

SRMM: Stakeholder Relationship Management Maturity

Lynda Bourne DPM PMP
Stakeholder Management Pty Ltd
Australia

Session ADV06



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Global Congress
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SRMM

- What is SRMM?
- Why is it necessary?
- How is it used?
- Who can use it?
- Who is using it?



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What is SRMM?

- Stakeholder Relationship Management Maturity Model
- Judging the 'readiness' of organisations to implement stakeholder engagement processes and practices
- One size will not fit all organisations



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Maturity Models

- OPM3
 - PMI's organisational PM assessment
- CMMI
 - SEI's assessment of software engineering etc
- Risk: Dr David Hilson



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OPM3

- Assists organisations measure maturity of PM process and practice against benchmark organisations
- No stages
- Data for developing improvement and measuring success against initial (and subsequent) assessments



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CMMI

- CMMI maturity is usually described in the form:
 - Initial (1)
 - Managed (2)
 - Defined (3)
 - Quantitatively managed (4)
 - Optimizing (5)
- Staged & continuous representation



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Risk Maturity

- Risk Maturity Model was developed and documented as early as 1997 (Hillson 1997). This model describes four levels of maturity:
 - Naïve (ad hoc)
 - Novice (initial),
 - Normalised (repeatable)
 - Natural (managed)



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About maturity models

- Maturity models are designed to assist organisations improve through comparison against benchmark data
- Main benefit: starting point for improvement programs
 - And measures of success of improvement



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About SRMM

- SRMM is intended to provide a starting point for implementation of relationship improvement efforts
- Through focus on starting point, implementation will be more effective

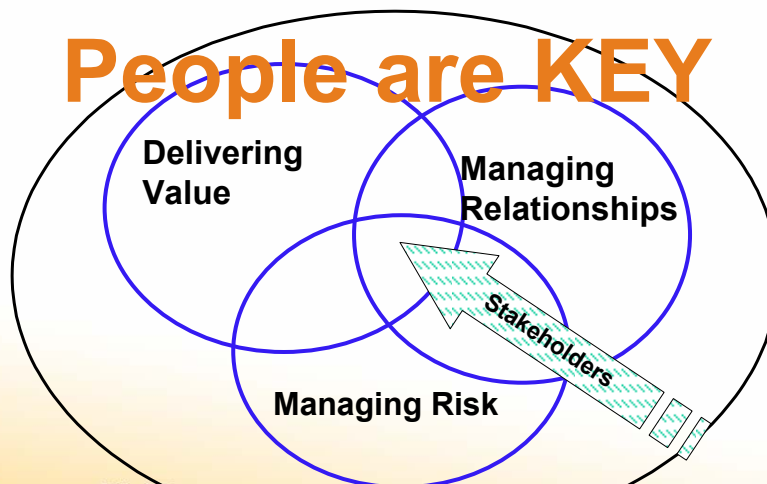


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Project success

People are KEY



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Organisational readiness

SRMM Categories:

- Standard processes
- Central support
- Organisation-wide practice
- Beyond projects (programs, bids)
- Typical 'stakeholder communities'
- Risk handling & 'health reviews'



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Organisational readiness

SRMM Stages:

1. Ad hoc: some use of processes
2. Procedural: focus = processes, tools
3. Relational: focus = stakeholders and mutual benefits
4. Integrated: methodology repeatable, integrated
5. Predictive: health checks, other predictive assessments



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Organisational readiness

SRMM Stages	Standard processes	Central support	Org-wide use	Beyond projects	Typical 'stakeholder communities'	Risk handling & 'health reviews'

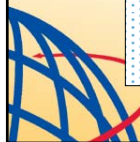


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Organisational readiness

SRMM Stages	Standard processes	Central support	Org-wide use	Beyond projects	Typical 'stakeholder communities'	Risk handling & 'health reviews'
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5. Predictive: health checks and other predictive assessments	Yes	Yes	Yes	Yes	Yes	Yes



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How ready is your organisation?



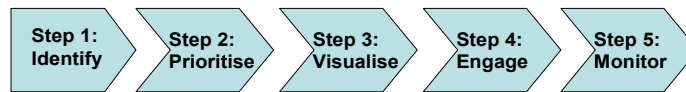
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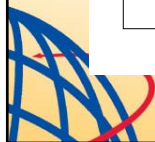
A Methodology

The **Stakeholder Circle**® Methodology

"Are you managing the right stakeholders?"



