

Navigating the S's: Engaging Stakeholders for Project Success¹

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Abstract

Project Stakeholder Management has now been added to the 5th Edition of PMBOK® Guide, and is in the new ISO PM Standard 21,500. But this is not a new topic; identification of and management to stakeholder expectations has been a best practice of competent and performing project managers for years.

The Challenge: Some know the challenge of driving the “Esses;” the series of curves on a racetrack. Just as this shows mastery for skilled drivers, skilled project managers appropriately navigate their S's: Engaging Stakeholders early and often is a key differentiator for outstanding project managers. But just how do outstanding performers engage stakeholders? Are their actions intuitive? Can they be learned? How do we know if the actions we take are effective? And, whose job is it to achieve all this?

A Solution: Early stakeholder engagement is a critical success factor in all projects. There are excellent ways to achieve that engagement. This is a key insight, because without early engagement, stakeholders are not on board. Given that insight, the proper timing and processes for achieving later engagement can easily follow. Of course, the right roles must take responsibility for this initial stakeholder engagement, and the ongoing care of that engagement, all the way through Benefits Realization.

The Result: Just as navigating the “Esses” in racing differentiates winning drivers from others, the same applies in managing the S's in the world of project managers. Engaged Stakeholders know the business results they seek, and evaluate all in-project actions needed to assure a winning project at the time of Benefit Realization.

The Challenge: Navigating the Esses

I recall, from my days of Sports Car racing, the importance of aggressively, yet smoothly, navigating “the Esses.” These were the sections of the racetrack with a series of somewhat gentle left and right turns—such that, if you looked at them from above, they looked like several repeated capital letter S's, laid down in a row.

¹ *Second Editions are previously published papers that have continued relevance in today's project management world, or which were originally published in conference proceedings or in a language other than English. Original publication acknowledged; authors retain copyright. This paper was originally presented at the 7th Annual UT Dallas Project Management Symposium in Richardson, Texas, USA in August 2013. It is republished here with the permission of the author and UT Dallas.*



The other competences of racing include preparation, apexing correctly, mastering the braking and acceleration points, all while maintaining steely focus and concentration, and of course, strategic competitiveness. But even with all that, one's performances through the Esses often made the difference between winning and losing. The reason: This is where the most-competent drivers gain the most speed.

The analogy is similar in projects. In projects, the Esses, or S's, as shown in the title, include **Stakeholders**, plus a very special stakeholder, your project **Sponsor**. Given adept attention to these S's, you may achieve a third S: **Success**. Just as in racing, these Esses appear to be gentle curves that the project throws at you—but competent and performing project managers know they are far more than that.

These are the places where you can achieve the most project momentum. And, they are the secret to **winning**. But what are the secrets to navigating these Esses? Clearly, some project managers are far more adept at navigating the project Esses than others; what do they do differently? Where and how did they learn the secrets, and achieve their level of mastery?

Solution: Proven Process for Early-Project Stakeholder Engagement

As Peter Drucker said, "Most anyone today is a good problem solver. The differentiator for a great leader is one who *can find the right problem*." One answer to Drucker's challenge is an early project process that we have used in hundreds of workshops, scores of Rapid Initial Planning™ project start-up consulting engagements, and dozens of project management methodologies. Our secret is to apply the chapter titles of a great book on systems analysis, *Are Your Lights On?*² We use the titles in a workshop exer-

² *Are Your Lights On? How to Figure Out What the Problem REALLY Is*, by Donald C. Gause and Gerald M. Weinberg. Original publish date: 1982; Paperback version published 1990, by Dorset House Publishing, New York, NY. ISBN 0-932633-16-1. Over the years we have adapted the section titles a bit to help alignment with project information needs.

cise that engages stakeholders while clearly defining each initiative's **Who, What and Why**.

Timing: We use this process on day one of the project, or in some cases before it begins, during portfolio analysis and prioritization. A useful prerequisite for this process is a preliminary Project Charter (a one-page version) and preliminary project and business objectives.

Use: We use this process for any problem-solving project (for opportunity-seizing projects we use a different question set). We assemble the project team, including sponsor(s) and key business managers, and ask the following five questions:

1. What is the Problem?
2. What is the REAL Problem?
3. Whose Problem Is It?
4. Where does the Problem Come From?
5. Why Do We Want to Solve This Problem?

Five Q's

Simple, right? Well, yes and no. If you begin the process with six to twelve people, you will find multiple valid answers for each question. And that is part of the point—to get everybody focused on the project problem(s) from different perspectives.

