

# What is Stakeholder Analysis? - PM Hut

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What is Stakeholder Analysis?

By [S. Babou](#)

First just a definition of project stakeholders:

Project stakeholders are individuals and organizations that are actively involved in the project, or whose interests may be affected as a result of project execution or project completion.

Stakeholders are all those who need to be considered in achieving project goals and whose participation and support are crucial to its success. So identification of all stakeholders is an important activity of the project manager to ensure project success.

As all we know, stakeholders can be 1) individuals within the project 2) individuals or departments within the organization & 3) individuals or groups outside the organization (can be influencers)

Stakeholder Management processes for a project involves (but not limited to)

1. Identifying all stakeholders
2. Documenting stakeholders needs
3. Assessing & analyzing stakeholders interest/influence
4. Managing stakeholders expectations
5. Taking actions
6. Reviewing status & repeat



## What is Stakeholder Analysis?

Stakeholder Analysis is an important technique for stakeholder identification & analyzing their needs. It is used to identify all key (primary and secondary) stakeholders who have a vested interest in the issues with which the project is concerned.

The aim of stakeholder analysis process is to develop a strategic view of the human and institutional landscape, and the relationships between the different stakeholders and the issues they care about most.

## What are the benefits of Stakeholder Analysis?

A stakeholder analysis can help a project to identify:

- The interests of all stakeholders, who may affect or be affected by the project
- Potential issues that could disrupt the project
- Key people for information distribution during executing phase
- Groups that should be encouraged to participate in different stages of the project
- Communication planning & stakeholder management strategy during project planning phase
- Ways to reduce potential negative impacts & manage negative stakeholders

Engaging stakeholders throughout the project life cycle is a key to (but not a guarantee of) project's success.

Managing stakeholders expectations & ensuring their active involvement is very much important to project as:

- It is indispensable for continuation of the project & its successful completion
- It gives opportunity to individuals or groups to express their ideas/issues/concerns over the project
- It gives a sense of accountability and enhances responsibility
- It enables effective risk identification & response planning
- It opens up excellent learning opportunity for both the project team and stakeholders

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