<input type="checkbox"/> Name <input type="checkbox"/> Role <input type="checkbox"/> Direction of influence (U, D, O, S, I, E) <input type="checkbox"/> Importance and 'stake' <input type="checkbox"/> Requirements: 'expectations'	Team ratings of: <input type="checkbox"/> Power <input type="checkbox"/> Proximity <input type="checkbox"/> Urgency <input type="checkbox"/> Index # <input type="checkbox"/> Priority	Results of Steps 1 & 2 <input type="checkbox"/> Categorised list <input type="checkbox"/> Excel form <input type="checkbox"/> Stakeholder Circle	Engagement Profile <input type="checkbox"/> Support <input type="checkbox"/> Receptiveness <input type="checkbox"/> Targeted Communication Plan <input type="checkbox"/> Relationship Manager	<input type="checkbox"/> 'Baseline' communication plan <input type="checkbox"/> Subsequent assessment <input type="checkbox"/> Direction of influence (U, D, O, S, I, E) <input type="checkbox"/> Reports
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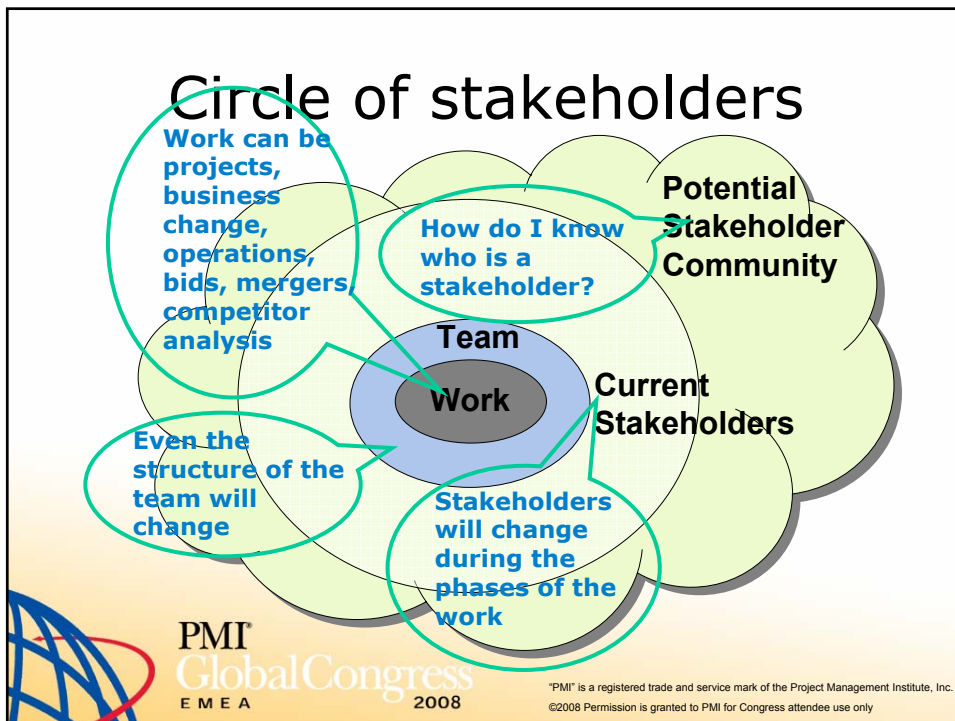
Stakeholder Circle®

- Step 1: identify **all stakeholders**
- Step 2: prioritise **stakeholders**
- Step 3: visualise **the community**
- Step 4: engage **all stakeholders**
- Step 5: monitor **the effectiveness of the communication**



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SRMM Stage	Features	Methodology Steps	Reporting / Tools	Comments
1. Ad hoc: 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

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Tools for Level 1

- Step 4: *engage* Step 5: *monitor*

Stakeholder 1

Support	X	X	√	
	X	X		
	X	X		

Stakeholder 2

Support			√	
	X	X	X	X
	X	X	X	X

Shows *attitude*

Identifies stakeholders requiring 'heroic' communication

Measures *effectiveness* of communication

Receptiveness

Receptiveness

Relatively simple to implement:
results in short timeframe



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Tools for Level 2

Stakeholder	Support	Index	Direction	Level of Support					Current Rating
				1	2	3	4	5	
Prince Herbert	1	15	U	■					Current Rating
CEO	2	15	U	■	■				Current Rating
Kenneth Bulcher	4	12	U	■	■	■			Current Rating
Tony Mason	3	10	D	■	■	■			Current Rating
Matthew Smith	5	10	D	■	■	■	■		Current Rating
George Baker	2	10	S	■	■	■			Current Rating
Martha Hunt	3	8	O	■	■	■			Current Rating
Citizens	3	8	O	■	■	■			Current Rating
The King	2	7	U	■	■	■			Current Rating
LRI Implementation Mgr	1	7	U	■					Current Rating
Board	4	6	U	■	■	■			Current Rating
PRC	4	6	U	■	■	■			Current Rating