And then, given a set of answers that everyone can agree with, each person goes back to their area and continues the process with their own stakeholders. This starts the project with deep understanding, clear communications, and commitment by those who participate. But we are getting ahead of ourselves; let's explore the use of the questions just a little more.

1. What is the Problem?

Symptom

The first question gets the communication going. The best communication is open-ended questions—as opposed to closed-ended, yes/no questions. So, rather than “do you have any problems in area xyz,” you ask, “*what are the greatest problems in area xyz?*” And then you take notes, or even better, list the responses on a flip chart.

2. What is the Real Problem?

Real Problem

And now we share the first secret of this process: The majority of the time, when people answer the first question above, they tell you the *manifestations* of the problem—the symptoms. This second question digs deeper, to explore the problem further. And now a caution, when using this process in a group: One person's problems may be another person's symptoms. You are not trying to get “the right answer;” you are trying to collect as much information as possible.

By this point, working with a group, you may have 5-10 “problems” or symptoms recorded, and another 5-8 “real problems.” Then, move along to the next step. But before we

leave this step, note this useful distinction: You can *intervene* in problems, but you can only *recover* from symptoms.

3. Whose Problem Is It?

Who = Stakeholders

This question explores your project audiences; your Stakeholder group. The first set of responses you'll get may require some gentle redirection. Answers such as *everyones!* must be made more specific. Rewording the question to "*who is affected the most?*" or "*who has the power to solve it?*" can help improve specificity. We identify roles, and where possible, the names for each *Who*. For most non-trivial problem sets, you should explore beyond the obvious: in addition to who is affected, and can affect, who else has even indirect impact? We have seen typical cases where the *who-all's* are in the hundreds! And understanding this volume early in the project is where the stakeholder power begins.

We next take the recorded list of stakeholders, and aggregate them into three levels:

- a. Those who are *primarily* affected, and can affect the problem
- b. Those who are affected to some extent, and/or can affect some resolutions
- c. Those outside the organization, who are affected and/or can affect the problem's resolution.

And now, here is what we do with this information:

- A. For an internal-only project, those persons named in item a, above are candidates for being your Project Sponsor, or if you have multiples, they should be your Project Steering Committee.
- B. All three groups, a, b and c, are your Project Stakeholders. That is why it is important to collect their names and roles. Note that in some cases, you may have only roles: Field Sales could represent 50—500—or 5000 individuals; and establishing your Linking Pins³ or representatives who convey their concerns can be an entire sub-project by itself.
- C. The project manager and team take responsibility for managing communications with groups a and b; you should consider delegating to your Sponsor the responsibility of managing communications with the external group c.
- D. For each named person or role, go speak to them, individually, or in a group, using our five-question sequence. Add the results to your master list of questions and answers. Note that in this second round, you will undoubtedly discover more stakeholders. Add them to your interview list, but do not extend your interviews beyond the third round of stakeholders.

³ Rensis Likert developed the Linking Pin model of leadership influence, in addition to his more-famous rating scale. Learn about his Linking Pin model on Wikipedia:
http://en.wikipedia.org/wiki/Linking_pin_model.

A Side Note: Just the act of talking to your extended stakeholder group, and expressing concern and interest in their feelings creates rapport. When you ask them about the problems they experience within the area under study, there is an additional powerful benefit: Because of the rapport you have built, your stakeholders are more likely to work hard to make even a sub-optimal solution work.

A Caution: It is easy for project scope to quickly expand, as excited and engaged stakeholders bring up tangential issues. Clearly, a good set of preliminary project and business objectives is important to maintain the in-scope/out-of-scope boundary.

4. Where does the Problem Come From?

Cause

This question gets at the Causes. Each instance of a problem is most-often the intersection, at one point in time, of multiple independent causes. And by eliminating any one interacting cause, you can prevent the problem in the future. Most people are familiar with root cause analysis, and use of the Ishikawa or fishbone diagram. Those tools can be very useful here. Given questions 1, 2 and 4, we now have three levels of response, or tactics: **Recover** from symptoms, **Intervene** in problems, or **Prevent** with causes.

It is a natural human tendency to quickly jump to solutions after getting just a glimmer of an understanding of the problem. This tendency is exacerbated with those who are scientifically-oriented, such as Engineers or computer systems talent.

Note that many who are eager to jump to solutions often select *harder* causes to eliminate, rather than performing adequate problem analysis to find all the causes, then choosing the *easiest* one. In real-world projects, we have seen a five-fold difference in costs between the easiest and hardest causes to eliminate.

