Lesson 6: Program Stakeholder Engagement

**Based on *PMBOK® Guide* – Fifth Edition
and
The Standard for Program Management – Third Edition**

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Agenda

- ✓ Introduction to Stakeholder Engagement

- ✓ Program Stakeholder Identification

- ✓ Stakeholder Engagement Planning

- ✓ Stakeholder Engagement

Introduction to Stakeholder Engagement

✓ Stakeholder: An individual, group, or organization who may affect, be affected by, or perceive itself to be affected by a decision, activity, process, or outcome of a program.

✓ Examples of stakeholders in a program:
  ➢ Program sponsor,
  ➢ Program governance board,
  ➢ Program manager,
  ➢ Project managers working for a program,
  ➢ Program and project team members,
  ➢ Funding and performing organizations,
  ➢ PMO,
  ➢ Suppliers,
  ➢ Government agencies,
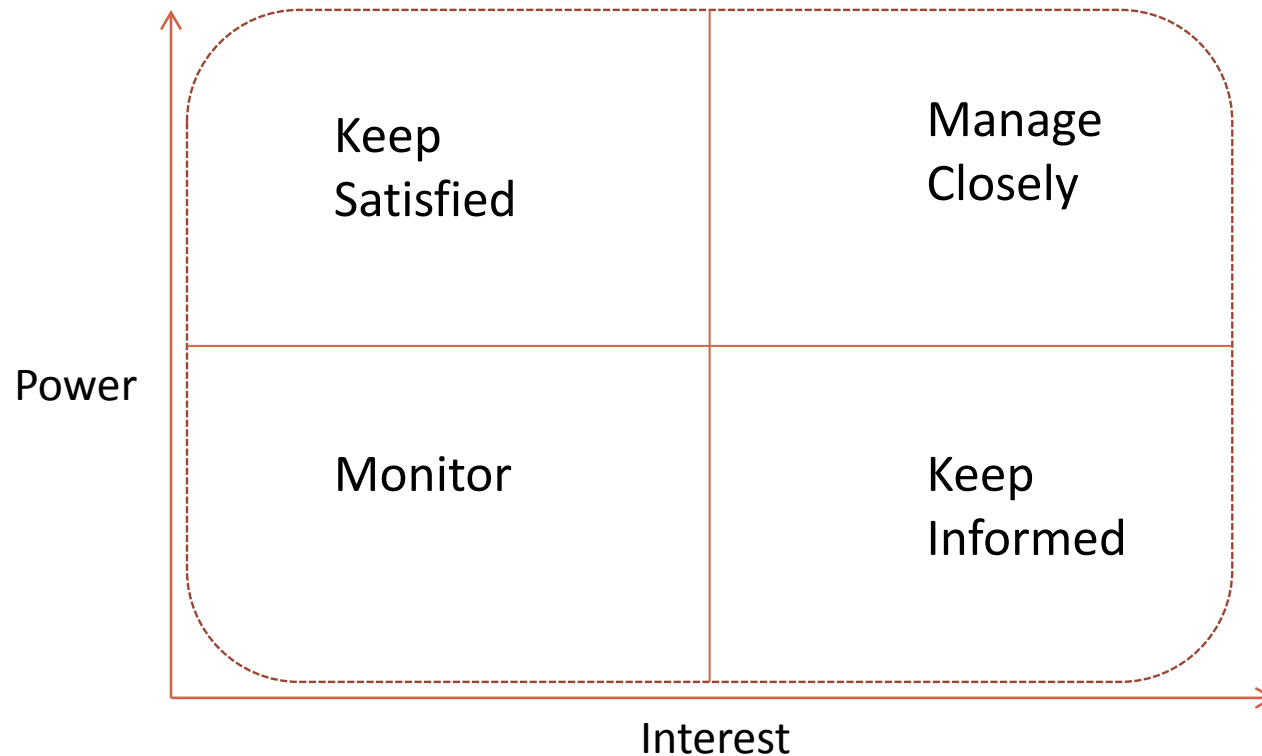 ➢ Competitors, affected people, etc.

Engagement vs. Management

✓ Stakeholders are not "managed"; they are "engaged".

✓ Stakeholder engagement is challenging in a program as compared to projects because:

  ➤ Scale and duration is larger;

  ➤ Programs bring about large scale changes, and change is difficult;

  ➤ Program manager's are escalation points, when things go wrong; and

  ➤ Program managers need to be able to influence without authority.

✓ Program manager utilizes leadership skills to align the program, and the expectations of the stakeholders.

Program Stakeholder Identification

- ✓ Systematically identify all the stakeholders in a program and document them in a stakeholder register.

- ✓ Understand the stakeholder's influence, interest, needs, expectations, etc.

- ✓ Categorize the stakeholders using tools like Power/Interest grid, etc.

- ✓ Prioritize the stakeholder engagements according to this categorization.

- ✓ This stage requires strong analytical and inter-personal skills.

Classification Models for Stakeholder Analysis

	Keep Satisfied	Manage Closely
Power		
	Monitor	Keep Informed

Interest

- ✓ Power/Interest Grid
- ✓ Power/Influence Grid
- ✓ Influence/Impact Grid
- ✓ Salience model (power/urgency or legitimacy)

Stakeholder Engagement Planning

✓ Analyze the stakeholder register to come up with stakeholder engagement plans.

✓ Plan may depend upon the following:
  ➢ Organizational culture and acceptance of change;
  ➢ Attitudes about program and its sponsors (political positioning);
  ➢ Expectation from the expected delivery of program benefits;
  ➢ Degree of support or opposition; and
  ➢ Stakeholder's ability to influence the outcome.

