Stakeholder Analysis
Module II

Section 1: Overview

Stakeholder Analysis

Why do Stakeholder Analysis?

♦ To identify stakeholders' interests in, importance to, and influence over the operation;

♦ To identify local institutions and processes upon which to build; and

♦ To provide a foundation and strategy for participation.

Stakeholder Analysis is a vital tool for understanding the social and institutional context of a project or policy. Its findings can provide early and essential information about who will be affected by the project (positively or negatively); who could influence the project (again, positively or negatively); which individuals, groups, or agencies need to be involved in the project, and how; and whose capacity needs to be built to enable them to participate.

Stakeholder Analysis, therefore, provides a foundation and structure for the participatory planning, implementation, and monitoring that follows.

Stakeholder Analysis

What is a stakeholder?

"Stakeholders are people, groups, or institutions which are likely to be affected by a proposed intervention (either negatively or positively), or those which can affect the outcome of the intervention."

Stakeholders include:

- ♦ The Borrower

- ♦ The Poor

- ♦ Other Affected Groups

- ♦ Interested Groups, including the World Bank.

Stakeholders are those people who stand to gain or lose something by a project or policy intervention, or those who are capable of affecting the outcome of the intervention.

Stakeholders in World Bank–financed operations include:

The Borrower. The World Bank's most immediate client is the government and agencies responsible for project or policy implementation.

The Poor. Key stakeholders, given the World Bank's objective of helping countries to reduce poverty, the poor often lack information and power and tend to be excluded from the development process. Particular attention needs to be given to vulnerable groups such as the landless, women, children, indigenous people, and minority groups.

Other Affected Groups. Other individuals, families, communities, or organizations may be positively or adversely affected by World Bank–financed projects or policy interventions.

Interested Groups. Others who have vested interests in development initiatives include donors, NGOs, religious and community organizations, local authorities, and private sector firms. With its own objectives, policies, and institutional responsibilities, *the World Bank* is itself a stakeholder in its work with client countries.

Stakeholder Analysis: A Four-Step Process

Step 1. Identify Key Stakeholders

Assess:

♦ Who are potential beneficiaries?

♦ Who might be adversely impacted?

♦ Have vulnerable groups been identified?

♦ Have supporters and opponents been identified?

♦ What are the relationships among the stakeholders?

Stakeholder Analysis is essentially a four-step process. This page and those that follow describe each step in the analysis, indicate who should be involved in the work, and then provide a series of matrices that can help to guide the process.

The first step of a Stakeholder Analysis is to identify the *key* stakeholders—whose participation will be sought—from the large array of institutions and individuals that could potentially affect or be affected by the proposed intervention.

This can be achieved by drawing up a simple list. When answering the questions above, consider the borrower, beneficiaries, affected groups, and other interested groups (including the World Bank). The list that results from this exercise can provide the first input into the Stakeholder Analysis matrices included below.

Stakeholder Analysis: A Four-Step Process

Step 2. Assess Stakeholder Interests and the Potential Impact of the Project on These Interests

Assess:

♦ What are the stakeholder's expectations of the project?

♦ What benefits are there likely to be for the stakeholders?

♦ What resources might the stakeholder be able and willing to mobilize?

♦ What stakeholder interests conflict with project goals?

Once the key stakeholder groups have been identified, their possible interests in the project or economic and sector work (ESW) can be considered. Some stakeholder interests are less obvious than others and may be difficult to define, especially if they are "hidden," multiple, or in contradiction with the stated aims or objectives of the organization or individual. The above questions can guide the inquiry into the interests of each key stakeholder or group.

In the case of some institutions these questions can be answered through a review of secondary information. For more informal groups and local people, assessment of their interests will probably require some form of consultation, either directly with these stakeholders or with people "on-the-ground" who are familiar with these groups.

With this background, consideration can be given to how the project might affect these interests—positively or negatively. All of this information can be summarized and added to the Stakeholder Analysis matrices.

Stakeholder Analysis: A Four-Step Process

Step 3. Assess Stakeholder Influence and Importance

For each stakeholder group, assess its:

- ♦ power and status (political, social, and economic)
- ♦ degree of organization
- ♦ control of strategic resources
- ♦ informal influence (for example personal connections)
- ♦ power relations with other stakeholders
- ♦ importance to the success of the project.

Influence refers to the power that stakeholders have over a project. It can be exercised by controlling the decisionmaking process directly and by facilitating or hindering the project's implementation. This control may come from a stakeholder's status or power, or from informal connections with leaders.

Another variable, that of *importance*, relates to the degree to which achievement of project objectives depends on the active involvement of a given stakeholder group. Stakeholders who are important to the project are generally those whose needs the project seeks to meet as well as those whose interests converge with the objectives of the project. Some stakeholders may be very *important* to a project (for instance, rural women in a reproductive health project) but may have very limited *influence* over the project. These stakeholders may require special efforts to enable them to become active participants to ensure that their needs will indeed be met.

Both the influence and importance of different stakeholder groups can be ranked along simple scales, and mapped against each other, as an initial step in determining appropriate strategies for their involvement. Both variables can be assessed in a preliminary manner based on the knowledge of those familiar with the stakeholders concerned. More in-depth assessments of importance and influence would require direct consultations (for instance, to ask local-level stakeholders for their reactions to a proposed intervention).

Stakeholder Analysis: A Four-Step Process

Step 4. Outline a Stakeholder Participation Strategy

Plan stakeholder involvement according to:

♦ interests, importance, and influence of each stakeholder group

♦ particular efforts needed to involve important stakeholders who lack influence

♦ appropriate forms of participation throughout the project cycle.

On the basis of the previous three steps in the Stakeholder Analysis process, some preliminary planning can be done on how the different stakeholder groups can best be involved in subsequent stages of the project or ESW. As a rule of thumb, the appropriate approaches for involving stakeholders of differing levels of influence and importance can be as follows:

♦ ***stakeholders of high influence and high importance*** should be closely involved throughout to ensure their support for the project or ESW;

♦ ***stakeholders of high influence and low importance*** are not the target of the project but may oppose the intervention; therefore, they will need, as appropriate, to be kept informed and their views acknowledged to avoid disruption or conflict;

♦ ***stakeholders of low influence and high importance*** require special efforts to ensure that their needs are met and their participation is meaningful; and

♦ ***stakeholders of low influence and low importance*** are unlikely to be closely involved in the project and require no special participation strategies (beyond any information-sharing strategies aimed at the "general public").

Methods for Stakeholder Analysis

♦ Best done in collaboration with key stakeholder groups;

♦ Not only a desk study—use participatory methods where possible:

— stakeholder workshops,

— local consultations,

— participatory analysis; and

♦ Use secondary data where available and reliable.

While it may be possible for World Bank staff to undertake a preliminary Stakeholder Analysis based on their own knowledge of the project or ESW and the relevant stakeholders, the process will be much enhanced and the learning shared if other groups are involved. Representatives of the main collaborating institutions (government agencies, NGOs, academic institutions, and others) can often provide detailed information on the in-country stakeholders. Bringing these collaborating groups together for the Stakeholder Analysis will also provide an opportunity for them to discuss, and hopefully agree on, which stakeholders should be involved and how. However, in some cases the Stakeholder Analysis will involve the identification and discussion of sensitive information (such as the hidden agendas of certain stakeholder groups, or why certain groups are likely to oppose the project), which are often more likely to surface in more private settings with individual stakeholder groups.

