

LECTURE 2
PROJECT STAKE HOLDERS
MANAGING
STAKE HOLDERS
AND TUCKMAN'S MODEL

Stakeholders?

- “Stake holders are the persons and Organisation, Sponsors, performing Organisations and Public actively involved in the Project or whose interests will be positively or negatively impact by the execution of the project or who may impacted the project”

Project Stakeholder Management Processes

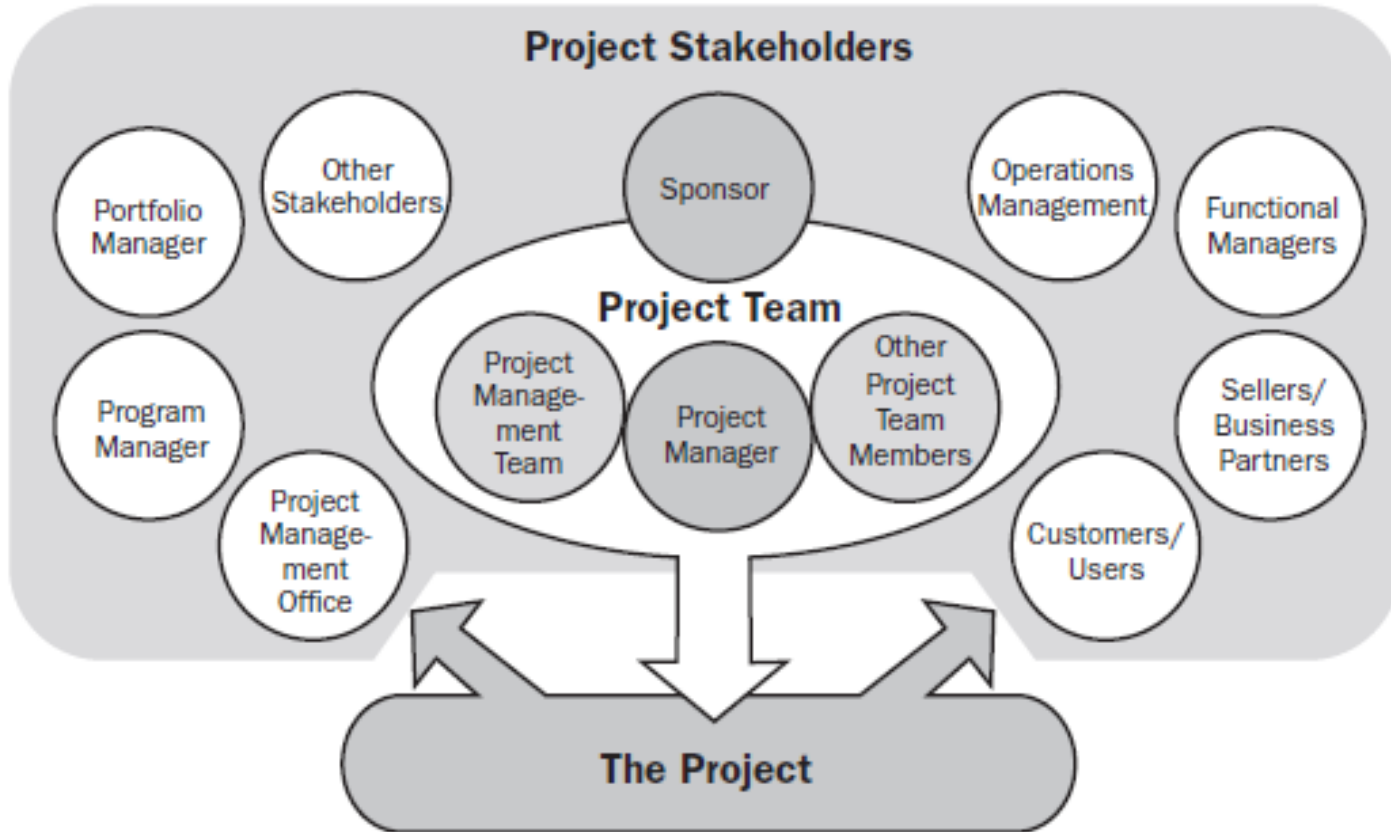
- **Identifying stakeholders:** Identifying everyone involved in the project or affected by it, and determining the best ways to manage relationships with them.
- **Planning stakeholder management:** Determining strategies to effectively engage stakeholders
- **Managing stakeholder engagement:** Communicating and working with project stakeholders to satisfy their needs and expectations, resolving issues, and fostering engagement in project decisions and activities
- **Controlling stakeholder engagement:** Monitoring stakeholder relationships and adjusting plans and strategies for engaging stakeholders as needed

