stakeholders” Process in Project Management

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Effective Communication for Managing Projects

PMGT-502

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August 28, 2016

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Identify Stakeholders



INTRODUCTION

One of the still unresolved issues in stakeholder theory and stakeholder management is the question of who the stakeholders are, and additionally, which of these stakeholders are to be involved (Achterkamp & Vos, 2007, p. 3). Stakeholders, or those who hold a stake or interest in a project, are those individuals, groups, or organizations who may affect, be affected by, or perceive themselves to be affected by a decision, activity, or outcome of a project (*Project Management Institute (PMI)*, 2013, p. 563). Identifying stakeholders involve more than simply listing the names of those individuals or organizations listed in the Project Charter, or who might be present during the kick-off meeting; it must also include those who might have influence over the process or be influenced by the process. *Figure 1*, illustrates the process, whereby various inputs and tools & techniques are utilized to help create the output or stakeholder register. The stakeholder process repeats throughout the project to reassess each stakeholders impact/influence of the project and to help identify potentially new stakeholders.

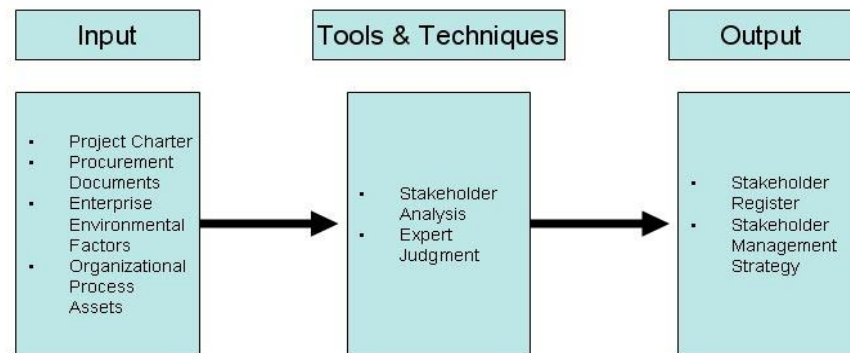


Figure 1. Stakeholder Identify Process

INPUTS

The inputs process begins with information provided within the Project Charter, analyzes Procurement Documents, evaluates Enterprise Environmental Factors, and finally evaluates the Organizational Process Assets.

Project Charter

The project charter is the initiating document that approves the project, assigns the project manager, and is the official “kick-off” of the project (Dow & Taylor, 2015, p. 107). At this point, the project is in its infancy and contains the names of the project sponsor(s), project manager, team members, groups and departments, other people or organizations affected, and the customer(s) (*Project Management Institute (PMI)*, 2013, p. 394).

Procurement Documents

The process continues with a review of procurement documents. The procurement of needed resources involves outside vendors or parties who, by the nature of their business become a stakeholder, whether understood or not. As a result, these parties become a necessary member of the stakeholder list and are evaluated as to their level of impact upon the project.

Enterprise Environmental Factors

The identification of stakeholder's process goes one step further and evaluates environmental factors such as an organization's structure and culture, government and industry standards (i.e. ISO 9001 or S.A.E, etc.), regulations and global/regional trends or practices (*Project Management Institute (PMI)*, 2013, p. 395). In *Figure 2*, an organization's culture, or policies and procedures govern how that organization performs its assigned tasks. Material procurement processes are well established and contain steps necessary to ensure regulatory compliance. The regulatory process, by its nature, has an impact on and stake in the project. Example: Hazardous material must be handled and shipped in compliance with government regulations. If an order of hazardous material were needed, the project's timeline would be impacted by this regulatory requirement.



Figure 2. Enterprise Environmental Factors

TOOLS & TECHNIQUES

Tools & techniques involve the analysis of stakeholders. Each stakeholder is evaluated to understand their level of interest, expectations, and influence upon the project (*Project Management Institute (PMI)*, 2013, p. 395). In Achterkamp, M. C., & Vos, J. F. (2007), the evaluation of stakeholders goes one step further in that stakeholders are evaluated based upon their role as being passively or actively involved. Those actively involved can affect and are affected by the project, whereas those passively involved are affected but have no influence on the project. This critical distinction is essential in determining how to classify each stakeholder.

In *Figure 3*, the stakeholder influence/interest grid is used to determine how closely to monitor each stakeholder. How closely to monitor each stakeholder is directly proportionate to their level of interest and power over a given situation. Some stakeholders have a great deal of impact on a project and should, therefore, be managed closely, whereas others simply require monitoring.

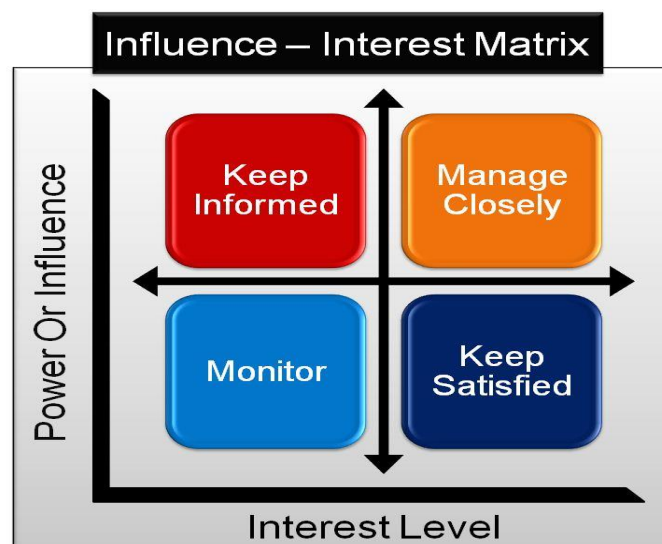


Figure 3. Power/Interest Grid with Stakeholders

Upon completion of the stakeholder analysis, expert judgment is utilized to determine if the final analysis is complete and accurate. Project managers who have completed similar projects, senior leadership, key stakeholders, and subject matter experts review the listing of stakeholders to ensure it is comprehensive for the project under analysis.

OUTPUTS

The stakeholder register is created during the outputs process. The register contains all the details related to each stakeholder's identification, expectations, influence, interest, and classification. This register is reviewed continuously throughout the project lifecycle and is updated as phases of the project are completed. Successful completion of an accurate and thorough register is the basis for the establishment of the stakeholder management plan. This plan will serve as the basis for how to manage stakeholders from project inception to completion and delivery.

SUMMARY

The identify stakeholders process is utilized to help identify all stakeholders, their interest in the project, impact on the project process, and the level of communication to be applied to each stakeholder throughout the project life cycle. Project Management Institute's (PMI's) decision to add a knowledge area concerning identifying stakeholders, and the associated process, was an essential addition to the PMBOK® Guide, as the guide is a body of knowledge essential to project management, and stakeholder identification is an essential capability required within project management. Also, it is imperative that the stakeholder analysis is reviewed throughout the life cycle process, as milestones are reached, to adjust each stakeholders remaining interest and power over the project process. Doing so will help ensure a clear and concise communications process, as well as a successful project completion.

References

A Guide to the Project Management Body of Knowledge (PMBOK® Guide) (5th ed.). (2013).

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Achterkamp, M. C., & Vos, J. F. (2007). Critically Identifying Stakeholders - Evaluating boundary critique as a vehicle for stakeholder identification. *Systems Research and Behavioral Science*, 24, 3-14. <http://dx.doi.org/10.1002/sres.760>

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