The Art of Communication Planning: Using Stakeholder Analysis to Plan Your Project’s Success

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Overview

• Introduction
• What Communication Skills are Critical to Project Success?
• What are Stakeholders?
• What is Stakeholder Analysis?
• A Hands-on Stakeholder Analysis
• Wrap Up
Introduction

• What is the background of a “typical” Project Manager?
  – Usually technical in training & perspective
  – Domain expertise
  – Focus on “hard” science, not “soft” factors
  – Utilize “hard” PM methods, e.g.,:
    • Scheduling
    • Cost Management
    • PM software for project tracking
Today’s Project Environment

• Project Managers:
  – Work in team environments in contact with many people inside and outside their business units
  – Give direction to team members over whom they have no direct control
  – Must act as translators between team members from different disciplines and functional groups
  – Serve as linking pins in the organizational structure

• Success is based on:
  – Functional expertise
  – Interpersonal competence

COMMUNICATION !!
What Communication Skills are Critical?

Tracking skills
- Reading cues
- Testing for reaction
- Listening actively

Shaping skills
- Creating need awareness
- Reinforcing positive responses
- Handling objections

Persuasive skills
- Clarifying needs
- Communicating benefits
- Gaining commitment
What are Stakeholders?

- **PMBOK, Third edition:**
  “Persons and organizations such as customers, sponsors, performing organization and the public, that are actively involved in the project, or whose interests may be positively or negatively affected by execution or completion of the project. They may also exert influence over the project and its deliverables.” Glossary, p. 376

- Why are stakeholders important to your project?
What is Stakeholder Analysis?

- **PMBOK, Third edition:**
  Stakeholder analysis “determines the information and communications needs of the stakeholders; for example, who needs what information when they will need it, how it will be given to them, and by whom … Identifying the informational needs of the stakeholders and determining a suitable means of meeting those needs is an important factor for project success.”

- What’s missing from this definition?

  ➡️ **POLITICAL SAVVY!!**
Stakeholder Analysis

• YES -- Analyze the information needs of your stakeholders and the information sources that will satisfy those needs
• But also consider:
  – What you need them to do for your project
  – How to best approach them to get what you need
  – How to position your message to them
Stakeholder Analysis

- Additional Elements to PMBOK definition:
  - **Power**: The degree of influence or control an individual, group, or organization can exert over your project
  - **Interest**: The degree of attention an individual, group, or organization has in your project
Challenge

• You have just been named Project Manager of a major corporate Web development project

• It has taken 3 years to get project approval due to internal lack of consensus over what the platform of the project should be

• You and your project team must now do a Stakeholder Analysis for input to the project’s Communication Plan that you must prepare as part of your Project Plan
Stakeholder Analysis:
Step 1

• Brainstorm to identify all possible stakeholders

• Examples:
  – Sponsor           - Finance representative
  – Customer          - Legal representative
  – Process Owner     - Technical architect
  – Functional Mgrs.  - Infrastructure rep.
  – Domain Experts    - Etc.
  – User representative
The Cast of Characters

• Mary Lyons
  – Executive VP of Web-based projects
  – Relatively new, ambitious, and well regarded
  – Extremely vocal that all new development should be Web based. You believe she wants to extend her domain and is positioning herself for “higher office”.
  – She has been a strong advocate of your project being Web-based
The Cast of Characters

- Glenn Sellers
  - Executive VP of Mainframe Systems, “owns” the legacy systems
  - Has 25 years service with the company and strong political allies.
  - Nervous about new technology, which he masks as skepticism and endless technical debate
  - Has been a strong opponent of your project because it is not in his organization, yet you need him to build a major interface to the new Web system
  - You suspect he’s very concerned that his organization will shrink
The Cast of Characters

• Ricardo Rivera
  – The Functional Manager you will work with in Mary Lyon’s organization
  – Technically astute, a favorite of Mary’s
  – Usually has free rein