Identifying Stakeholders

- **Internal project stakeholders** generally include the project sponsor, project team, support staff, and internal customers for the project. Other internal stakeholders include top management, other functional managers, and other project managers
- **External project stakeholders** include the project's customers (if they are external to the organization), competitors, suppliers, and other external groups that are potentially involved in the project or affected by it, such as government officials and concerned citizens

Project Stakeholders

Project Life Cycle and Organization



The Relationship Between Stakeholders and the Project

Roles & Responsibilities

- Sponsor
- PM
- Costumer
- Project team
- SMEs

Project Sponsor

- Identifies reason for the project / Expected outcome / Success
- Sets Time frames
- Helps in obtaining resources
- Remove barriers
- Clarify any role or responsibility issues
- Ensure that progress reviews occur after the schedule is finalized
- Review the project team's monthly report
- Keep the team focused on implementing the project management process
- Participate in the project close-out
- Support the Project Manager

PM

- Define and manage customer expectations
- Coordinate development of the project plan
- Monitor and control project work according to the approved plan
- Communicate project status by preparing status reports and conducting progress review meetings
- Establish and follow a change management process
- Lead the project team and resolve conflicts between team members
- Maintain the project notebook
- Conducting project close-out activities

PM's Skill

- Leadership
- Communications
- Organizing
- Negotiating
- Managing conflict
- Motivating
- Controlling
- Team building
- Planning
- Directing
- Problem solving
- Coaching
- Delegating
- Supporting

Project Team

- Identify work tasks
- Estimate the duration of work tasks
- Help prepare the project network diagram Honestly report work status
- Keep the project manager informed on project issues
- Attend scheduled progress review meetings
- Raise issues important to the project's success
- Keep their functional managers updated
- Participate in the project close-out

PM Teams

- **Dedicated.** All or a majority of the project team members are assigned to work full-time on the project. The project team may be collocated or virtual and usually reports directly to the project manager. This is the simplest structure for project manager, as the lines of authority are clear and team members can focus on the project's objectives
- **Part-Time.** Some projects are established as temporary additional work, with the project manager and team members working on the project while remaining in their existing organizations and continuing to carry out their normal functions. The functional managers maintain control over the team members and the resources allocated to the project, and the project manager is likely to continue performing other management duties

Customer

- Provides a point of contact
- Fulfills responsibilities outlined in the statement of work
- Approve measurable success indicators, deliverables, budget & schedule
- Work on Changes
- Closing
- Share lessons learned

Senior Management

- Implementation of PM process
- Assign project manager
- Approve project plan/changes
- Provide resources
- Lead continuous improvement efforts
- Establish priorities among projects
- Provide methods for performing work
- Approve close-out of project
- Help resolve issues and conflict
- Support the project manager

Additional Stakeholders

- Program director
 - Project manager's family
 - Labor unions
 - Potential customers
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- It is also necessary to focus on stakeholders with the most direct ties to a project, for example only key suppliers

Stakeholder Register

- A stakeholder register includes basic information on stakeholders:
 - **Identification information:** The stakeholders' names, positions, locations, roles in the project, and contact information
 - **Assessment information:** The stakeholders' major requirements and expectations, potential influences, and phases of the project in which stakeholders have the most interest
 - **Stakeholder classification:** Is the stakeholder internal or external to the organization? Is the stakeholder a supporter of the project or resistant to it?