Stakeholder Name _____

Directions of Influence: U_D_O_S_ and I_E_

Requires from the work: _____

Importance to the work: _____

'stake'

I _ R _

O _ N _

I _ C _

Prioritise the Stakeholder

Assessment	Power Rate 1 - 4	Proximity Rate 1 - 4	Value Rate 1 - 5	Action Rate 1 - 5	Index # / Priority #

Build Engagement Profile (see note)

Stakeholder	1	2	3	4	5
Prince Herbert					
CEO					
Kenneth Bulcher					
Tony Mason					
Matthew Smith					
George Baker					
Martha Hunt					
Citizens					
The King					
LRI Implementation Mgr					
Board					
PRC					

Use 'X' when assessing the current engagement profile of each stakeholder and '*' to indicate the potential engagement profile

Influence on? _____ Influenced by? _____

Communication Plan

Message	Messenger	Format (W/O P/F)	Frequency	Assessment date	Comments

Relationship Manager: 'owns' the relationship _____

www.stakeholder-management.com



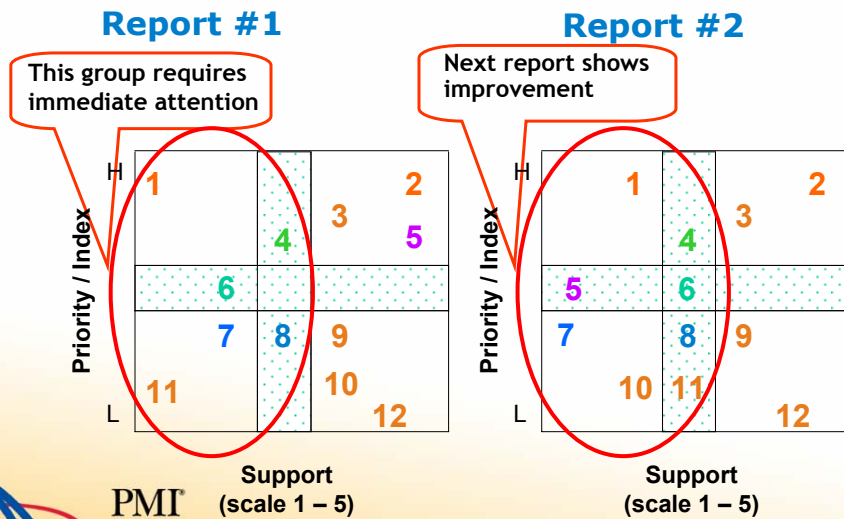
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3. Relational: focus on the stakeholders and mutual benefits	Recognition of usefulness for competitor analysis, or support for mergers/acquisition	All five steps implemented. Move towards valuing insights / information in decision making	Fully functional tools - Spreadsheets with macros - Sophisticated databases	Useful for specific applications or events; rarely with an intention of continuous application

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Additional tools for Level 3



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4. Integrated: 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

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Additional tools for Level 4

The screenshot displays the 'Stakeholder Engagement' software interface. The main window is titled 'Edit / Set Stakeholder Engagement Profile for:- Sydney Opera House'. It shows various fields for defining stakeholder roles, such as 'Name: Consulting engineers', 'Role: Required', and 'Direction: Internal'. A central feature is the 'SH Profile' grid, which visualizes 'Support' (Y-axis) and 'Receptiveness' (X-axis) levels. The current status is shown as 'Target = Current'. The interface includes a sidebar with navigation options like 'View Full Details' and 'Details' for various stakeholder groups. At the bottom, there are buttons for 'Return Stakeholder List', 'Edit Stakeholder Priority', and 'Help - Engagement'. The footer of the screenshot shows 'E M E A 2008' and the same PMI disclaimer as the top slide.

