

H4 Consulting Brief

Stakeholder Analysis

The importance of stakeholder relationships is a key feature of publicly funded organisations. Stakeholders are not just customers, suppliers, or interested parties, they are a key source of legitimacy and support for public endeavours. The H4 Consulting Stakeholder Analysis Model (SAM) is an easy, effective way to collaboratively analyse stakeholders and identify appropriate strategies to manage relationships with those stakeholders.

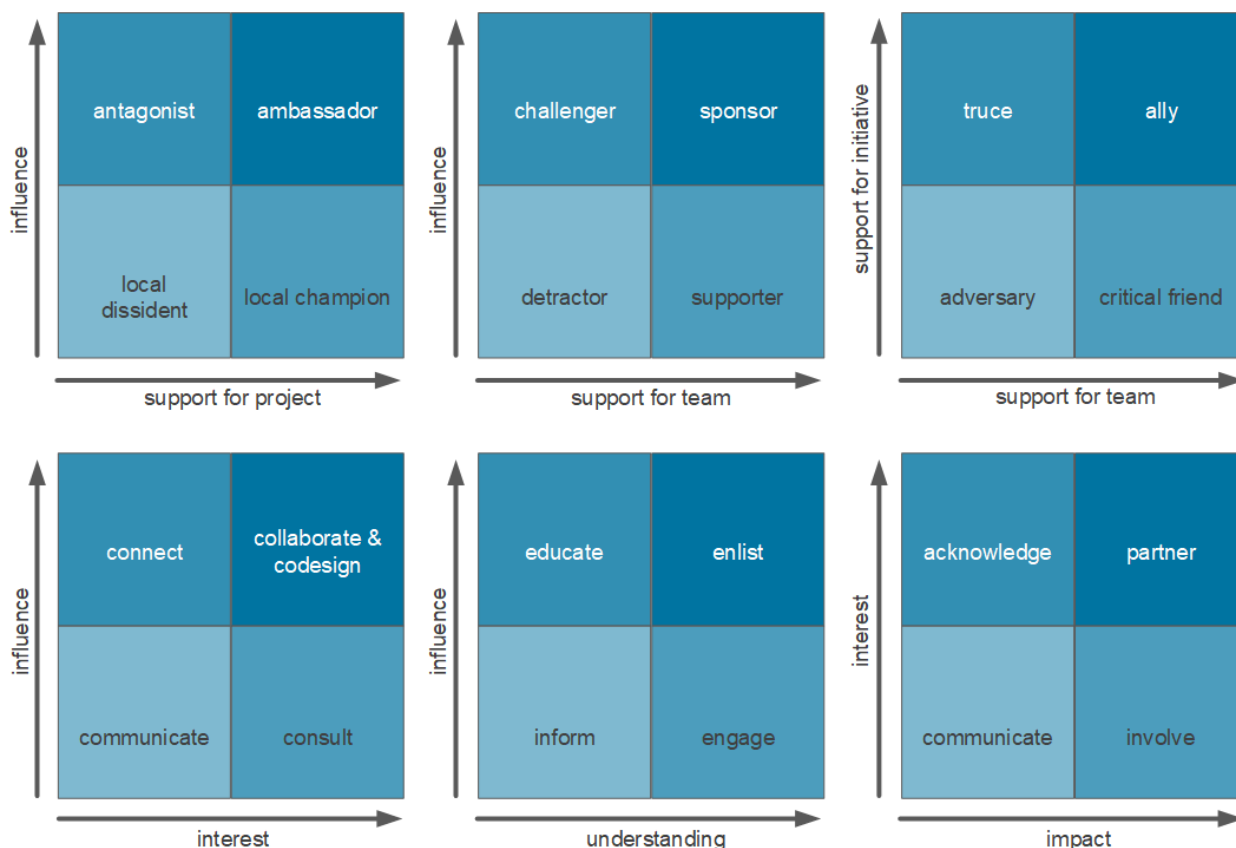
The Stakeholder Analysis Model maps the relative positions of stakeholders on six dimensions:

- influence
- interest
- understanding
- support for project aims
- support for project team
- impact.

Stakeholders are represented on a series of 2 by 2 matrices that offer useful insight on engagement.

The process of assigning scores to stakeholders on each dimension is designed to be collaborative. Participants enter scores independently. The average of these scores is then automatically plotted to draft charts for further discussion and refinement. The more people participate in the process, the more comprehensive the stakeholder analysis will be.

The cells in each chart highlight likely behaviour of the stakeholders mapped to that cell and suggest strategies for managing these important relationships.



For example, comparing Interest and Impact highlights the need to ensure that the people most affected by an initiative understand its intent and likely consequences. This is particularly important for vulnerable stakeholders who may need advocates to represent and protect their interests.

Internal and external stakeholders are likely to have relationships with many people in your organisation. Establishing early consensus with your colleagues can help to ensure consistency and clarity of interactions with stakeholders and increase the effectiveness of your engagement strategies.

Examining the position of stakeholders across the range of matrices, supports a nuanced and tailored approach to managing stakeholder relationships.

For publicly funded organisations, stakeholders are more than just interested outsiders. They are part of the authorising environment that elects policy makers, making stakeholders a powerful source of both political legitimacy and political courage. It's difficult to create public value without public support, and it's a lot easier to know who's behind you when you know where they stand.

To find out more about how you can use this approach in your organisation, contact us: info@h4consulting.com.au
Find additional resources at www.h4consulting.com.au/resources