• Aleysha Mains
  – The Functional Manager you will work with in Glenn Seller’s organization
  – Glenn has been her mentor for years, and she’s extremely loyal
  – She and Glenn are joined at the hip
The Cast of Characters

- Richard Watson
  - Your Manager
  - He trusts you and has a relaxed style
  - He’s very busy and expects you to come to him only if you need his help
#### Stakeholder Identification

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Power</th>
<th>Interest</th>
<th>Quadrant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mary Lyons</td>
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<tr>
<td>Glenn Sellers</td>
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<td>Richard Watson</td>
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</tbody>
</table>

*Note: Do not publish this analysis!! Use it as input to planning Stakeholder Management.*
For each Stakeholder, determine their level of **POWER**:

<table>
<thead>
<tr>
<th>LOW</th>
<th>HIGH</th>
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</thead>
<tbody>
<tr>
<td>Little influence over outcome</td>
<td>Veto power</td>
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</table>

**POWER**
Stakeholder Analysis: Step 3

- For each Stakeholder, determine their level of **INTEREST** in the project:

<table>
<thead>
<tr>
<th>LOW</th>
<th>HIGH</th>
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</thead>
<tbody>
<tr>
<td>Indifferent</td>
<td>Strongly support or oppose</td>
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</tbody>
</table>

**INTEREST**
• Using the Stakeholder Analysis Grid, identify the **QUADRANT** for each stakeholder
Stakeholder Analysis Grid

Quadrant 1: Indifferent
- Little influence over outcome
- Keep Informed

Quadrant 2: Strongly support or oppose
- High power
- Keep Informed

Quadrant 3: Keep Satisfied
- Low influence over outcome
- Monitor

Quadrant 4: Manage Closely
- High power
- Manage Closely
Stakeholder Communication Strategies

• Quadrant 1, Monitor
  – Low interest, low power -- FYI
  – **HOW TO COMMUNICATE WITH THEM??**
• Quadrant 2, Keep Informed
  – They deal with the detail work on your project
  – Will be your main source of project issues
  – HOW TO COMMUNICATE WITH THEM???
• Quadrant 3, Keep Satisfied
  – Important partners in your project
  – **HOW TO COMMUNICATE WITH THEM??**
Stakeholder Communication Strategies

• Quadrant 4, Manage Closely
  – The most **critical** stakeholders to your project
  – Their interest in project objectives converge with their power & position in the organization
  – **HOW TO COMMUNICATE WITH THEM??**
### Stakeholder Analysis Grid: Sample Actions

<table>
<thead>
<tr>
<th>POWER</th>
<th>INTEREST</th>
<th>Q3: Keep Satisfied</th>
<th>Q4: Manage Closely</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH</td>
<td>HIGH</td>
<td>Little influence</td>
<td>Strongly support or oppose</td>
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<tr>
<td>Veto power</td>
<td>LOW</td>
<td>Over outcome</td>
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#### Q1: Monitor
- Email, written reports
- Occasional in-person contact

#### Q2: Keep Informed
- Daily interaction
- Cultivate close working relationship!
- Always be available and supportive to them

#### Q3: Keep Satisfied
- Email, written reports
- Occasional in-person contact

#### Q4: Manage Closely
- Regular in-person interaction, e.g., biweekly/monthly status presentations, lunch, hallway conversations
- Cultivate interpersonal relationships!

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# Published Communications Plan

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>What</th>
<th>When</th>
<th>How</th>
<th>Who</th>
<th>Start/End Date</th>
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Another Format

<table>
<thead>
<tr>
<th>Communication Item</th>
<th>Purpose</th>
<th>Frequency</th>
<th>Start/End Dates</th>
<th>Format/Medium</th>
<th>Responsibility</th>
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Wrap Up

• Reviewed why technical Project Managers must develop their Communication skills to be successful
• Looked at a simple, yet sound model for Stakeholder Analysis
• Applied that model to a live project
• Seen how the model drives Communication Planning
• And, very importantly,

YOU HAVE A TOOL YOU CAN APPLY TO YOUR JOB RIGHT AWAY