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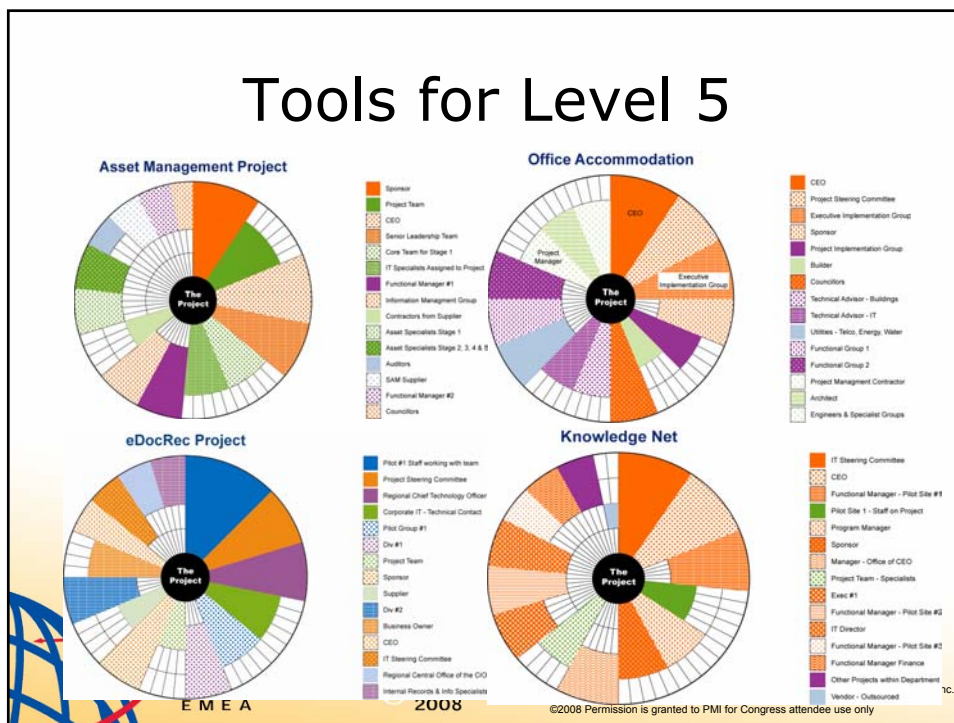
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5. Predictive: used for health checks, predictive risk assessment and management:	Implementation of the full methodology and supporting tools tool	Steps 1 - 5. 'Lessons Learned' & comparative data. Integrated data across programs, etc.	Trend reporting, 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

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Tools for Level 5



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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How is SRMM used?

- Development of a concept of different levels of readiness
- Based on data from real organisations
- Define an organisation's current level
- Implement the appropriate set of process and practice



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Who can use SRMM?

- SRMM is about characteristics of organisations
- Once 'readiness' is defined any relationship activity can be introduced at the appropriate level
- Competitor analysis, mergers & acquisitions, RFPs, PMOs



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Benchmarks: Level 1

- Major European transport company
 - Division of a global transport company
- Competitive market
 - Opportunities for expansion hard fought
- Some individuals successful building relationships
- Management determined a 'mind-set' change (through training)



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Benchmarks: Level 2

- Australian State Govt. Department #1
 - CMMI assessment
 - Stakeholder and communication management
- High profile project
 - Over two days, developed comm plan for over 100 stakeholders; never updated this original data
- Left solely to the project team



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Benchmarks: Level 3

- No data available



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Benchmarks: Level 4

- Australian State Govt. Department #2
- Regional strategy
 - Multiple stakeholders
 - Conflicting expectations and agendas
- Relationship Management strategy developed to support consultation at all levels
- Creative approach to use of data



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Benchmarks: Level 5

- Australian Federal Govt. Department
- Continuous check of the 'health' of large complex projects
- Political issues and interference from government officials
- Developing benchmark report
 - Tracking and analyzing variations in stakeholder community



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Conclusion

- Implementing a stakeholder engagement practice is a major organisational change
 - sustained management support
 - recognition of its long-term nature
- A staged approach will increase the chance of success and achieving its investment in its people and processes



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Conclusion

- There is still much work to be done in gathering evidence of the success of such an approach
- This work will be in the form of research undertaken by the author and colleagues
- Contributions of practitioners



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Next Steps

- A book – *SRMM: Stakeholder Relationship Management Maturity*
- Publication 2009
- Continuous input from research
- Contributions through conference delegates and other colleagues
- Participation welcome!

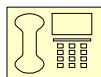


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Contact Information

Dr Lynda Bourne,
Stakeholder Management, Australia



+613 9686 1424



lyndab@stakeholder-management.com

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