✓ The engagement plan should:
  ➢ Define expected outcomes from specific stakeholder engagements;
  ➢ Define means to be adopted to reduce resistance, and maximize support; and
  ➢ Track the engagement through indicators like participation in meetings, and communication channels and other means.

Stakeholder Engagement Assessment Matrix

Stakeholder	Unaware	Resistant	Neutral	Supportive	Leading
Stakeholder – 1	C			D	
Stakeholder – 2		C	D		
Stakeholder – 3			C	D	
Stakeholder – 4			C		D
Stakeholder – 5				D, C	

C: Current state; D: Desired state

Stakeholder Engagement

- ✓ Stakeholder engagement is a continuous activity.

- ✓ Program manager should ensure all stakeholders are adequately, and appropriately engaged.

- ✓ Program manager ensures all communication, to and from stakeholders is tracked.

- ✓ Review stakeholder metrics, to identify risk due to lack of participation.

- ✓ Log stakeholder issues in the issue log, and take appropriate action.

- ✓ Stakeholder issues can have a big impact on program objectives.

Summary

✓ Stakeholder: An individual, group, or organization who may affect, be affected by, or perceive itself to be affected by a decision, activity, process, or outcome of a program.

✓ Steps involved in program stakeholder engagement are:

➢ Program stakeholder identification,

➢ Stakeholder engagement planning, and

➢ Stakeholder engagement.

✓ Stakeholders are not "managed"; they are "engaged".

✓ Program manager uses the ability to influence without authority, to reduce stakeholder's resistance, and increase their support for the program.

Quiz – 1

Which of the following is NOT a major activity during program stakeholder engagement?

a) Program stakeholder identification

b) Stakeholder engagement planning

c) Stakeholder engagement

d) Stakeholder management

Quiz – 1

Which of the following is NOT a major activity during program stakeholder engagement?
a) Program stakeholder identification
b) Stakeholder engagement planning
c) Stakeholder engagement
d) Stakeholder management

Answer: d. Stakeholder management.
Explanation: The emphasis is to "engage" the stakeholders, not necessarily "manage" them. Therefore, stakeholder management is not a major activity in the Program stakeholder engagement domain. Please refer page number 44 of Standard for Program Management.

Quiz – 2

Which of the following best expresses the role of a program sponsor?

a)   Provide funds and resources for the program, and champion the program within the organization.

b)   Approve the components within the program by issuing the charters.

c)   Identify and engage the stakeholders on behalf of the program.

d)   Protect the program by resolving stakeholder issues.

Quiz – 2

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b) Approve the components within the program by issuing the charters.
c) Identify and engage the stakeholders on behalf of the program.
d) Protect the program by resolving stakeholder issues.

Answer: a. Provide funds and resources for the program, and champion the program within the organization.
Explanation: Program sponsor provides resources and funds for the program. The sponsor does not need to get involved in chartering all the components. They will support the program manager in case of need, but they are not really responsible for all the stakeholder engagement activities in a program.

Quiz – 3

As a program manager of an xyz program, you are in the process of stakeholder analysis. You have identified both internal and external stakeholders. Which of the following steps is least useful in engaging internal and external stakeholders?

a) Use the Influence / Impact matrix

b) Correct identification of the internal and external stakeholders

c) Determine and agree on the responsibilities of the internal and external stakeholders

d) Provide extras to stakeholders

Quiz – 3

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b) Correct identification of the internal and external stakeholders
c) Determine and agree on the responsibilities of the internal and external stakeholders
d) Provide extras to stakeholders

Answer: d. Provide extras to stakeholders
Explanation: Providing extras to stakeholders amounts to gold plating and should be discouraged. Identification of stakeholders, classifying them using Influence/Impact matrix and agreeing on their responsibilities are all useful in effective engagement of stakeholders

Quiz – 4

A program manager has prepared the stakeholder register and categorized the stakeholders based on their level of interest and influence. They have also come up with the engagement plan for stakeholders. What does the program manager have to do next?

a)   Pass on the stakeholder register to the projects, and ensure that all the project managers follow the engagement plan.

b)   Engage the stakeholders throughout the program.

c)   Check with the important stakeholders from time to time about how things are going for them, and how they are feeling.

d)   Submit the stakeholder register to the program board and customer, and take their sign-off.

Quiz – 4

A program manager has prepared the stakeholder register and categorized the stakeholders based on their level of interest and influence. They have also come up with the engagement plan for stakeholders. What does the program manager have to do next?

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b)   Engage the stakeholders throughout the program.

c)   Check with the important stakeholders from time to time about how things are going for them, and how they are feeling.

d)   Submit the stakeholder register to the program board and customer, and take their sign-off.

Answer: b. Engage the stakeholders throughout the program.

Explanation: Stakeholder engagement is a continuous activity to make the program successful. The program manager must spend time in ensuring that the stakeholders remain engaged.

Quiz – 5

Which of the following is NOT true for stakeholders?

a) Stakeholders can be customers, sponsors, and the performing organization.

b) Stakeholders cannot exert influence over the program, its deliverables, or team members.

c) Stakeholder identification is a continuous process.

d) A program can be perceived as containing both positive and negative results by the stakeholders.

Quiz – 5

Which of the following is NOT true for stakeholders?

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b) Stakeholders cannot exert influence over the program, its deliverables, or team members.

c) Stakeholder identification is a continuous process.

d) A program can be perceived as containing both positive and negative results by the stakeholders.

Answer: b. Stakeholders cannot exert influence over the program, its deliverables, or team members.

Explanation: This statement is incorrect since stakeholders can exert influence over the program, its deliverables, and team members.

Thank You