Stakeholder analysis

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Stakeholder analysis

This is a resource file which supports the regular public program "areol" (action research and evaluation on line) offered twice a year beginning in mid-February and mid-July. For details email Bob Dick bdick@scu.edu.au or bd@uq.net.au

... in which a technique to assist in making decisions about who to involve, and how to involve them, is described

Resource papers in action research

Contents

Here is a step-by-step description of a method which can be used for stakeholder analysis. For any decision or action, a stakeholder is anyone who is affected by, or can influence, that decision or action.

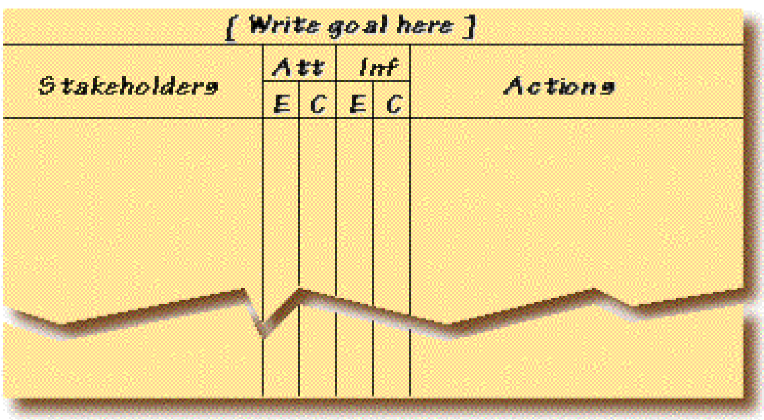
(I learned this process from David Napoli, a consultant in private practice in Perth, Australia. I believe his source was Richard Beckhard, perhaps at a workshop. I have been using this for some years, so cannot promise that I have been faithful to the original conception.)

The process can be used by a single person. It works better, however, if a diverse small group does it.

1. Draw up the chart

Prepare a chart on electronic whiteboard, or perhaps butcher paper, like this:

Att=attitude



Inf=influence E=estimate C=confidence

You will notice that the chart has 6 columns. The four columns in the middle need only be wide enough to contain a three or four letter symbol. You need a little more width in the right-hand column than in the left-hand one.

2. List stakeholders

Identify and list the stakeholders. These may be individuals, or stakeholder groups, or some combination. If stakeholders can be treated as a group, use groups. The most effective way of doing this is to list as many stakeholders as you can on a working sheet of paper. Then transfer them to the left hand column of the chart. It may help to list them in rough order of importance. (You may change your mind about their importance after this analysis.)

3. Estimate attitude and confidence

For columns 2 to 5, work across the page. Record your estimates of the following in the columns. In order, they are:

Column 2: Your best estimate of the stakeholder's attitude, fromsupportive to opposed. I usually find it is adequateto use a 5-category code --

```
++   strongly in favour
 +   weakly in favour
 o   indifferent or undecided
 -   weakly opposed
--   strongly opposed
```

Column 3: How confident you are about your estimate in column 2. Here you can use

```
  /   (a tick) for fully confident
  ?    for reasonably confident (some missing information, perhaps,
      or some doubts aboutinterpretation)
 ??    for an informed guess
???    for wild guess or sheer fantasy
```

Unless the group achieves immediate agreement, then at least one question mark is warranted.

Column 4: Your best estimate of the influence of the stakeholder. A three-category code is usually enough --

```
 H   high; this person or group has power of veto, formally or
     informally
 M   medium; you could probably achieve your goals against this
     person's or group's opposition, but not easily
 L   this person can do little to influence the outcomes of your
     intended actions
```

Column 5: How confident you are about your estimate in column 4. You can use the same codes as in column 2.

4. Plan strategies

Plan your strategies for approaching and involving each person or group. Your estimates in columns 2 to 5 help you to do this. Your strategy is written in column 6. It usually takes the form of obtaining more information, or of involving the stakeholder in the planning for the change.

In general, question marks indicate a need for more information. The more question marks, and the more influence the person has, the greater the need. On some occasions you will choose to approach the person concerned. On other occasions you may instead approach someone else who can be assumed to know about the person's attitude or influence.

(On occasion, you may want to obtain some of this information before completing the analysis.)

In general, high influence indicates a need to involve the person in some way. (Or, if you choose not to do this, and they are opposed, you may choose to find some way to neutralise their influence.) The people or groups who require most attention are those who are influential and opposed.

For involvement, decide the extent. For example:

- involved only as informants
- consulted
- directly involved in decision-making
- involved as co-researchers and co-actors

or some similar categories.

Where the stakeholder is a group rather than an individual, you will probably want to include in your decision the style of participation appropriate: for example, direct participation of everyone, or representation.

This document can be cited as follows:

Dick, B. (1997) *Stakeholder analysis* [On line]. Available at http://www.scu.edu.au/schools/gcm/ar/arp/stake.html