PM World Journal
Vol. IV, Issue VIII – August 2015
www.pmworldjournal.net

Monitoring the 'health' of your stakeholder community
Series on Stakeholder Engagement
Series Article 7   Dr Lynda Bourne

Series on Effective Stakeholder Engagement[1]

Monitoring the 'health' of your stakeholder community

By Dr. Lynda Bourne

Management involves dealing with change, stakeholder management is no different! Mapping and assessing your stakeholder community and implementing communication plans to maintain or change the attitudes of key stakeholders towards the 'work' is only the beginning of a successful stakeholder management strategy. Over time you need to measure the effectiveness of your communications, and make adjustments as needed, and also look for the emergence of unexpected changes in the stakeholder community.

Every project's stakeholder community is dynamic and effective management means staying one step ahead of as many changes as possible. Some of the drivers for change include:

- Stakeholder's perceptions, expectations and requirements change over time;
- People and organizations come and go, or their power and influence changes;
- The stakeholders the project needs to work with change based on the current phase; the group of stakeholders that are critical during the initiation / planning phases of a project may be quite different to those that are critical during implementation / roll out.

Whilst some stakeholders change, others may remain constant. The challenge facing every project team is to determine the right stakeholders to engage at the right time during the project's lifecycle, and what form that engagement should take to optimise project success. Determining this requires a regular review of the project's stakeholder community, at key change points in the project and/or at regular intervals; ideally at a maximum interval of three months.

The reassessment is essentially a reappraisal of the processes discussed to date in this series of articles.

1. **Identification and Prioritisation**[2]: Identify any new stakeholders that may have emerged since the last review and re-prioritise all of the stakeholders. If your communication and engagement activities have been effective previously identified 'high priority' stakeholders may now be 'happier' and as a consequence move down the list (typically because their 'urgency rating' has decreased) allowing others to rise up the list for more focus.

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[1] This series of articles on effective stakeholder engagement is by Lynda Bourne, PhD, Managing Director of Stakeholder Pty Ltd (Australia) and author of the books *Stakeholder Relationship Management* and *Advising Upwards*, both published by Gower (UK). Dr. Bourne is one of the world's leading authorities on program/project stakeholder relations. Her author profile can be found at the end of this article.

[2] Identification and Prioritisation:
http://www.mosaicprojects.com.au/Mag_Articles/ESEI-04-Stakeholder_Identification_and_Prioritisation.pdf

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2. **Understanding and Visualisation**[3]: Once you have updated your stakeholder community, it is important to review and understand the changes before moving onto the next important step of reassessing your engagement activities.

3. **Attitude and Engagement**[4]: Now its time to review the attitude of each of the important stakeholders, identify any changes that have occurred since the last assessment and work out what changes you would like to occur in the future. Understanding the reason for a change (or no change) is important and gives rise to a range of important questions:

   a. The attitude of stakeholder who has been the focus of directed communication has improved; do you need to continue the engagement at the same level of effort or can this be scaled back to free up resources for other activities?

   b. The attitude of stakeholder who has been the focus of directed communication has not improved (or deteriorated); how can you change your communication and engagement activities to get a better outcome (there's no point in continuing a failing strategy)?

   c. The attitude of other stakeholders has changed! How does this reflect on your more general communication efforts (reporting and PR[5])? Should some of these people become the focus of a directed communication effort?

   d. Are there any stakeholders who have become more important and who require directed communication activity to improve their attitude towards the project?

   e. Are there any specific risks or issues[6] arising out of the review that need managing?

As discussed in Article 3, *Stakeholders and Risk*[7], there is a very close correlation between stakeholders and risk - many project risks are directly aligned to the actions or attitude of a stakeholder, or group of stakeholders. Undertaking the reassessment of the stakeholder community immediately before a structured risk reassessment ensures the emerging stakeholder risks are identified and incorporated in the updated risk assessment and management activities.

So far the assessment has focused on individual stakeholders, it is also important to track the overall situation and particularly trends - is the overall stakeholder community becoming more or less supportive?

The *Stakeholder Circle*® has been designed to facilitate the routine assessment of a project's stakeholder community and to allow changes to be tracked over time. The current engagement profile and any previous versions of the profile for each individual stakeholder is displayed as part of their 'Stakeholder Engagement' information:

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[3] Understanding and Visualisation:
http://www.mosaicprojects.com.au/Mag_Articles/ESEI-05-stakeholder-visualisation.pdf

[4] Attitude and Engagement: http://www.mosaicprojects.com.au/Mag_Articles/ESEI-06-stakeholder-attitude.pdf

[5] The three types of stakeholder communication are discussed in:
http://www.mosaicprojects.com.au/Mag_Articles/SA1020_Three_types_stakeholder_communication.pdf

[6] For more on issue management see:
http://www.mosaicprojects.com.au/WhitePapers/WP1089_Issues_Management.pdf

[7] Stakeholders and Risk:
http://www.mosaicprojects.com.au/Mag_Articles/ESEI-03-Stakeholders_and_Risk.pdf