In addition to reviewing secondary data and meeting with selected stakeholders, several other more participatory techniques can be used to gather information. The use of participatory approaches in a Stakeholder Analysis also builds a sense of ownership in the work by a broader range of stakeholders. *Stakeholder workshops* are particularly useful at the beginning of the process to generate a complete listing of stakeholder groups, and in the final stages of the analytical work to build consensus on a participation strategy for the key stakeholders. *Consultations* and *participatory analyses* (using some of the techniques of *Participatory Rural Appraisal, SARAR, or Beneficiary Assessment*, for example) with those stakeholders about whom less is known (usually those with less influence) are often a major component of Stakeholder Analysis.

Stakeholder Analysis Matrices

The following three tables represent a framework for recording and organizing the information generated by a Stakeholder Analysis.[1] An example of a completed set of matrices for a hypothetical World Bank–financed education project is provided in the Techniques section of this module.

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[1] These tables are based on similar matrices in ODA, op. cit., and by Claude Salem of the World Bank.

Table 1.
Steps 1, 2, and 3 of Stakeholder Analysis:
Identification of Stakeholder Groups, Their Interests, Importance, and Influence

Stakeholder Groups	Interest(s) at Stake in Relation to Project	Effect of Project on Interest(s) + 0 -	Importance of Stakeholder for Success of Project U=Unknown 1=Little/No Importance 2=Some Importance 3=Moderate Importance 4=Very Important 5=Critical Player	Degree of Influence of Stakeholder over Project U=Unknown 1=Little/No Influence 2=Some Influence 3=Moderate Influence 4=Significant Influence 5=Very Influential

Table 2.
Step 3 of Stakeholder Analysis (continued):
Mapping Key Stakeholders' Relative Influence and Importance

INFLUENCE OF STAKEHOLDER	IMPORTANCE OF ACTIVITY TO STAKEHOLDER					
	Unknown	Little/No Importance	Some Importance	Moderate Importance	Much Importance	Critical Player
Unknown						
Little/No Influence						
Some Influence						
Moderate Influence						
Significant Influence						
Very Influential						

Note: Insert key stakeholders in the appropriate cell.

Table 3.
Step 4 of Stakeholder Analysis: Formulation of Stakeholder Participation Strategy

STAGE IN PROJECT PROCESS	TYPE OF PARTICIPATION			
	Information-sharing (one-way flow)	Consultation (two-way flow)	Collaboration (increasing control over decisionmaking)	Empowerment (transfer of control over decisions and resources)
Project Identification				
Preparation Appraisal				
Implementation, Supervision, and Monitoring				
Evaluation				

Note: Insert specific participation strategy(ies) for key stakeholders (such as information campaign for general public; workshop with ministry and NGOs; or PRAs with community groups). For an example of a completed chart, see Table 3 in the Techniques Section of this module.

Stakeholder Analysis Mode

An Overview

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— participatory analysis; and

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Identification of Stakeholder Groups, Their Interests, Importance and Influence

Stakeholder Groups	Interest(s) at Stake in Relation to Project	Effect of Project on Interest(s)			Importance of Stakeholder for Success of Project	Degree of Influence of Stakeholder over Project
		+	0	-	U=Unknown 1=Little/No Importance 2=Some Importance 3=Moderate Importance 4=Very Important 5=Critical Player	U=Unknown 1=Little/No Influence 2=Some Influence 3=Moderate Influence 4=Significant Influence 5=Very Influential

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Step 3 of Stakeholder Analysis (continued):
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Step 4 of Stakeholder Analysis: Formulation of Stakeholder Participation Strategy

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	Information-sharing (one-way flow)	Consultation (two-way flow)	Collaboration (increasing control over decisionmaking)	Empowerment (transfer of control over decisions and resources)
Project Identification				
Preparation Appraisal				
Implementation, Supervision, and Monitoring				
Evaluation				

Note: Insert specific participation strategy(ies) for key stakeholders (such as information campaign for general public; workshop with ministry and NGOs; or PRAs with community groups). For an example of a completed chart, see Table 3 in the Techniques Section of this module.

Section 2: Techniques

Stakeholder Analysis can be undertaken in a variety of ways, depending on the degree to which stakeholders have already been identified and plans for their participation developed. In situations where much is known about the different stakeholder groups, their relationships with each other, and appropriate strategies for their participation, it may not be necessary to conduct a full-blown Stakeholder Analysis. A simpler format may be sufficient, with the task manager doing the bulk of the Stakeholder Analysis based on his or her knowledge of the stakeholders and the project. This preliminary analysis can then be expanded and cross-checked by talking with some of the stakeholders involved and by holding brief workshops with in-country counterparts to focus on developing and reaching consensus on participation strategies for the stakeholder groups identified.

Conversely, where little is known about potential stakeholders and how they will affect and be affected by the project, a more in-depth analysis and a more participatory process will be required. Stakeholder Analysis in this case is best done in the field, together with the policy or project development team. This is particularly important where the project is likely to have an impact on "new" stakeholders (that is groups who have not been involved in World Bank–funded projects before), or where there is a good deal of controversy and conflict involved. Stakeholder analyses in these situations will generally require (i) extensive use of participatory consultation techniques to understand the perspectives and concerns of the different groups involved, and (ii) careful management of a series of workshops where representatives of the stakeholder groups identified can come together to look for common ground and discuss ways in which their participation could be "built-in" to the project.

How to do a Stakeholder Analysis will also depend on the point at which the analysis is done in the project cycle. If done at an early stage, the analysis will probably enable more learning and more systematic use of a range of techniques. Stakeholder Analysis done at a later stage may be more limited in both its scope and use of consultative or participatory techniques.

This section provides guidance on working with a set of matrices and convening stakeholder workshops—two useful tools in undertaking a Stakeholder Analysis. Additionally, a number of other methods have proven useful in Stakeholder Analysis, including a variety of Participatory Rural Appraisal, SARAR, and Beneficiary Assessment techniques that involve direct consultations with stakeholders (for further information, please refer to the Techniques sections of these modules).

Stakeholder Analysis Matrices

The thought process involved in undertaking a Stakeholder Analysis can be facilitated and documented using a series of matrices. As outlined in the Overview section of this module, Stakeholder Analysis can be regarded, in simplified form, as a four-step process:

Step 1. Identification of stakeholders;
Step 2. Analysis of stakeholder interests and how the project will affect these interests;
Step 3. Analysis of the influence and importance of each of the stakeholders identified; and
Step 4. Development of a participation strategy for involving the different stakeholders.

The manner in which these steps are performed will vary—sometimes involving just the task managers and a few key stakeholders, and other times involving many different stakeholders in broad-based consultation and participatory analysis. In either case, the matrices on the following pages can serve as a framework for more systematic analysis, and for a simplified presentation of the assumptions and criteria upon which the analysis is based.

