

Engaging Stakeholders to Drive Transformational Change¹

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Abstract

Technical prowess is not enough in managing change efforts. Crafting a change management plan requires careful consideration and knowledge of stakeholders to introduce, drive, and reinforce change. This paper provides lessons learned and considerations on engaging the right stakeholders, at the right time and using the right medium, to brace an organization for sustainable change.

Build Your Stakeholder Strategy

When going through any transformational change, the best systems, processes, and technology are not always enough to ensure a smooth transition. The success or failure of any change management effort lies in your ability to communicate and engage stakeholders by identifying the right audience, at the right time, using the most appropriate medium to deliver the message. Adept change agents and project managers can avoid miscues through a comprehensive stakeholder analysis and communications plan. These tools will enable the message to not just be communicated, but also be received, understood, and acted upon.

Crisis Averted!

Early in my career, I was part of a team that was responsible for conducting a workload analysis and designing performance activities and standards for a large percentage of an organization's workforce. The goal of this effort was to develop targets that were aligned with the organization's strategic priorities, calibrate performance so that employees were evaluated more fairly, and identify high-performers to share best practices and consider in succession planning. At the same time, our team was also focusing training efforts on core knowledge, skills, and abilities needed to further develop the workforce. Facing an ambitious timeline and lofty goals, we had little margin for error.

Our team followed change management 101, engaged leadership and had executive support, identified key stakeholders and built a guiding coalition, and (over-) communicated the vision and goals of the project. As we neared completion and the product was undergoing executive review, the leadership team brought union leadership to the table to review the "near-final" performance standards. As the discussions digressed, we recognized our near fatal flaw, timing. While we had identified the right stakeholder, we had brought them in too late in the process. Not involving union leadership from the beginning had enabled rumors to circulate and

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metastasize, fear of these changes to spread, and union opposition to harden. It created a perception that the union's opinion was not valued or that leadership was attempting to force change upon them rather than give them a seat at the table.

Our team had to quickly update our project schedule and communications plan to account for this mistake. Whenever possible, in-person meetings with union leaders became the preferred method of communication so that we could respond to body language and build a stronger rapport. Union members who were part of the earlier design process shared their roles and feedback on the process with union representatives to show that there was buy-in and involvement by union members.

Communications were specifically designed or re-shared to show that the goals of this effort were aligned with their goals of fairer employee evaluations, career progression, and identification of training gaps so that skills could be enhanced. With some additional conversations and slight re-work, a project management crisis was averted.

As we captured our lessons learned, we documented three actions to govern stakeholder engagement in future change management efforts.

1. Right Audience: Qualify Stakeholders

While the Stakeholder Register is a useful project management tool to identify stakeholders, it should be a starting block that is frequently revisited. The Stakeholder Register can be as simple as a spreadsheet that is regularly updated. Information captured in the register may include the name, title, role, or categorization of the stakeholder; their power or ability to influence the project (high, medium, or low); and interest in the project (high, medium, or low). Project managers may also include notes on the stakeholders' needs and wants, risks, or concerns. This tool should be dynamic, with engagement strategies adapting to the stakeholders' changing role.

A Stakeholder Analysis Matrix, which graphically displays the categories and potential engagement strategies, can better help project managers adapt their approach. The Stakeholder Analysis Matrix has Power rated low to high on the Y Axis (vertical, moving bottom to top) and Interest rated from low to high on the X axis (horizontal, moving left to right). Power is the stakeholders' ability to make or influence the decision, and Interest is the stakeholders' awareness or desire to influence the decision. The matrix is broken into four quadrants:

- **Keep Satisfied (High Power, Low Interest):** This group of stakeholders is powerful and influential but may not be directly involved or interested. However, they are your "sleeping giants." If awakened or if they suddenly become involved or interested, they can shift the balance on the decision. Project managers should monitor this stakeholder groups' interest level and try to identify events (meetings, project phases, and communications) that could increase interest. For certain stakeholders, project managers may want to design targeted communications to directly increase their interest.