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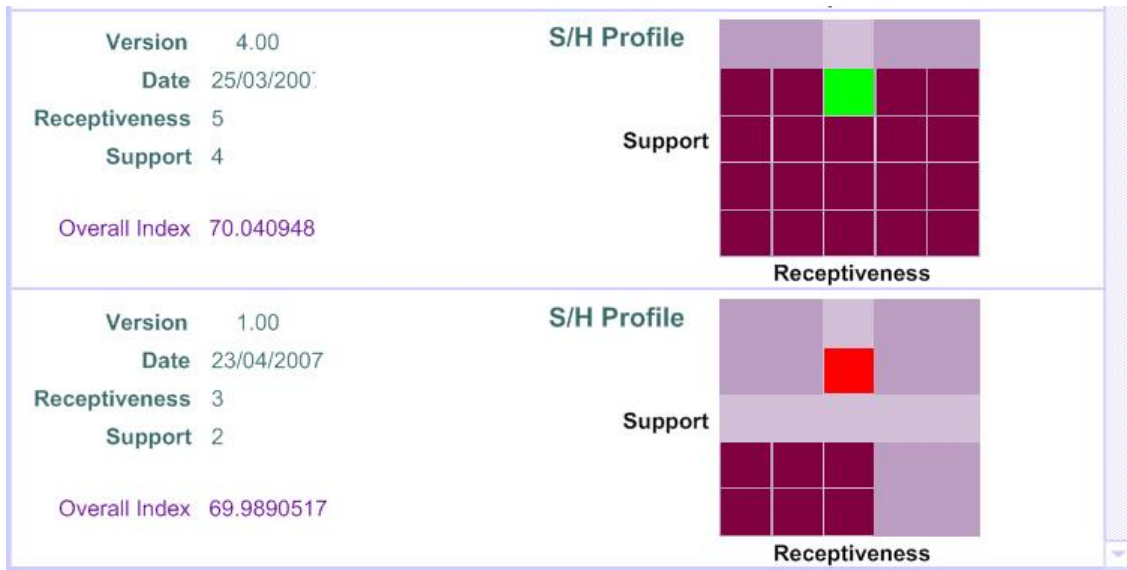
This stakeholder has changed from being a significant problem to a
satisfactory attitude over a period of 4 assessments.

Whilst the stakeholder engagement process must by necessity involve communicating with individual stakeholders, and tracking changes on an individual basis for key stakeholders is important; it is also important to understand the 'health' of the overall stakeholder community and track how this is changing over time.

The Stakeholder Engagement Profile plots the disposition of all stakeholders against the standard 5 x 5 matrix for each version of the stakeholder data and calculates an 'Engagement Index' for the whole community.

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Overall Stakeholder Engagement Index

	Index	Version	
Current	69.989	4	27/05/2008
Previous	61.0492252	3	21/12/2007
Trend	Some Improvement		

The 'index' value is the aggregate weighting of all stakeholders on a scale of 0 to 100.

Overall Stakeholder Comparison

High

0	0	0	2	6
0	0	0	3	3
0	2	4	0	1
0	1	4	1	0
0	0	4	0	0
0	2	5	0	0
0	0	0	1	1
0	0	1	1	0
0	0	0	0	0
0	0	0	0	0

Support

Low   Receptiveness   High

The numbers in this matrix represent the total active stakeholders in each segment based on the assessed levels of their support and receptiveness

Bold Type = Current
Light Type = Comparison

The effectiveness of the engagement (communication) process is measured over time by comparing the current 'Engagement Profile' and the current 'Engagement Index' with earlier versions.

- If the trends are positive, the overall engagement strategy can be shown to be effective (but there may still be individual stakeholder problems).
- If the trends are negative, the overall engagement strategy should be reviewed!!

Through the regular review and reassessment of a project's stakeholder community, a history of stakeholder involvement and supportiveness, and decisions made about their engagement, is maintained. As a consequence, the effectiveness of the on-going engagement strategy and communication plan can be assessed and improvements planned.

At the organisational level, if this process is undertaken on a regular basis across a range of similar projects, over time an understanding of what represents 'normal' can be developed, allowing abnormal situations to be identified and acted upon. This level of maturity shifts stakeholder engagement from a reactive process to a predictive health assessment, more on this later in the series.

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About the Author

Dr. Lynda Bourne

Melbourne, Australia

Dr. Lynda Bourne is Managing Director of Stakeholder Management Pty Ltd – an Australian based company with partners in South America and Europe. Through this global network she works with organisations to manage change through managing the relationships essential for successful delivery of organisational outcomes.   Lynda was the first graduate of the RMIT University, Doctor of Project Management course, where her research was focused on tools and techniques for more effective stakeholder engagement. She has been recognised in the field of project management through her work on development of project and program management standards. She was also included in PMI's list of 50 most influential women in PM.

She is a Fellow of the Australian Institute of Management (AIM) and a Fellow of the Australian Computer Society (ACS). She is a recognized international speaker and seminar leader on the topic of stakeholder management, the Stakeholder Circle® visualization tool, and building credibility and reputation for more effective communication.   She has extensive experience as a Senior Project Manager and Project Director specializing in delivery of information technology and other business-related projects within the telecommunications sector, working as a Senior IT Project Management Consultant with various telecommunications companies in Australia and South East Asia (primarily in Malaysia) including senior roles with Optus and Telstra.

Dr Bourne's publications include: *Stakeholder Relationship Management*, now in 2nd edition, published in 2009, *Advising Upwards* published in 2011, and Making Projects Work, published in 2015. She has also contributed to books on stakeholder engagement, and has published papers in many academic and professional journals and is blogger for PMI's *Voices on Project Management*.

Dr. Bourne can be contacted at lyndab@stakeholder-management.com.

To see previous articles in this series by Lynda Bourne, visit her author showcase in the PM World Library at http://pmworldlibrary.net/authors/dr-lynda-bourne/