To illustrate the use of the matrices, a Stakeholder Analysis for a hypothetical education project has been simulated. The basic characteristics of this hypothetical project include: a primary objective of increasing girls' enrollment, decentralization of control to communities through parent associations and community-managed schools, and a high degree of support for this initiative from the wife of the president of the (hypothetical) client country. A discussion of how to use the matrices and blank copies of each matrix can be found in the Overview section of this Module. To review, the three variables used to construct the matrices are listed below:

- ♦ ***interests***: the priority concerns of the stakeholder group (or what is "at stake" for them);

- ♦ ***influence***: the degree to which the stakeholder group has power and control over the project and can thus facilitate or hinder its implementation; and

- ♦ ***importance***: the degree to which the achievement of project objectives depends on the active involvement of a given stakeholder group.

Table 1.
Steps 1, 2, and 3 of Stakeholder Analysis of Hypothetical Girls' Education Project:
Identification of Stakeholder Groups, Their Interests, Importance, and Influence in Community-Managed Schools

Stakeholder Groups	Interest(s) at Stake in Relation to Project	Effect of Project on Interest(s) (+ 0 -)	Importance of Stakeholder for Success of Project (U=Unknown 1=Little/No Importance 2=Some Importance 3=Moderate Importance 4=Very Important 5=Critical Player)	Degree of Influence of Stakeholder over Project (U=Unknown 1=Little/No Influence 2=Some Influence 3=Moderate Influence 4=Significant Influence 5=Very Influential)
Ministry of Education	Achievement of targets	+	4	5
	Control over resources, activities	-		
	Patronage of First Lady	+		
Teachers	Job security	?	3	2
	Support from community	+		
	Preference for urban posting	-		
Parents	School available in community	+	5	1
	Accountability of teachers	+		
	Girls' help with housework	-		
School-age girls	Employment opportunities	+	5	1
	Socializing with peers	+		
	Free time	-		
Traditional religious leaders	Concern over erosion of traditional values	-(?)	2	4
	Attendance at religious schools	-(?)		
Adult literacy NGOs	Increased literacy	+	1	1
	Financial viability	0		
	Improved links with MOE	?		

Table 2.
Step 3 of Stakeholder Analysis (continued):
Mapping Key Stakeholders' Relative Influence and Importance

INFLUENCE OF STAKEHOLDER	IMPORTANCE OF ACTIVITY TO STAKEHOLDER					
	Unknown	Little/No Importance	Some Importance	Moderate Importance	Very Important	Critical Player
Unknown						
Little/No Influence		adult literacy NGOs				school-age girls, parents
Some Influence				teachers		
Moderate Influence						
Significant Influence			traditional religious leaders			
Very Influential					Ministry of Education	

Table 3.
Step 4 of Stakeholder Analysis:
Formulation of Stakeholder Participation Strategy in Hypothetical Education Project

STAGE IN PROJECT PROCESS	TYPE OF PARTICIPATION			
	Information-sharing (one-way flow)	Consultation (two-way flow)	Collaboration (increasing control over decisionmaking)	Empowerment (transfer of control over decisions and resources)
Project Identification		Preliminary visits to rural schools; talk with teachers, parents re: girls' schooling.	Joint assessment of priority activities and target areas with MOE.	
Preparation Appraisal	National public awareness campaign (on objectives of project).	Extenisve PRAs with communitites, teachers, NGOs. (seeking suggestions for community-level activites).	Decentralization to local authorities with capacity-building.	Capacity-building of parent associations.
Implementation, Supervision, and Monitoring	National public awareness campaign (on how to get involved).	BAs for regular feedback; repeated participatory monitoring using PRA, SARAR, BA techniques.	National steering commit-tee with representatives of parent associations, teachers, MOE officials, local authorities.	Transfer of decision-making power and budget control to parent associations.
Evaluation	Video (showing process and results of evaluations).	Participatory evaluation (BA, SARAR, PRA techniques) with communitites, teachers	Commission independent evaluation by local NGOs.	Self-assessments by parent associations.

Stakeholder Workshops

The use of stakeholder workshops is not limited to Stakeholder Analysis, but is a technique commonly employed throughout projects and ESW for everything from participatory planning to conflict resolution, reviewing the results of ESW, and evaluating the impacts of a project. Given the focus here on Stakeholder Analysis, this section will refer only to this application of stakeholder workshops.

In general, workshops are more suited to engaging the more powerful and articulate groups of stakeholders. Meaningful participation of community members and other local-level stakeholders is rarely achieved without special preparatory arrangements and careful facilitation. Two options exist for ensuring the views of these less powerful stakeholders are taken into account. The first option involves holding a number of local-level workshops to hear the views and concerns of stakeholders at this level, and then feeding the findings and recommendations from these workshops into a national-level workshop. This process can be reinforced by inviting representatives from the local-level workshops to give brief presentations at the national level forum. Alternatively, a national-level stakeholder workshop can be informed by the results of earlier participatory consultations and analyses that were undertaken at the community level to elicit the views of the local people. Again, representatives from the teams who visited the communities, or community members who were involved, can be invited to the national-level workshop to reinforce the feedback process.

When used for the purposes of Stakeholder Analysis, workshops have proven a particularly powerful technique for generating a sense of ownership among the different stakeholders involved, and for breaking down institutional and hierarchical barriers to enable stakeholders to collaborate effectively. The forums can therefore serve to set in motion a participation process that is based on individual stakeholders having a shared understanding of each others' interests and concerns. This "process outcome" is important even (and, indeed, perhaps especially) in cases where conflicts among the stakeholders may remain unresolved.

Box 1 provides some suggestions on how to organize workshops for Stakeholder Analysis. Several systematic methodologies provide a process framework for conducting stakeholder workshops.[2] However, stakeholder workshops do not necessarily need to follow structured models. Often a more ad hoc approach is used, where a task manager organizes the forum (usually in conjunction with a professional workshop designer/facilitator and other stakeholders) based on an agreed purpose and agenda. Boxes 2 and 3 highlight ad hoc workshop formats, and Box 4 provides an example of a more structured event.

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[2] Two such methodologies are ZOPP (Objectives-Oriented Project Planning, developed by GTZ) and TeamUp (a derivative of ZOPP, with expanded scope and software support), both of which have been used in the context of World Bank–supported operations.

Box 1
Stakeholder Workshop Tips

- Enlist the help of a trained workshop designer and facilitator.

- Plan a series of linked workshops of different sizes, compositions, and locations (for example, a number of smaller workshops at the local level that feed into a subsequent national-level workshop).

- Organize and manage a committed core team to provide oversight and impetus to the process—for example a task manager, key lead agency staff, beneficiary representative, and consultant facilitator.

- Ensure that all key stakeholder groups participate over the course of the workshop, including the powerful, the poor, the reluctant actors, the marginal groups, the interested observers, and the enthusiastic supporters.

- Ensure that groups with special needs (such as women's groups, illiterate stakeholders) are given voice through special arrangements.

- Choose the appropriate workshop techniques for undertaking a Stakeholder Analysis with the participants.

Source: Based on a presentation by Jim Edgerton (of the World Bank) at a World Bank Africa Region seminar on Stakeholder Workshops, November 1995.