- **Manage Closely (High Power, High Interest):** This group has authority and power and is interested and involved (and may be directly impacted) by the decision. Project managers need to keep this group looped in and will need to determine a strategy for building consensus, managing expectations, and identifying who is ultimately accountable for the outcome. The project manager will need to be aware of competing agendas, concerns, surrogates, and influencers of this group and may need to adapt communication approaches to engage those in this stakeholders' ecosystem.
- **Keep Informed (Low Power, High Interest):** This group of stakeholders is very interested in the decision and may be directly impacted by the decision. However, they have little to no authority. This group wants to be involved and may become detractors if they are not receiving a clear message on what is occurring. This group has the potential to become boisterous if rumors begin to circulate, false narratives are spread, or a less than desired outcome occurs. This group values being heard and having a voice. Communications strategies should include platforms that enable this group to receive messages and feel like their questions and concerns are being addressed.
- **Monitor (Low Interest, Low Power):** This group exhibits little influence and is not directly involved, impacted, or interested in the outcome. While you should consider the role this group ultimately plays and whether there could be a shift in interest or power, this group will be primarily monitored while your attention is devoted to other stakeholders.

2. Right Time: Stand Out from the Noise

Qualifying stakeholders enables you to develop a communications plan for engaging stakeholders, delivering a message, and receiving feedback. Timing is crucial as many distractions can garble or drown out messages. Communications plans should be targeted so that you are reaching stakeholders at a time when they are best able to receive and digest the message, and when you are prepared to deal with their power, interest level, or involvement increasing. When developing your communications strategy, you will need to consider what may be competing for stakeholders' attention.

Are you communicating during a peak sales period when stakeholders may be focused on meeting quarterly performance targets? Will your communications be drowned out by other events or activities? Can communications be aligned and targeted to a specific audience at a specific event, activity, or through a proven mode of communication? Making these considerations will help you amplify your message over the countless other messages competing to be heard.

3. Right Medium: Segment the Market

How many times have you deleted an email without reading it? Attended a meeting in person, but not in spirit? Been fully engaged on a conference call? Not all communication methods are created equal, and oftentimes change requires using the right medium or right combination of mediums to ensure that the message is received,

understood, and acted upon. You need to consider which emails will be read, what activities or events will generate enthusiasm and reinforce messaging, and how frequently the message should be (over-) communicated. Emails, conference calls, forums, office challenges, posters, core values, internal messaging and news sources, and routines are all part of your repertoire. Leverage these and identify other methods for infusing the message into your communications.

Part of choosing your medium is also choosing the messenger. Not all evangelists have the same level of credibility, and optics will also play a vital role in how the message is perceived and received. Using your stakeholder matrix to identify spheres of influence and ulterior motives can help identify the right and wrong change agents. Does this person have a reputation for always following the company line? Doing or saying whatever is necessary to climb the corporate ladder? Is their performance directly tied to this change? Make sure the messenger is someone credible, authentic, and is respected by the group receiving the message.

Another consideration is how that message will be delivered. Some stakeholders may respond well to emotion, others to stories, others to expert opinion, others to the vision, and others to statistics. Certain stakeholders and company cultures may be risk adverse and less focused on the forecasted outcome and more concerned with mitigating risks of the change. Consider which approach will work best for each stakeholder segment and work these approaches into your communications medium.

Conclusion

Most change is only as successful as its stakeholder engagement strategy. Identifying the right stakeholders is only the first prong of the strategy. Evaluating those stakeholders' roles, interest, and concerns and including them in the process at the right moment is the second vital prong of this approach. Finally, determining who shares the message, how that message is shared, and what is highlighted in that message is that third piece

Technical prowess is not enough in managing change efforts. Crafting a change management plan needs careful consideration and knowledge of stakeholders to introduce, drive, and reinforce change. Change managers must take a holistic approach, carefully scenario plan, build relationships, and learn the intricacies of an organization's personalities and politics to brace an organization for sustainable change.

About the Author



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Evan Piekara currently works in management consulting as a Senior Manager for BDO Public Sector. Evan supported the launch of BDO's Public Sector Management Consulting Practice by helping government and nonprofit organizations develop strategic plans, establish and analyze performance metrics, and manage change efforts. In this capacity, Evan has collaborated with a range of executive leaders and managed diverse, cross-functional teams to deliver solutions to complex challenges under tight timelines. Evan currently holds professional certifications in Project Management (PMP), Change Management, Conflict Management, Lean Six Sigma, Total Quality Management, Strategic Organizational Leadership, and Continuous Process Improvement.

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