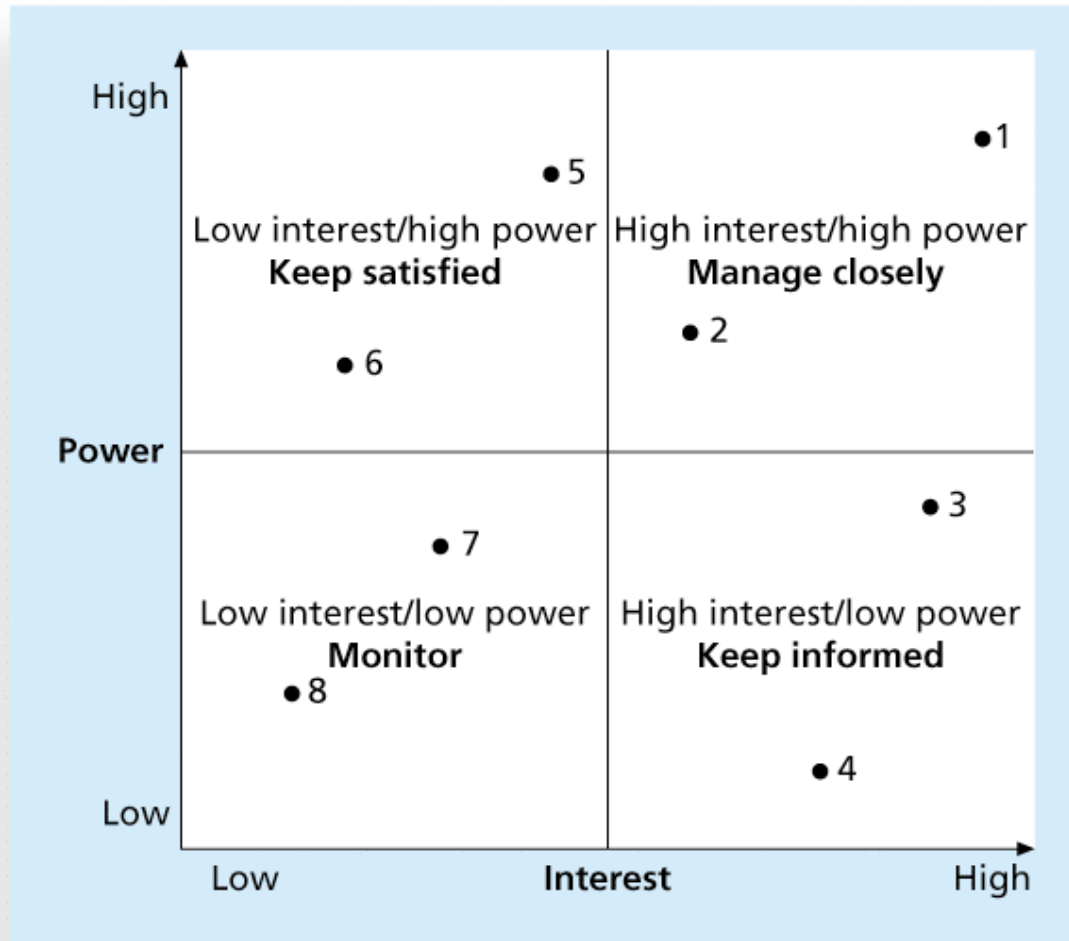
Sample Stakeholder Register

Name	Position	Internal/ External	Project Role	Contact Information
Stephen	VP of Operations	Internal	Project sponsor	stephen@globaloil.com
Betsy	CFO	Internal	Senior manager, approves funds	betsy@globaloil.com
Chien	CIO	Internal	Senior manager, PM's boss	chien@globaloil.com
Ryan	IT analyst	Internal	Team member	ryan@globaloil.com
Lori	Director, Accounting	Internal	Senior manager	lori@globaloil.com
Sanjay	Director, Refineries	Internal	Senior manager of largest refinery	sanjay@globaloil.com
Debra	Consultant	External	Project manager	debra@gmail.com
Suppliers	Suppliers	External	Supply software	suppliers@gmail.com

Classifying Stakeholders

- After identifying key project stakeholders, you can use different classification models to determine an approach for managing stakeholder relationships
- A **power/interest grid** can be used to group stakeholders based on their level of authority (power) and their level of concern (interest) for project outcomes

Power/Interest Grid



Stakeholder Engagement Levels

- **Unaware:** Unaware of the project and its potential impacts on them
- **Resistant:** Aware of the project yet resistant to change
- **Neutral:** Aware of the project yet neither supportive nor resistant
- **Supportive:** Aware of the project and supportive of change
- **Leading:** Aware of the project

Issue Logs

- Understanding the stakeholders' expectations can help in managing issues
- Issues should be documented in an **issue log**, a tool used to document, monitor, and track issues that need resolution
- Unresolved issues can be a major source of conflict and result in stakeholder expectations not being met
- Issue logs can address other knowledge areas as well

Best Practice

- Project managers are often faced with challenges, especially in managing stakeholders
- Sometimes they simply cannot meet requests from important stakeholders
- Suggestions for handling these situations include the following:
 - Be clear from the start
 - Explain the consequences
 - Have a contingency plan
 - Avoid surprises
 - Take a stand

Controlling Stakeholder Engagement

- You cannot control stakeholders, but you can control their level of engagement
- Engagement involves a dialogue in which people seek understanding and solutions to issues of mutual concern
- Many teachers are familiar with various techniques for engaging students
- It is important to set the proper tone at the start of a class or project

Ways to Control Engagement

- Key stakeholders should be invited to actively participate in a kick-off meeting rather than merely attending it
- The project manager should emphasize that a dialogue is expected at the meeting, including texts or whatever means of communication the stakeholders prefer. The project manager should also meet with important stakeholders before the kick-off meeting
- The project schedule should include activities and deliverables related to stakeholder engagement, such as surveys, reviews, demonstrations, and sign-offs.