Box 2
Stakeholder Workshop Fostered Teamwork, Frankness in Nigeria STD/AIDS Assessment

An informal workshop was held during the early development of a proposed Sexually Transmitted Diseases (STDs) Prevention Project in Nigeria. The three-member World Bank team met with three officials from the State AIDS Program and the AIDS action managers from the three local government areas where the project was to be targeted. These participants identified a much wider range of potential stakeholders than had been considered by the World Bank team (adding, for example, brothel owners and male commercial sex workers). They also pinpointed the reasons why each of these stakeholder groups should be consulted in the project preparation process, and made an initial assessment of the interests that each group might have in the project.

In addition, the participants analyzed the possible impact of the project on these interests—considering, for example, the possibility of traditional healers facing a loss of income (if STD sufferers turn to health care providers in clinics and hospitals), while at the same time the healers would gain an opportunity through the project to learn Western medical skills.

In listing themselves as stakeholders too, the participants showed remarkable honesty; indeed they went on to define their overriding interest in the project as obtaining more funds! The research team agreed to make all decisions as a group (and this mode of decisionmaking became an explicit condition of World Bank assistance). The ownership of and capacity to undertake the participatory assessment was greatly enhanced by bringing these key stakeholders together for the workshop.

Source: Based on November 1995 presentation by Ernest Massiah (of the World Bank) at a World Bank Africa Region seminar on Stakeholder Analysis. Further discussion of this case can be found in the Case Studies section of this module.

Box 3
Stakeholder Workshop Helped Bridge Gap between Policymakers and Indigenous Communities in Mexico

Following the premature closing of a forest management project in Mexico, which had been the center of both social and environmental controversy, a major review of the forest sector was undertaken by the World Bank and the government of Mexico to try to avoid such problems in future investments. The review incorporated social assessment and participatory methods, such as focus groups, visual methods, and photographs, to elicit the views of local forest communities and to facilitate their analysis of local problems and development of appropriate solutions.

The findings from these consultations were discussed in an intensive three-day stakeholder workshop for government officials and World Bank staff. The workshop participants formulated a number of strategic recommendations that were incorporated into the sector report. Another workshop was held to disseminate the findings with a much broader range of stakeholders, including government staff, representatives of *ejidos* (traditional collective communities), members of the NGO and academic communities, and World Bank specialists.

These workshops provided a productive forum for identifying and taking steps to resolve contentious issues, and also helped policymakers see the legitimacy of concerns raised by representatives of indigenous communities. Involving all of the key decisionmakers in the stakeholder workshop certainly accelerated the process of turning recommendations into policy, and smoothed the way for designing a subsequent project that is more participatory—and that stands a better chance of meeting the needs of the communities while protecting fragile ecosystems.

Source: World Bank, May 1996, "Mexico Resource Conservation and Forest Sector Review—Incorporating Social Assessment into Economic and Sector Work," Environment Department, Social Assessment Dissemination Note No. 44, Washington, D.C.

Box 4
Stakeholder Workshop Involves Private Sector Stakeholders in Project Preparation, Uganda

A World Bank–supported project to promote private sector development in Uganda recently used a stakeholder workshop as a key step in a Stakeholder Analysis and project planning. At a very early stage of the project design process (after an initial identification mission), a large group of stakeholders from the private sector and relevant government agencies were invited to a workshop. A structured approach was used for the two-day workshop, based on the TeamUp method, which places particular emphasis on building teams and designing stakeholder participation.

Each of the 80 participants started by defining what interests they represented and what their position was in relation to the proposed project. An exercise called "spectrum of confidence" was used to enable participants to establish their level of skepticism or confidence in the ability of the private sector to design and implement a project to meet their needs. A number of other participatory techniques were used to facilitate a collaborative effort in developing and comparing alternative project designs. Finally, participants elected a task force to take the design process further.

This structured approach proved well-suited to this large gathering of people with very diverse interests. The workshop not only brought conflicts to the surface and revealed areas of common ground, but also set the scene for a participatory project that addressed the majority of private sector beneficiary interests.

Source: Moses Thompson, 1995, "Participatory Project Preparation and Appraisal at the World Bank: The Ugandan Private Sector Competitiveness Project," Team Technologies, Inc., Chantilly, Virginia.

Section 3: Case Studies

NOTE:

The three cases presented here illustrate quite different approaches to Stakeholder Analysis as used in the context of project planning. The India case is based on very extensive investigations and required considerable time. The participatory assessment work involved more than 40 NGOs and yielded detailed documentation of the stakeholder groups and the likely impacts of the project, particularly on the vulnerable groups. By comparison, the Nigeria case uses a more focused approach. The World Bank task manager and a research team of local government officials and university researchers identified and analyzed key stakeholders for project success in an initial workshop; and the research team then went into the field to conduct a series of local-level participatory assessments with specific target groups. The Ukraine case highlights a Stakeholder Analysis conducted in the context of a very short time frame and with limited scope for incorporating participatory strategies. It identifies at-risk groups from mine closings and predicts the likely impacts of the closures on these groups' livelihoods.

While none of these cases uses the set of Stakeholder Analysis matrices shown in the Overview and Techniques sections of this module, they do address a similar sequence of questions. Significantly, however, the work described in all three cases goes beyond a simple Stakeholder Analysis to include elements of more extensive Social Assessments or project planning. In this respect, readers should bear in mind that not all Stakeholder Analyses need be as exhaustive and costly as the ones described here.

Case Study: India Ecodevelopment Project

Key Features:

♦ Stakeholder Analysis undertaken jointly by government officials and NGOs in a highly participatory manner; and

♦ Comprehensive identification of stakeholder groups, their relationships with each other, and the likely impacts of the project on each group.

Context:

This project, planned to begin implementation in October 1996, has been prepared with very extensive participation, including government-NGO collaboration in the Stakeholder Analysis. The government organized and facilitated the process in partnership with a national NGO, and more than 40 NGOs then participated in consultations, studies, and meetings with project staff and government officials.

Objectives:

The Stakeholder Analysis was conducted to:

♦ identify the major stakeholder groups involved, including the most vulnerable groups—such as tribals, women, the poor;
♦ analyze the interactions between stakeholder groups and the protected areas to determine the opportunities for maximizing positive impacts on both and the priorities for project investments;
♦ assess potential project activities in relation to the project objectives of reducing negative impacts and improving positive interactions; and
♦ identify other key social issues that are likely to affect project success.

Process:

The Stakeholder Analysis was achieved through the compilation of results from a number of activities, including: (i) PRA work conducted jointly by government officials and local NGOs in each of the eight project sites to provide baseline information (see Case Studies section in the PRA module for highlights on this aspect of the project); (ii) an analysis of secondary data by a national NGO to complement the PRA findings; (iii) a series of meetings and consultations among NGOs, government officials, and project staff on a range of issues throughout the preparation process; (iv) analysis provided by government officials in six of the eight states involved of the expected social impacts of their ecodevelopment program and the strategy they plan to adopt to ensure that vulnerable groups will be full participants in project decisionmaking and benefits; and (v) a detailed analysis by independent anthropologists who were contracted for the pre-appraisal and appraisal missions.

The social scientists working on the project pooled the information from these various activities to form a series of matrix-based analyses of the above mentioned issues. Given the rather complex nature of this process, it is very difficult to estimate the costs involved in the Stakeholder Analysis. The World Bank Environment Department contributed the costs of a social scientist from headquarters to work with the independent anthropology consultants on the Stakeholder Analysis during the World Bank missions. Overall, project preparation has taken more than four years, with the majority of the activities related to the Stakeholder Analysis occurring from late 1992 to late 1994.

