

Stakeholder Analysis

(Stakeholder Matrix)

Engagement range	Inform
Difficulty level	Medium
Cost	Low (up to \$1,000)
When might you use it	To gain an understanding of the stakeholders To gain an understanding of the likely risks/issues/problems
Number of people required to help to organise	Can be undertaken by a single person
Time to organise	Short (up to six weeks) Medium (six weeks to six months)
Size of audience	Small (up to 10) Medium (11-30) Large (over 30)
Issues/resources to think about	Paper; Stakeholder Matrix (see above)
Innovation level	Low to Medium

Description

Stakeholder analysis is an essential part of developing a useful Engagement Plan.

A common method of stakeholder analysis is a Stakeholder Matrix. This is where stakeholders are plotted against two variables.

These variables might be plotting the level of 'stake' in the outcomes of the project against 'resources' of the stakeholder. Another is the 'importance' of the stakeholder against the 'influence' of the stakeholder.

The concept is the same, though the emphasis is slightly different. Boxes A, B and C are the key stakeholders of the project.

The implications of each box is summarised below:

Table 1: Stakeholder Matrix

		Importance of Stakeholders			
		Unknown	Little/No Importance	Some Importance	Important
Influence of Stakeholders	Significant Influence	Box C		Box A	
	Somewhat Influential				
	Little/No Influence	Box D		Box B	
	Unknown				

Box A

These are stakeholders appearing to have a high degree of influence on the project, who are also of high importance for its success. This implies that the implementing organisation will need to construct good working relationships with these stakeholders, to ensure an effective coalition of support for the project. Examples might be the senior officials and politicians or trade unions.

Box B

These are stakeholders of high importance to the success of the project, but with low influence. This implies that they will require special initiatives if their interests are to be protected. An example may be traditionally marginalised groups (e.g. Indigenous people, youth, seniors), who might be beneficiaries of a new service, but who have little 'voice' in its development.

Box C

These are stakeholders with high influence, who can therefore affect the project outcomes, but whose interests are not necessarily aligned with the overall goals of the project. They might be financial administrators, who can exercise considerable discretion over funding disbursements. This conclusion implies that these stakeholders may be a source of significant risk, and they will need careful monitoring and management.

Box D

The stakeholders in this box, with low influence on, or importance to the project objectives, may require limited monitoring or evaluation, but are of low priority.

Objective

- To provide a clearer understanding of stakeholders and, as a result, provide insights as to how best to engage them.

Desired Outcome

- Better community engagement plans and project outcomes.

Uses/Strengths

- Use for projects either in the early stages, or with a group developing a stakeholder plan. Not as rigorous or as time consuming as a 'CLIP' analysis.

Special Considerations/Weaknesses

- All analytical tools are only models. The tool is dependent on subjective data, and will vary according to the person and situation being used. It should probably not be a public document.

Step by Step Guide

1. Make a list of all stakeholders.
2. Write the name of each stakeholder on a post-it note or index card.
3. Rank the stakeholders on a scale of one to five, according to one of the criteria on the matrix, such as 'interest in the project outcomes' or 'interest in the subject'.
4. Keeping this ranking for one of the criteria, plot the stakeholders against the other criteria of the matrix. This is where using post-it notes or removable cards are useful.
5. Ask the following questions:
 - Are there any surprises?
 - Which stakeholders do we have the most/least contact with?
 - Which stakeholders might we have to make special efforts to ensure engagement?