

# Project Stakeholder Management

## Study Notes

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# Points to Note

- Please read Chapter 13 from Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013 (pages 391-415).
- The study notes explain topics that are important for PMP® exam preparation, and you can expect several questions from these topics.
- It is very important to understand all the concepts discussed in this chapter, so please pay close attention to all the terms used.
- Try to relate the concepts to real life examples.
- After reading the study notes, please answer the chapter test questions in this knowledge area. The chapter questions improve your understanding of the concepts discussed in this study notes.



# Project Stakeholder Management

- \*Processes required to identify all people or organizations impacted by the project, analyzing stakeholder expectations, and impact on the project, and developing appropriate management strategies for effectively engaging stakeholders in project decisions and execution.
- Focuses on continuous communication with stakeholders in order to understand their needs and expectations, address their issues as they occur, manage conflicting interests, and foster appropriate stakeholder engagement in project decisions and activities.
- Stakeholder satisfaction should be managed as a key project objective.
- The Project Stakeholder Management processes include the following:
  - Identify Stakeholders
  - Plan Stakeholder Management
  - Manage Stakeholder Engagement
  - Control Stakeholder Engagement

Please refer to *PMBOK® Guide* - Fifth Edition, figure 13-1, page 392, which provides an overview of the processes included in Project Stakeholder Management.

\*This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013



# Identify Stakeholders

- \*The process of identifying the people, groups, or organizations that could impact or be impacted by a decision, activity, or outcome of the project; and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success.
- \*\*Allows the project manager to identify the appropriate focus for each stakeholder or group of stakeholders.
- It is critical for project success to identify the stakeholders early in the project or phase.
- The identified stakeholders need to be analyzed and classified according to their importance, expectations, level of interest, involvement, and influence.
- Enables the project manager to focus on the relationships necessary to ensure the success of the project.

\*This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013

\*\*Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*)– Fifth Edition, Project Management Institute, Inc., 2013, Page 393



# Identify Stakeholders (continued)

- Tools and Techniques used are:
  - Stakeholder analysis
  - Expert judgment
  - Meetings
- Stakeholder register is an output of this process
- \*Stakeholder analysis is a technique of systematically gathering and analyzing quantitative and qualitative information to determine whose interests should be taken into account throughout the project.
- \*Stakeholder register is a project document including the identification, assessment, and classification of project stakeholders.

\*These definitions are taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013



# Plan Stakeholder Management

- \*The process of developing appropriate management strategies to effectively engage stakeholders throughout the project life cycle, based on the analysis of their needs, interests and potential impact on project success.
- Provides a clear, actionable plan to interact with project stakeholders to support the project's interests.
- Identifies how the project will affect its stakeholders.
- The inputs to this process are:
  - Project management plan
  - Stakeholder register
  - Enterprise environmental factors
  - Organizational process assets
- The tools and techniques used are:
  - Expert judgment
  - Meetings
  - Analytical techniques
- Stakeholder management plan is the main output (for more details, please refer to *PMBOK® Guide* Fifth Edition, pages 403 and 404).

\*This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013



# Stakeholder Management Plan

- \*Defines the processes, procedures, tools and techniques to effectively engage stakeholders in project decisions and execution based on the analysis of their needs, interests, and potential impact.
- This is a subsidiary of the project management plan.
- For more details on stakeholder management plan, please refer to *PMBOK® Guide* - Fifth Edition, pages 403 and 404.

\*This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013



# Manage Stakeholder Engagement

- \*Process of communicating and working with stakeholders to meet their needs/expectations, address issues as they occur, and foster appropriate stakeholder engagement in project activities throughout the project life cycle.
- Benefits:
  - Increases the chances for project success
  - Helps stakeholders understand the benefits and risks associated with the project, thus securing their involvement and support
  - Minimize resistance from stakeholders
  - Keeps the project on track by resolving stakeholder issues
- Project Manager is responsible for stakeholder management.
- Tools and Techniques used are:
  - Communications Methods
  - Interpersonal skills
  - Management skills

\*This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013





# Manage Stakeholder Engagement (continued)

- Outputs of this process are:
  - Issue log
  - Change requests
  - Project management plan updates
  - Project documents updates
  - Organizational process assets updates
  
- Issue log
  - \*A project document used to document and monitor elements under discussion or in dispute between project stakeholders.
  
- Change log
  - \*A comprehensive list of changes made during the project. This typically includes dates of the change, and impacts in terms of time, cost, and risk.

\*These definitions are taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013



# Control Stakeholder Engagement

- \*The process of monitoring overall project stakeholder relationships and adjusting strategies and plans for engaging stakeholders.
- Maintain or increase the efficiency and effectiveness of stakeholder engagement activities as the project evolves and its environment changes. Stakeholder engagement should be continuously controlled.
- \*\*Stakeholder engagement activities are included in the stakeholder management plan and are executed during the life cycle of the project.
- Input for this process are:
  - Project Management plan
  - Issue log
  - Work performance data
  - Project documents
- Tools and Techniques used are:
  - Information management systems
  - Expert judgment
  - Meetings

\*This definition is taken from the Glossary of the Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*) – Fifth Edition, Project Management Institute, Inc., 2013

\*\*Project Management Institute, A Guide to the Project Management Body of Knowledge, (*PMBOK® Guide*)– Fifth Edition, Project Management Institute, Inc., 2013, Page 410



# Control Stakeholder Engagement (continued)

- Outputs are:
  - Work performance information
  - Change requests
  - Project management plan updates
  - Project documents updates
  - Organizational process assets updates