Techniques:

As mentioned above, a variety of methods have been used to generate information for the Stakeholder Analysis, including a range of PRA techniques, stakeholder workshops, secondary data collection, and quantitative surveys. The subsequent matrix-based summaries provide a systematic analysis of all the key stakeholder groups. The key steps in this analysis are:

♦ identification of project stakeholders in each of the seven project areas (the project was proposed for eight sites, but was appraised for only seven due to

difficulties in one site; see Attachment 1 for a list of stakeholder groups identified), including human settlements within the protected area boundaries, government agencies operating in and around the protected areas, private enterprises using protected area resources, local villagers in the periphery of the protected areas, and tourists and pilgrims visiting the protected areas;

♦   more detailed analyses of scheduled tribes and castes in the project sites, with approximate sizes of each population;

♦   analysis of the interactions between the stakeholder groups and the protected areas; and

♦   analysis of expected project impacts on vulnerable groups—women, tribals, and the poor (see Attachment 2 for analysis of project impacts on women).

Limitations and Difficulties:

The Stakeholder Analysis was based on data of very mixed quality because of the different methods being used, the large number of different actors involved, and the large area covered. The results will, therefore, need to be reviewed and refined as new information becomes available.

Outputs and Impacts:

By conducting such a thorough Stakeholder Analysis, involving all the key stakeholder groups, the chances of the project succeeding have been greatly enhanced, particularly when the complex and potentially enormous social impacts are taken into account. Not only are project planners and government officials more aware of the likely impacts on each stakeholder group, they are also better informed about the interactions between stakeholders, and how these relations can be improved.

The Stakeholder Analysis revealed a whole range of social and cultural issues in the different sites that will need to be addressed during implementation. To ensure that subsequent work takes account of these social and cultural realities, contract sociologists will be hired to continue the Stakeholder Analysis in a participatory manner to work on, among other things, predicting social consequences of project activities on stakeholder groups; identifying mitigation strategies, particularly for vulnerable stakeholders; and monitoring the project's impacts on the different groups.

Project Stakeholders by Protected Area (PA)
(from Annex 18 of Staff Appraisal Report)

Stakeholders	Buxa, West Bengal	Gir, Gujarat	Nagahole, Karnataka	Palamau, Bihar630	Pench, Madhya Pradesh	Periyar, Kerala	Ranthambhore, Rajasthan
Inside PA	15,600		7,100				
People in Forest Settlements		4,500				3,900	
Grazier Settlements		2,600					1,210
Revenue Enclaves				39,000	12,000		3,067
Temple Complexes		Present				Present	Present
Forest Department	Present	Present	Present	Present	Present	Present	Present
Other Govt. Agencies and Industries	Mining	Wildlife, Irrigation	Tourism, Wildlife, Elect.	North Koel Hydro	Fisheries, Hydro	Tourism, Pulp, Irrigation	
Outside PA							
Peripheral Revenue Villages	20,400	65,000	63,000	36,000	36,000	58,000	60,000
Migratory Grazers							Present
Commercial and Industrial	Tea Estates, Wood, Non-Timber Forest Products		Tea Estates		Fisheries		
Water Use Agencies		Irrigation	Irrigation	Hydro/irrg		Irrigation	
Visitors-Tourists	Present	Present	Present	Present	Present	Present	Present
Visitors-Pilgrims	Present	Present				Present	Present
Smugglers/Poachers	Present		Present	Present		Present	Present
Ritual Hunters							
NGOs		Present	Present	Present		Present	Present
Researchers		Present	Present			Present	Present

Project Impacts on Women
(from Annex 18 of Staff Appraisal Report)

Village Ecodevelopment Investment	Expected Benefits	Possible Negative Impacts	Measures to ensure benefits & mitigate negative impacts	Monitoring mechanism
Forestry Plantations	**Employment; fuel, fodder, and intercrops**	**Decreased income from sale of firewood; decreased diversity of non-timber forest products available to meet household needs and for sale; loss of indigenous knowledge**	**Participatory micro-planning including feasibility analyses; joint forest management policies; mixed plantations**	**Monitoring plan to include locally identified measures of performance and procedures, NGO participation, and Ecodevelopment and Forest Protection Committees' review meetings; research**
Cattle Improvement	**Increased income**	**Increased time for fodder collection**	**Micro-planning; contact with female Forest Department staff; effective participation in decisionmaking**	**Same**
Energy Conservation	**Decreased expenditure on fuelwood; decreased collection time**	**Decreased income from fuelwood sales**	**Alternative income activities**	**Same**
Ecotourism (in present form)	**Negligible; some possible employment opportunities**	**Resentment toward government and private agencies capturing economic benefits; (prostitution in Periyar?)**	**Govt. orders on sharing of entry fees; micro-planning; targeting of training and employment**	**Same**
Non-Timber Forest Product Cultivation (outside PA)	**Income; employment**	**Capture of benefits by other groups/entrepreneurs; loss in income due to decreased diversity of products for sale as efforts concentrate on fewer products**	**Micro-planning; research**	**Same**
Alternative Incomes	**Increased incomes; employment opportunities**	**Marginal benefits without culturally appropriate choice of options and training**	**Micro-planning; contact with female Forest Department staff; participation in decisionmaking; training**	**Same**

Project Impacts on Women
(continued)

Village Ecodevelopment Investment	Expected Benefits	Possible Negative Impacts	Measures to ensure benefits & mitigate negative impacts	Monitoring mechanism
Agricultural Improvement	Increased income; increased food supplies	Increased workload due to intensification/ diversification of crops	Micro-planning	Same
Soil and Water Conservation	Increased yields; employment opportunities	Increased workload; options identified by groups other than women	Effective participation in decisionmaking	Same
Voluntary Relocation	Access to irrigated land, housing, and other facilities; increased income	Terms of relocation not met; loss of income and capital resources; decreased access to resources (such as forests); loss of indigenous knowledge; cultural isolation; increased workload	Participatory operational plans; cultural continuity activities; transition support; NGO participation	Same
Reduction in Wildlife Damage	Increased yields; increased income; improved relations with Forest Dept.; employment	Time spent in patrolling	Provision of equipment; joint patrols with Forest Department	Same
Park Management Investments	**Expected Benefits**	**Possible Negative Impacts**	**Measures to ensure benefits & mitigate negative impacts**	**Monitoring mechanism**
Survey and Demarcation	Employment; exclusion of land from protected areas	Loss of cultivable land; decreased access to forest land	Government orders on resource-sharing	Same
Habitat Management structures such as firelines	Employment; resource-sharing	Decreased access to forest resources	Government orders on resource-sharing	Same
Habitat Enrichment	Employment; resource-sharing	Reduction of grazing area (buffer zones) and access to non-timber forest products	Targeting of employment; Government orders	Same

Case Study: Nigeria STD/AIDS Prevention Project

Key Feature:

An informal Stakeholder Analysis approach was used to identify stakeholder groups and to plan local consultations with these groups using participatory assessment methods.

