THE IMPORTANCE OF ANALYSING AND MANAGING STAKEHOLDERS: A KEY TO THE SUCCESS OF PROJECTS

Introduction

Stakeholder management is the process of maintaining good relationships with the people who have the most impact on your work or projects. Communicating with each one in the right way can play a vital part in keeping them on board. This article is about how to communicate effectively with stakeholders. Many organisations throughout the world during the Covid – 19 Pandemic managed their stakeholders and projects through multiple on-line communications. This was a new operating order to avoid the spread of Covid – 19 which has caused lamped destruction throughout the world. Stakeholders are all internal or external actors, social and economic partners of a company. The activity of the company has a direct or indirect impact on these actors, and these actors have a more or less important influence on the company. The company is therefore accountable to all parties and must take into account their opinions. It is important to identify stakeholders but there is also a need to plan stakeholder management. Managing stakeholders in a pro-active way is an important factor that can influence the project's success.

Stakeholder Analysis

Stakeholder Analysis is the first step in the Stakeholder Management process. The first step in the stakeholder analysis is to brainstorm or identify who your stakeholders are. The next step is to prioritise them by power/influence and interest, and plot this on a Power/Interest grid. The final stage is to get an understanding of what motivates your stakeholders and how you need to win them around.
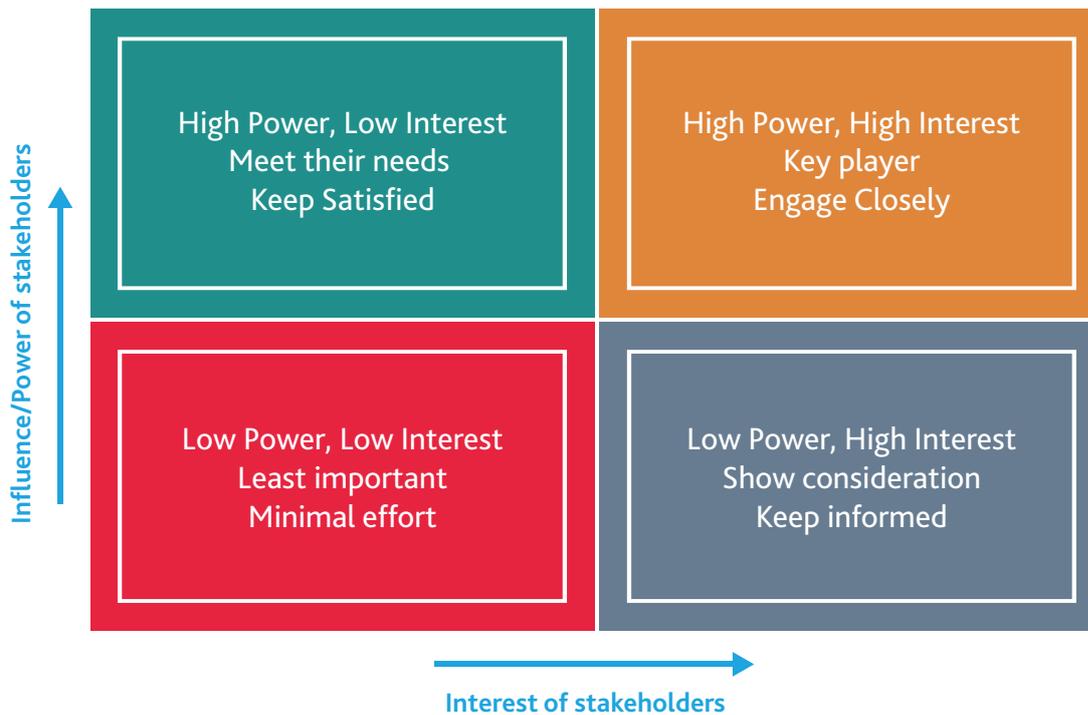
a) Identifying stakeholders

Identifying Stakeholders is the first process in the management of projects and is part of the Initiating process. This process involves identifying and documenting all the stakeholders on the project, including their interests, impact, and potential negative influences on the project. Identifying stakeholders whether internal or external to the organisation requires expert judgement.

b) Prioritising Stakeholders by Power and Interest

This classifies stakeholders in relation to the power that they hold and their level of interest in the project as has been adopted from the **Mendelow's power and interest matrix** explained below.

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Identifying a lease

High Power, Low Interest Meet their needs Keep Satisfied	**High Power, High Interest** Key player Engage Closely
Low Power, Low Interest Least important Minimal effort	**Low Power, High Interest** Show consideration Keep informed

Influence/Power of stakeholders →

Interest of stakeholders →

c) Motivating and winning the hearts of your stakeholders.

The most successful people in business, as in real life, are those who can influence and manage others through positive engagement.

The first step in motivating stakeholders is to know who they are. If you have a project charter, that's a starting point, but note that other stakeholders have likely emerged and need documentation. For each stakeholder, record their potential impact and what is likely to influence them. A stakeholder who contributed money to your business is likely to be concerned with profitability. An employee stakeholder may be influenced by job security. Customers want quality and value. Knowing who stakeholders are and what they want makes it easier for you to make your pitch.

A Capitan, who keeps everyone on board and informed, kindles the hope of everyone even in the midst of great storms. Communication becomes the effective tool to win the heart of every stakeholder and keeps them motivated. Stakeholders should be engaged and influenced positively to participate in all the facets of the project. This also depends with the stakeholder groupings. Key stakeholders should be engaged regularly and managed actively.

3. Managing Stakeholders

Stakeholder management is a key activity that requires focused attention throughout the project life cycle. Projects impact stakeholders, both internal and external to the organisation. The more people you affect, the more likely it is that your actions will impact individuals with high levels of power and influence over your projects. These people could be strong supporters of the project, or they could block it.

Stakeholder identification and expectation management are continuous processes throughout the project life cycle.

Stakeholder management entails the identification of project stakeholders, gaining an understanding of them, their expectations and views, prioritising them using a stakeholder map, developing a stakeholder management plan, and, finally, engaging and communicating with them to ensure that stakeholder expectations are addressed throughout the project life cycle.

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Conclusion

Economic agents, individuals and organisations whose interests are linked to a company or a project are grouped under the generic term of stakeholders. Stakeholders are all the actors, internal or external, and economic and social partners of the company. The activity of the company has a direct or indirect repercussion on these actors, and these actors have a more or less important influence on the company.

The COVID-19 pandemic has further increased the challenge of stakeholder management on projects. Social distancing effectively prevents large meetings, or even interpersonal contact. It is strongly advised that great effort goes into getting to know your key stakeholders. This can be done through smaller meetings, in person, or multiple online meetings. However, it is critical for initial contact when establishing a relationship. Once a sound relationship has been established with the key stakeholders, one can move to using other modes of communication other than in-person meetings, and online meetings.

Finally stakeholder management can be a very useful management tool and technique in our firm to effectively manage our assignments and clientele portfolio, "know your clients, manage your assignments and grow the business".

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