5. Why Do We Want to Solve This Problem?

Business case

Here is one place where we varied from the section titles in the “Are Your Lights On?” book. We added the word **Why** to the question. Of course we want to solve this problem! Project Managers are problem solvers! The *Why* adds the missing part to our analysis: Who, What and Why. Which items reflect the What? Questions 1, 2, and 4, the symptoms, problems and causes.

But there are multiple levels of *Why*. Initial *Why* responses might not be strong enough to build a business case. And, while they may be meaningful to one person, or one group, they may not be compelling to decision-makers. So, in the early 1980s, we borrowed, from the Quality movements of the era, the *Five Whys* approach. Here is the way the Five Whys work.

1. When you ask a salesperson **why** they want to solve a problem under analysis, they may say, *because we want to reduce customer complaints*.

2. In keeping with the Five Whys approach, you might then ask, “Why do you want to reduce customer complaints?” The response might be something like, “*because a happier customer leads to more repeat business, and may also lead to referrals to other potential customers.*” Note that we have two *Whys* in this response. Select one of them to continue.
3. “What is the benefit of referrals?” Two notes here: First, you may notice that we changed the wording. Sometimes continuing to ask *Why* starts sounding like a two-year-old—“*Why, Mommy?*” And if the answer seems obvious, your stakeholder may lose interest. The second thing to notice: The *Why* for repeat business is somewhat obvious; but you may be more interested in sales growth, coming from referrals by satisfied customers.
4. We are not done yet—although sometimes we do not need to ask *Why* all five times. The crucial test: Do we have the basis for a quantifiable business case? We may be only one *Why* away. Your salesperson’s reply, “*two good referrals beats a week of cold calls,*” is not yet a business case—for the company; but it has already turned your stakeholder salesperson into an advocate. His or her verbalization of why they want this problem to be solved is more powerful than your merely telling them why this is important.
5. It is possible that you will have to work with the Sales Manager to turn the *Whys* of multiple sales agents into that compelling business case, the *Why* you need to justify this project.

To Recap This Approach

Using the Five Problem Analysis Questions to engage Stakeholders very early in the project does take time. And it is one of the best possible uses of time to kick off a project that has a high assurance of meeting their needs. Why? Because, given engagement, they will demand that you meet their needs.

We now have three sets of project approaches that we can consider, based on the information collected:

1. We can recover from Symptoms. This happens all the time, and it can be healthy, as long as it is different symptoms each time. Windows crashed? Reboot!
2. We can intervene in true Problems, and keep them from getting worse. System unstable? Save and close everything, then reboot!
3. We can prevent, by removing the easiest-to-remove Cause. Sometimes this is cheaper than repeated instances of recovery and intervention, if we are proactive, rather than reactive. System unreliable? Back up all data, and reload from your approved system image or system cd!

The Problem Analysis approach does present a few risks. You should be attentive to them:

- A. Starting a project with high stakeholder interaction sets the expectation that the rest of the project will continue at that high level of interaction. You need to follow through with updates, reviews, and other Stakeholder engagement actions throughout the remainder of the project.
- B. You can start with your Sponsor's *Who, What and Why*, but end up with a project that is four times larger, as you collect and respond to all stakeholder needs. That is why the Charter and Objectives are important. And a hint: Many late project changes are identified earlier with this approach, so you may not be *increasing* the project's size, merely **discovering** the project's size.
- C. Stakeholders may think you are going to do everything they need, including things they have not told you yet. After all, you have communicated perfectly about their needs, right? Well, not all the needs. This is one place where managing stakeholder expectations is important.
- D. Related to the above, some Stakeholders may believe that their part is now done; it has actually only just begun. They need to be involved in requirements elicitation, in organizational change management decisions and actions, in testing, implementation, and benefit realization.

A Success Story: We did an Executive Session on Portfolio Management with one of our best customers. We had the entire executive group, and the program or project managers of the 10 largest initiatives in the organization. Much of our content was similar to the project start-up topics we teach pm practitioners. The Problem and Opportunity Analysis segment was a two hour session, using many of the Executives' own projects as examples. When that segment was completed, here was the comment:

"This information is really powerful, and the process is easy to follow. Do our project managers know how to do this analysis? This would really make it much easier to prioritize our portfolio!"

Our answer: Yes they do, but you have 4-6 levels of managers between those project managers and you, and those managers feel it is their job to filter out all the information they think you don't need to hear.

Whose Job Is It? The Role of Your Sponsor

Okay, so far so good! But how do you get all the right people into this first stakeholder meeting—and the follow-up meetings? And, it seems that this would take a long time in my projects! We have *real work* to do too, you know! Here's where the next of the Es-ses comes in—in the form of that person with the Big Red S on their chest: No, not Superman or Superwoman—we'll call on them as a last resort. No, this big red S means Sponsor. It is her job to get all the right people together, with the right time availability, and the right insights about this project's importance.