Context:

Although currently on hold due to political problems in Nigeria, this project in Plateau State involved an informal Stakeholder Analysis workshop that preceded a series of local consultations and meetings with target groups and other stakeholders. The Stakeholder Analysis became an increasingly open process, with many of the participating groups having never before met face-to-face. The analysis provided valuable information on local development and health priorities, as well as on the varied beliefs and understandings of the different target groups relating to sexually transmitted diseases and Acquired Immunodeficiency Syndrome (STDs/AIDS).

Objectives:

The objectives of the Stakeholder Analysis and the subsequent local-level consultations were to: (i) create an opportunity for government officials at the local, state, and federal levels to work together—and along with local university researchers—in participatory research and project planning; and (ii) determine—by means of participatory methodologies—the various stakeholders groups' views on the causes, symptoms, treatment, and prevention of STD/AIDS, and their respective interests in the project.

Process:

The Stakeholder Analysis involved three different stages. The first step was a preliminary identification of stakeholders, based on the work of pre-appraisal and appraisal missions. This consisted of producing a list of general stakeholder categories, including commercial sex workers, truck drivers, antenatal women, youth, service providers and local, state, and federal government officials. No attempt was made at this stage to assess the interests of these different stakeholder groups or the likely impacts of the project on them.

The second phase of the process occurred when the task manager returned to Nigeria to discuss the planned consultative research with local- and state-level government officials. They expanded the list of stakeholders quite substantially, including for example, traditional healers and religious leaders, and disaggregated the general stakeholder groups identified during the first step into distinct sub-groups. For instance, the category of commercial sex workers was disaggregated into brothel owners, the head commercial sex worker in each brothel, and male as well as female sex workers. The interests of all stakeholder groups and the likely impact of the project on their interests, whether positive or negative, were also

considered at this time. For example, female sex workers were regarded as both potential winners and losers, with the project possibly reducing the number of their clients, but also improving their own health. Also of note, the government officials proved quite open about assessing their own interests in the project— namely that of obtaining more money for their health programs.

The third stage of the Stakeholder Analysis was undertaken when the government officials and local university researchers came together to decide with which of the stakeholders identified they would actually be able to consult in the seven urban and rural sites selected for the fieldwork in three local government areas of Plateau State. This involved targeting particularly vulnerable groups, considering likely access to each group, as well as determining the length of time available for the consultations. A few stakeholder groups had to be excluded from some of the local-level consultations (truck drivers, antenatal women, and patent medicine dealers); however, the majority of the stakeholders were included in the consultations at each site.

Following these consultations, a number of meetings were organized to bring together representatives from the different stakeholder groups to discuss and comment on the findings. Meetings were organized in each of the three local government areas included in the study; and in these forums, probably for the first time, prostitutes, religious leaders, women, and students sat in the same room discussing sexual practices and STD/AIDS concerns. Discussions were heated at times—with, for instance, prostitutes countering the protests of religious leaders that certain practices (such as oral sex) and target groups (male sex workers) did not exist. A state-level meeting was also held to bring together representatives from each of the local government areas to start to develop recommendations for the project based on the findings from the fieldwork.

The whole process of Stakeholder Analysis and consultations took approximately two years. There proved to be ample time for analysis and report preparation due to the political problems that were delaying the rest of the project preparations. The task manager received a grant of US$20,000 from the Africa Region's Client Consultation Fund at the World Bank, which covered the consultations and the subsequent stakeholder meetings. A further grant of US$65,000 from the Ford Foundation allowed a continuation of the work. The task manager spent a good deal of time organizing the process, including the development of a field guide for the research teams; and he also relied on considerable support from the World Bank's Resident Mission in Nigeria.

Techniques:

The Stakeholder Analysis itself did not use any particular techniques except the meetings and brainstorming sessions that were held with the government and university stakeholders involved. However, the Stakeholder Analysis was also closely linked to the local consultations and subsequent stakeholder review meetings. The fieldwork provided an opportunity to test, discuss, and cross-check the assumptions made by the research teams regarding the categories of high-risk groups, and the groups' likely interests in an STD/AIDS prevention program. The consultations,

conducted by the local university researchers (following a period of training in participatory techniques), used a menu of 19 different participatory assessment techniques, from which the researchers selected the most appropriate ones for each consultation. Rather than a questionnaire, consultations most often took the form of semi-structured interviews and included such techniques as body mapping (where women were asked to draw how they imagined their internal reproductive organs were connected to their other body parts), priority ranking of health problems, and preference ranking of different health service providers (among hospitals, clinics, traditional healers, chemists, and so on for various medical needs).

Limitations and Difficulties:

The political problems in Nigeria have been responsible for long delays and, at the time of this writing, a suspension of the project's preparation. Some of the problems encountered in the actual process of Stakeholder Analysis include: difficulties in oversight by the headquarters-based task manager, administrative problems in the World Bank related to processing the relatively small Ford Foundation grant; and an initial reluctance by the research team to use some of the participatory techniques (as they felt insulted, given their research abilities, by the proposal to use such simple information-gathering tools). Perhaps more important, however, the locally prepared report proved quite lengthy and of mixed quality. The approach thus involved some tradeoffs between the objectives of increasing collaboration among and strengthening the capacity of the various levels of government officials and the university researchers involved, on the one hand, and the quality and speed of the work, on the other. Had an international expert in AIDS research been employed to conduct the research, the results would likely have been of better quality and available sooner, but key process objectives would have suffered.

Outputs and Impacts:

The active involvement of local and state government personnel in the planning and conduct of the analysis should prove useful as they take steps to design a more effective program to prevent the spread of STD/AIDS. Also of note, the process tapped into the research and evaluation capacity of the local university, thereby strengthening the links among academia, the government, and community-level health concerns. In addition, the experience gained by those involved in the participatory research is spreading, as some members of the research team have subsequently provided training on participatory methodologies to researchers doing similar work in another part of the country; and two team members participated in an international AIDS conference in Israel to share their experiences. The exercise also gave rise to recommendations that identify and outline strategies for a more central role for local communities in the state's STD/AIDS program planning, implementation, and monitoring.

Background Documentation:
For more information contact Ernest Massiah at emassiah@worldbank.org.

Case Study: Ukraine Coal Pilot Project

Key Feature:

As part of a fast-track pilot project involving mine closures, a rapid Stakeholder Analysis was undertaken to identify vulnerable groups and to examine social impacts and mitigation strategies.

Context:

This Stakeholder Analysis was undertaken within the context of a fast-track pilot project involving the rapid closing of three coal mines in Ukraine, and the addition of possibly another 40 more closures. These measures are associated with a structural adjustment loan, which will involve the restructuring of the entire coal sector. Although once strong, the sector is now a major drain on the economy due to many mines nearing exhaustion and operating with substantial financial losses. The Stakeholder Analysis focused primarily on the social mitigation measures that would be required for these planned closures. The social impacts are likely to be very high, especially if the closures are done rapidly, as many of the affected towns are actually operated by the mining companies and can offer out-of-work mine workers little or no alternative sources of employment.

Objectives:

The principal objectives of the Stakeholder Analysis were to: (i) identify and distinguish the groups likely to be affected by the mine closures; (ii) determine the baseline conditions in the three affected communities to assist subsequent monitoring efforts; and (iii) elicit the perceptions of the miners on the closures and their priorities for assistance.