Break

TUCKMAN'S MODEL OF GROUP DEVELOPMENT

- When groups of people begin to work in teams, they go through a fairly predictable series of stages in their growth and progress. This process can be seen in all sorts of groups: both inside and outside the workplace
- As the team matures and member relationships grow, members gradually learn to cope with the emotional and group pressures they face. Understanding this process can help work groups learn to work together to achieve significantly more than they could as individuals



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

Tuckman (1965) summarized the results of over fifty studies into the following four stage model:

Stage I Form Characterized by testing and dependence

Stage II Storm Characterized by intra team conflict

Stage III Norm Characterized by the development of team cohesion

Stage IV Perform Characterized by functional role effectiveness

Stage V Characterized by releasing team



Bruce Tuckman

5 Stages of Group Development (Tuckman)

- Forming
- Storming
- Norming
- Performing
- Adjourning

TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE I FORM

During Stage I, team members discover what behaviors are acceptable to the group. For newly established groups, this stage is the transition from individual to member status.



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE I FORM

Characteristics of this stage include:

- Attempts to identify tasks in terms of relevant parameters and to decide how the group will accomplish the task
- Decisions on the type of information needed and how it will be used
- Hesitant participation
- Tests of behavioral expectations and ways to handle behavioral problems



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE I FORM

Characteristics of this stage include (cont'd):

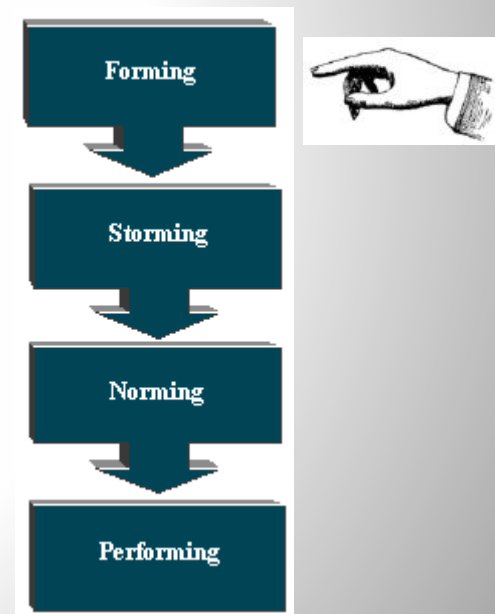
- Feelings of initial attachment to the team
- Intellectualizing
- Discussion of symptoms or problems peripheral to the task
- Complaints about the organizational environment
- Suspicion, fear, and anxiety about the new situation
- Minimal work accomplishment



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE II STORM

During Stage II, team members become hostile or overzealous as a way to express their individuality and resist group formation.



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE II STORM

Characteristics of this stage include:

- Infighting, defensiveness, and competition
- Establishment of unachievable goals
- Disunity, increased tension, and jealousy
- Resistance to the task demands because they are perceived to interfere with personal needs



TUCKMAN'S MODEL OF GROUP
DEVELOPMENT

STAGE II STORM

Characteristics of this stage include
(cont'd):

- Polarization of group members
- Sharp fluctuations of relationships and reversals of feelings
- Concern over excessive work
- Establishment of pecking orders
- Minimal work accomplishment



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE III NORM

During Stage III, members accept the team, team norms, their own roles, and idiosyncrasies of fellow members.



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE III NORM

Characteristics of this stage include:

- An attempt to achieve maximum harmony by avoiding conflict
- A high level of intimacy characterized by confiding in each other, sharing personal problems, and discussing team dynamics
- A new ability to express emotions constructively
- A sense of team cohesiveness with a common spirit and goals
- The establishment and maintenance of team boundaries
- Moderate work accomplishment



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE IV PERFORM

Now that the team has established its interpersonal norms, it becomes an entity capable of diagnosing and solving problems and making decisions.



TUCKMAN'S MODEL OF GROUP DEVELOPMENT

STAGE IV PERFORM

Characteristics of this stage include:

- Members experience insight into personal and interpersonal processes
- Constructive self-change is undertaken
- A great deal of work is accomplished



5 Stages of Group Development

Stage	Theme	Issue
Forming	Awareness	Inclusion
Storming	Conflict	Control
Norming	Cooperation	Cohesion
Performing	Productivity	Team Identity
Adjourning	Separation	Completion