Sponsor Engagement is the most challenging of all stakeholder engagement issues. Some think this is an honorary role that requires no effort. Others think they are so effective that they can serve as sponsors for dozens of projects at a time. The role of a competent Project Sponsor is so important that GAPPS, the Global Alliance for Project Performance Standards, has actually developed a Standard for a performance-based certification for Sponsors.

While most Sponsors will not apply for this novel certification, applying the standards in your organization would probably be very useful in improving your Stakeholder satisfaction—and project results.

This Standard is not just a certification issue—it is a project success issue. So much so that in every methodology we develop or tune, we add a list of the key responsibilities of the Sponsor, in a checklist format, so each Project Sponsor can “check off” on their commitment to be an effective project sponsor.

Here is an example checklist of Sponsor responsibilities, from our universal project management and business improvement methodology.

- ☐ Establish and maintain the project vision
- ☐ Fund the project or negotiate for funding
- ☐ Produce or sign off on the Project Charter
- ☐ Approve and communicate the business case
- ☐ Assure the project meets business needs, at startup, throughout, and at closure
- ☐ Represent the project to Organization Executives, keeping them informed and in support of the project effort
- ☐ Define the Project Manager's authority
- ☐ Empower the Project Manager and Team
- ☐ Assure availability of the right Resources, with the right competences, the right amount of time, especially from the project's internal Customers
- ☐ Serve as project spokesperson for all communication outside the Team
- ☐ Eliminate roadblocks outside the control of the Project Manager and Core Team
- ☐ Ramrod or speed approvals (develop a sense of urgency by example)
- ☐ Serve as Chief Issues Officer, assuring quick issue resolution
- ☐ Make the final decision on Change Requests, if needed.
- ☐ Arbitrate disputes, when needed
- ☐ Reward the Project Team

A Story: In the same Executive Session mentioned above, four teams were recording the responsibilities of key stakeholder roles in projects. The group representing Sponsors had been very active and excited about their list, and then, suddenly, turned quiet. I walked over, scanned their list, and saw that indeed, it was an excellent list of responsibilities. The exercise leader, a Marketing VP, was standing there quietly, marker pen in hand. I asked him why the team had stopped. He said, “**I stepped back, looked at our list, and said, it's a great list! Is anyone doing any of this?**” Too true! We all know

what is needed, and somehow never quite get it all done. For that group, when the story was shared with the rest of the Executives, they vowed to commit to the list, and follow it. Twenty years later, they still (mostly) do.

How Much Time Does Stakeholder Engagement Require?

That list of Sponsor responsibilities (above) often elicits the reaction, “Just how much time will I need, to be an effective Sponsor?” We use a *Rule of Thumb* to answer that question for Sponsors, and also for project managers who become overwhelmed with more stakeholders than they imagined. It involves the activities that are part of two key roles that must be managed in every project:

- A. **Task Management:** Structure the phases, delegate activities, estimate activities, schedule the phases, review delegated results, track status, replan, report progress, and control change.
- B. **Team Leadership:** Create and sustain vision, assure public relations, manage expectations, communicate within team, inspire and empower team, build a cohesive team, sustain a “can-do” attitude, and provide support, rewards.

These Team Leadership actions (in the list above) are required *for each stakeholder*. They can be managed and fulfilled by a combination of the project manager, Sponsor, key team members, and others, depending on the size of the project, and the number of stakeholders.

To avoid keeping you in suspense, here is the guideline we use: 5% of *someone’s* time for each project stakeholder, to invest in your project if your team is to fulfill all those Team Leadership actions.

5%

Note that this is a guideline, not a precise measure. And obviously, some stakeholders require more time than others. To test your grasp of this approach consider a 20 person project team, with half of the members working part-time. In addition to the working team members, you have three Sponsors in a Steering Committee, and 42 identified as additional stakeholders. How much project management time should your project manager plan?

Answer: $20+3+42 = 65$ stakeholders (yes, the working team members are stakeholders—they require those Team Leadership actions, don’t they? Multiply $65 * 5\%$ and you see that you require 3.25 people just to manage the Team Leadership functions with your project stakeholders. Of course, you will hopefully identify key business-side leaders who will take on the responsibility for providing this effort for their staff stakeholders, reducing the project manager’s burden—but still, this will require the time of those business leaders, to effectively manage your project stakeholders. Now you may understand why projects that involve hundreds or thousands of stakeholders “out in the field” can be so risky.