Process:

The first phase of this Stakeholder Analysis began during the appraisal mission of the pilot project in February 1996. Two social scientists accompanied the mission team to investigate the social dimensions of the closure plans. The work was led by a social science consultant from the United States–based Research Triangle Institute, who spent three weeks in the field (one week in each of the three mines slated for closure in the pilot). The second social scientist, a World Bank staff member from headquarters, spent one week in the field to conduct further consultations. As preparation for this work, a list of some 14 stakeholder groups had been identified by the consultant based on observations made during a previous mission and existing project documents. Of these stakeholder groups, four were selected as priorities for the initial Stakeholder Analysis consultations: (i) underground mine workers; (ii) surface mine workers; (iii) workers associated with other operations supported by the coal mining companies (schools, kindergarten, housing and so forth); and (iv) former mine employees.

Due to time constraints, the consultations were in fact limited to only the first two of these groups; discussions were also held with mine union representatives and mine management staff. The Stakeholder Analysis resulted in the identification of

four stakeholder groups among the mine employees, characterized by the extent of their vulnerability to the closures. This analysis was informed by the responses of mine managers, trade union representatives, and mine workers to two key questions: (i) Who will be hit the hardest by the mine closing? and (ii) Who will adapt best to the impacts of mine closure? The four at-risk groups thus identified were: (i) highest risk stakeholders—single female heads of households with children, whose husbands have died or abandoned them (these women work as unskilled laborers and have no alternative sources of income); (ii) high-risk stakeholders—men and women having relatively unskilled jobs, working in clerical positions or in ancillary services; (iii) at-risk stakeholders—skilled engineers who have little chance of finding similar work in other mines due to very limited demand for their services; and (iv) at-risk but mobile stakeholders— highly skilled underground workers (such as those in charge of explosives) who could be reemployed elsewhere if they were able and willing to move to other mines. This vulnerability analysis also had a gender dimension in that all women staff work above ground, and are, therefore, in the two most vulnerable groups. The Stakeholder Analysis included a breakdown of the percentages of staff in each of the four vulnerable groups, as shown in Attachment 1.

The second phase of the Stakeholder Analysis is now being planned to provide information on the following: (i) the relative power of the different stakeholder groups identified, and the relationships between them; (ii) more systematic baseline data on the three affected communities; (iii) assessments of the poverty, gender, health, and nutrition implications of the closures; (iv) consultations with miners who have already left the mines to pursue employment elsewhere to find out how they have fared. It is planned to contract a locally based NGO, Search for Common Ground, to undertake this second phase of the work. It will involve consultations with a wide range of stakeholders. This phase will also include information-sharing on the proposed closures (such information is currently unavailable to miner families), and an attempt to obtain feedback from the different groups on the proposed components of the pilot project. The total cost of the Stakeholder Analysis (including the first and second phases) will be approximately US$100,000, with an another US$50,000 being set aside for additional stakeholder consultation activities and participation. These costs will be covered by the Policy and Human Resources Development Fund, a World Bank trust fund financed by the government of Japan.

Techniques:

The first phase of the Stakeholder Analysis used in-depth interviews and focus group discussion techniques for the consultations. An interview guide (not a questionnaire) was developed for the individual interviews with miners. These interviews, conducted either in the miners' homes or at the mines, consisted mostly of open-ended questions but also included some standard questions on their current livelihoods to develop a profile of the miner families. Focus group discussions, arranged with the help of union representatives, were also held with miners at their site of work. The consultations with the miners were undertaken by the consultant social scientist, working with a local interpreter from the World Bank field office. Prior to the consultations, the interpreter was trained by the consultant

in the use of qualitative research techniques, and was responsible for the bulk of the dialogues with the mine workers. Interviews with mine management staff were conducted without the help of an interview guide, and interviews with union representatives mostly took the form of focus group discussions.

Limitations and Difficulties:

The fast-track schedule of this project (which was done partly to demonstrate to the Ukrainian government that, despite a poor disbursement record to date, World Bank projects can achieve fast results) has meant that there was little time for the Stakeholder Analysis to be undertaken in a thorough manner and with the use of participatory approaches. Nor was there time for the results of the Stakeholder Analysis to be built into the preparation of the pilot project. Moreover, given that this project and the associated structural adjustment loan involve a highly political issue for the Ukrainian government (as miners have a powerful political voice), and potentially substantial investments for the World Bank, there may be a great deal of resistance to any findings from the Stakeholder Analysis that could be seen as impeding the progress of these projects.

Outputs and Impacts:

One of the most revealing findings of the Stakeholder Analysis was the fact that the social costs of the closures are likely to be much higher than were originally foreseen. An initial estimate by some of the economists involved in the project, based on economic data available from headquarters, predicted that about 80 to 90 percent of the miners made redundant by the closures would be reabsorbed by other mines. In stark contrast, the Stakeholder Analysis showed that even under a best case scenario some 75 to 80 percent of the redundant mine staff will remain unemployed for the first two years. The absorption capacity of other mines is very low and labor mobility is very limited due to severe housing shortages. The Stakeholder Analysis also found that the proposed mitigation package for affected mine staff is very inadequate as it assumes rapid reemployment elsewhere or a transfer into entrepreneurial activities with the support of a proposed microenterprise fund. The Stakeholder Analysis found very little interest among those workers consulted in such a fund, as most see it as the responsibility of the government to provide alternative employment opportunities in their hometowns. In any case, many workers expressed doubts whether these closures would actually take place, as they had been warned of possible closures for decades with no results; and they also felt that the closures could be avoided if management were improved and modernization measures taken. This reveals an urgent need to provide better information to the affected groups, and will be a substantial part of subsequent work on the project.

Affected At-Risk Populations
(from Annex 8 of Staff Appraisal Report)

Levels of Risk:

The analysis revealed four levels of risk. The definitions of these levels were informed by the responses of mine managers, trade union representatives, and mine workers to two key questions: (1) Who will be hit the hardest by the mine closing? and (2) Who will adapt best to the impacts of mine closure?

Level One: Highest Risk [5 percent of all mine staff]

A woman, alone with children, with 70 percent or more of the family income derived from mine wages. This person is clearly the most at risk of losing everything.

L.N. is 35 years old and has lived in the community all her life. She has two school-age daughters. Her ex-husband moved away and provides no child support. She has worked in the mine five years as an unskilled above-ground worker and earns US$32 a month in total family income, all of which comes from the mine. Her job will be one of the first to go and is not considered to be transferable to another mine. She is very worried about how she will take care of her children.

Level Two: High-Risk [29 percent of all mine staff]

Other aboveground workers comprise this category. As a general observation, aboveground workers are considered a highly vulnerable group of workers, not possessing particularly transferable skills. All women staff work aboveground, and 83 percent of the total number of aboveground workers are women.

V.C. is 60 years old and has lived all 60 years in this community. She has worked 30 years in the same mine. She currently works aboveground in the stockyard in an unskilled position. She and her husband have a monthly family income of US$64, which includes their pensions. Their family income is closely tied to the mine and will be cut in half, to about US$1 a day, when the mine closes. She is frightened when she thinks about it closing. No one will hire her.