We will leave it to another session to explain our rule of thumb for those Task Management actions. Interestingly, we have shared these guidelines with government agencies, major consulting firms, aerospace and defense bidders, Information Technology project teams, and dozens of persons who are responsible for their corporate project management methodologies over the last 30 years. When challenged (because the numbers appear to be high, at first), we explain the source and purpose of the guidelines, and even pesky Finance Managers accept them.

You might say, “we have very committed stakeholders. They are so passionate about this project and its results, that they will stay engaged in the project without all that time commitment.” Good luck! It just doesn’t work out that way, unless you can identify a few “Linking Pins” who will become *ambassadors* for the project to your stakeholder groups. In fact, that is one of our favorite strategies in organizational change projects. But you see, you still need to spend the time with your ambassadors, and their time is a project cost, whether actually charged or not. And you can use the 5% model to inform them about how much time to expect to spend.

The Results: Measuring the Impact in Project Success

When you identify and engage your project stakeholders as early as possible, as we have suggested, how does that affect the project results? Great question, and the answer depends on a few factors:

- Organizational Change projects *only succeed* with stakeholder engagement, early and often.
- Projects that change stakeholder roles, responsibilities or actions are so risky they *can only succeed* with appropriate stakeholder engagement.
- Projects that are not perceived as being strategic, or that have an unclear business case *especially require* stakeholder engagement to even have a chance to succeed.
- Agency projects, where your organization is serving as a contractor to others, demand stakeholder engagement, in your own organization, inside your sub-contractors, and within your client.

Stakeholder Engagement is the “secret sauce” of some of the most competitive enterprises.

Observations and Summary

The 5th Edition of the PMBOK® Guide adds a Knowledge Area for Stakeholder Management. This is a great step in bringing more projects closer to the competitive practices that have been the hallmark of the best project-performing enterprises. But there is a significant difference between Stakeholder Management and Stakeholder Engagement. The process steps are a good start, and there must be much more: The interpersonal skills and leadership skills needed to satisfactorily engage your stakeholders; the com-

munication and action within the organization, and the commitment of the amount of time needed to develop stakeholder rapport are all critical success factors.

Our friend and fellow-project management author and editor Rodney Turner points out the differences between Stakeholder Management and Stakeholder Engagement. For those who have an IPMA or PM Channel subscription, an interview on the subject is available in the IPMA World Congress section at the PM Channel (see www.thepmchannel.com, a great resource for getting PMI PDUs).



Rodney shares an important insight, because with merely management, and not proper engagement, stakeholders are not on board. Given that insight, the proper timing and processes for achieving early engagement can easily follow. Of course, the right roles must take responsibility for this initial stakeholder engagement, and the ongoing care of that engagement, all the way through Benefits Realization.

Following up on Rodney's insight, here is another story. We were working with an enterprise that was having difficulties between their IT and internal customers. While discussing the principles of stakeholder engagement, when we got to "Managing Expectations," a customer-side department manager proclaimed, "*Oh, we know what that is—it's when IT comes to tell us **what else** we're not gonna get.*"

To summarize: We have shared a process and tool that we have used for years to quick-start any project, in almost any application area. It engages stakeholders from the project's start-up, laying the foundation for maintaining that engagement all the way through benefits realization. It also establishes the most important information to have in any project, the Who, What, and Why. It identifies multiple alternative approaches for resolving a problem, while helping, as Peter Drucker said, "to find the right problem." And it begins the project with the communication and interaction needed to assure that your project communication plan is more than just another piece of paperwork.

Just as navigating the "Esses" in racing differentiates winning drivers from all the others, the same applies in the world of project managers. For us, the S's are the Stakeholders, Sponsors, and the needed outcome, Success. Engaged Stakeholders know the business results they seek, and evaluate all in-project actions needed to assure a winning project at the time of Benefit Realization. Responsible Sponsors embrace their responsibilities and get the right Stakeholders to the table. Thus these Esses or S's empower the project team to achieve Project and Business Success.

SSS

About the Author



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When he is not serving not-for-profit organizations, Goff is owner of a USA-based Program and Project Management consulting, tools and learning company. A Project Management practitioner since 1970 and consultant since 1982, he helps improve enterprise, department, project team or individual pm competence, effectiveness and performance.

An insightful consultant and dynamic speaker, Mr. Goff offers workshops of interest to Executives, Managers, Program and Project Managers, and individual contributors. His Project Management tools and methods are used by government agencies, Enterprises, consultancies and individuals on six continents. By the year 2000, he had exposed over 45,000 people to the World of Project Management. And, he does not just teach project management, he lives it. Email: Stacy.Goff@gmail.com; Website: <https://StacyGoff.com>