Level Three: At-Risk [33 percent of all mine staff]

Underground workers in the engineering and other professions comprise this group. They are the highest risk group of the underground workers.

V.G. is a 40 year-old man who has worked 25 years in the mine. He is an electrician underground and earns US$64 a month to support his wife and two school-age children. He is totally dependent on the mine; his wife is unemployed and 100 percent of the family income comes from the mine. He has no savings and worries that the mine closing is going to be a disaster for his family.

Level Four: At-Risk but Mobile [33 percent of all mine staff]

Underground skilled workers (face miners, drifters, timberers/fitters, and coat transport workers). These workers have the best chance of adjusting to a mine closing. They are potentially the most in demand for their skills and hence the most mobile.

O.Z., 38, has worked underground in the mine for 19 years, most recently handling explosives. Seventy-five percent of his family income comes from the mine. His wife earns US$18 a month working in the hospital and he is worried that the hospital will close if the mine closes. He earns US$88 a month. He is worried about the future for his two sons—where will they work? He has lived in the same community his whole life and does not want to leave for another job. His skills raise considerably his chances of getting a new job.

Section 4: Suggestions for Seminars

This section includes a sample agenda for a one-day training seminar on Stakeholder Analysis as well as suggestions for experiential exercises and discussion points for small group work during the seminar. These ideas are provided only as a starting point for trainers and seminar organizers. There are many alternative ways of designing these training events, and experienced trainers will have their own style of working and their own preferences for the kinds of exercises to use. Ideally, of course, a training seminar would be much longer than one day to give participants a chance to work through a detailed case study or to practice some techniques in the field.

SAMPLE AGENDA

9:00–9:30 **Welcome and Introductions**

9:30–10:30 **Overview Presentation and Discussion**

10:30–10:45 Break

10:45–12:00 **Case Study Presentation and Discussion**
Presentation by someone who has conducted a Stakeholder Analysis, describing the process and content of the work.

12:00–12:30 **Introduction to Stakeholder Analysis Matrices and Discussion**
Facilitator presents the Stakeholder Analysis matrices. Participants discuss how these matrices might be useful in their work.

12:30–13:30 Lunch

13:30–14:30 **Presentation of Participants' Cases**
Those participants who are currently planning or considering undertaking a Stakeholder Analysis present very brief descriptions of the project background. These cases will be the basis of the small group work.

14:30–14:45 **Formation of Small Groups**
Participants choose which case interests them most, and a facilitator makes any adjustments to the groups to ensure some mixing of participants and to avoid any groups being too large or small.

14:45–15:00 Break

15:00–16:30	**Small Group Work: Simulating a Stakeholder Analysis**
	Each group works on the real-life case to go through the process of a Stakeholder Analysis, using the matrices below as a guide. A facilitator, knowledgeable about Stakeholder Analysis, will need to accompany each group.
16:30–17:00	**Plenary Presentations of Small Group Work**
	Brief reports by each group and discussion.
17:00–17:30	**Wrap-Up and Evaluations**

SMALL GROUP WORK

The following matrices can be used to give structure to the simulation of a Stakeholder Analysis by the small groups. Where possible, each group should use as the basis of their simulation a project or study in which a Stakeholder Analysis is already being planned or at least considered. While in practice a Stakeholder Analysis will require more in-depth analysis—often involving direct consultations with local-level stakeholders as well as workshops or meetings with institutional stakeholders—the matrices are useful as a means of illustrating the assumptions and analysis upon which the work is based.

There should be at least one person in each group who is familiar with the case being discussed. This individual can start the group work by giving a very brief (five-minute) introduction of the operation and what they would like to achieve by doing a Stakeholder Analysis. The group members then work together to fill in the matrices—identifying the key stakeholder groups (or, as time will be limited, six of the key stakeholder groups), analyzing how they will affect and be affected by the project, and planning for their participation. A completed set of matrices is provided in the Techniques section of the module as an example.

The following assignment sheet can be handed out to participants to help guide their work. The matrices should be enlarged to fit a flip chart, making it easier for the participants to work together as a group.

SMALL GROUP WORK ASSIGNMENT

Elect a rapporteur to record a summary of the group's discussion, fill in the matrices, and briefly present the results in plenary. Your facilitator will help you to accomplish the following tasks.

Discuss the range of stakeholders likely to be involved in the project, and select six key stakeholder groups for the purposes of the exercise.

In Table 1 identify, for each stakeholder group:

- ♦ what *interests* they are likely to have in the project;
- ♦ what *effect* the project will probably have on these interests (positive, negative, or neutral);
- ♦ the level of *importance* of the stakeholder for the project (in other words, to what extent the project focuses on meeting the needs of the stakeholder);
- ♦ the level of *influence* that the stakeholder is likely to have over the project (the extent to which the stakeholder has some control over how the project operates).

Using the information in Table 1, map the relative importance and influence of the stakeholder groups in Table 2. Discuss how the stakeholder groups compare to each other and consider how, if at all, the project should involve the different groups in each stage of the project cycle.

In Table 3, insert some examples of how some of the stakeholder groups can be involved in each stage of the project cycle. The following guide may be useful as you plan.

- ♦ **stakeholders of high influence and high importance**: should be closely involved throughout to ensure their support for the project;
- ♦ **stakeholders of high influence, low importance**: may oppose the project as their interests are not the target of the project, and will, therefore, need to be kept informed and their views acknowledged, where appropriate, to avoid disruption or conflict;
- ♦ **stakeholders of low influence, high importance**: special efforts will need to be made to ensure that their needs are met and their participation is meaningful; and
- ♦ **stakeholders of low influence, low importance**: are unlikely to be closely involved in the project, and no special participation strategies are required for this group (beyond any information-sharing strategies aimed at the "general public").

Table 1.
Steps 1, 2, and 3 of Stakeholder Analysis:
Identification of stakeholder groups, their interests, importance, and influence

Stakeholder Groups	Interest(s) at Stake in Relation to Project	Effect of Project on Interest(s)			Importance of Stakeholder for Success of Project U=Unknown 1=Little/No Importance 2=Some Importance 3=Moderate Importance 4=Very Important 5=Critical Player	Degree of Influence of Stakeholder over Project U=Unknown 1=Little/No Influence 2=Some Influence 3=Moderate Influence 4=Significant Influence 5=Very Influential
		+	0	-		

Table 2.
Step 3 of Stakeholder Analysis (continued):
Mapping Key Stakeholders' Relative Influence and Importance

INFLUENCE OF STAKEHOLDER	IMPORTANCE OF ACTIVITY TO STAKEHOLDER					
	Unknown	Little/No Importance	Some Importance	Moderate Importance	Very Important	Critical Player
Unknown						
Little/No Influence						
Some Influence						
Moderate Influence						
Significant Influence						
Very Influential						

Table 3.
Step 4 of Stakeholder Analysis:
Formulation of Stakeholder Participation Strategy Project

STAGE IN PROJECT PROCESS	TYPE OF PARTICIPATION			
	Information–sharing (one-way flow)	Consultation (two-way flow)	Collaboration (increasing control over decisionmaking)	Empowerment (transfer of control over decisions and resources)
Project Identification				
Preparation Appraisal				
Implementation, Supervision, and Monitoring				
Evaluation				