Stakeholder analysis guide

What is a stakeholder?

- We follow Freeman (1984) and define a stakeholder as any individual, group or organisation that can affect or is affected by an intervention.
- Mana whenua and tangata whenua should not be considered stakeholders. While they may well have a 'stake' in an intervention, as a treaty partner, they hold a different status than stakeholders. As such the principles of participation, partnership and protection should be applied when considering Māori interests and values.

Why do stakeholders matter?

- Being aware of who might have a 'stake' an intervention and how it is implemented is critically important.
- Stakeholders may or may not be involved in the design, implementation and/or evaluation of the intervention.
- An intervention's success depends on a variety of stakeholders including patients, whānau, community, clinicians, managers, regulatory bodies, policy makers and politicians.
- Stakeholders provide resources, know-how and the intervention's social license to 'operate' and so their interests and values must be taken into account.

Who is a stakeholder?

- "The principle of who or what really counts" (Freeman, 1994).
- There are lots of different ways of categorising stakeholders. Ultimately, who counts as a stakeholder is a matter of perspective, and depends on how the boundaries are drawn around the intervention.
- But who should be included or excluded from a system of stakeholders?
- A helpful framework is set out by Mitchell et al. (1997) who distinguishes between stakeholders based on the *power* they have, how *legitimate* they are in the eyes of others, and the ability to command attention (*urgency*). In this way, stakeholders can be classified as definitive (having power, legitimacy and urgency), dominant (having power and legitimacy), dangerous (having power and urgency) and dependent (having legitimacy and urgency).

How are stakeholders identified?

- Bryson (1995) provides a simple way to determine stakeholders and 'stakes'.
  - Brainstorm potential stakeholders.
  - For each stakeholder:
    - Note their expectations about the intervention, how they can influence the intervention and the extent to which stakeholder expectations have been met; and

- Determine what would satisfy expectations in the short term and note long-term issues.
  - o This technique is useful for developing a shared understanding about stakeholder interests, values and prioritises.
- The 'power versus interest grid' can provide additional insights into stakeholder dynamics
  - o Brainstorm stakeholders (or draw on existing list of stakeholders);
  - o Locate each stakeholder on a 2x2 grid set out in Figure 1;
  - o Assess the extent that each stakeholder is a *player* (high interest and high power), a *subject* (high interest and low power), a *context setter* (high power and low interest) or part of the *crowd* (low power and low interest); and
  - o Develop a stakeholder management plan. Actions include those to manage players, consult with context setters, involve subjects and monitor the crowd.
  - o This technique is useful for creating robust stakeholder management plans and crafting strategic communications.
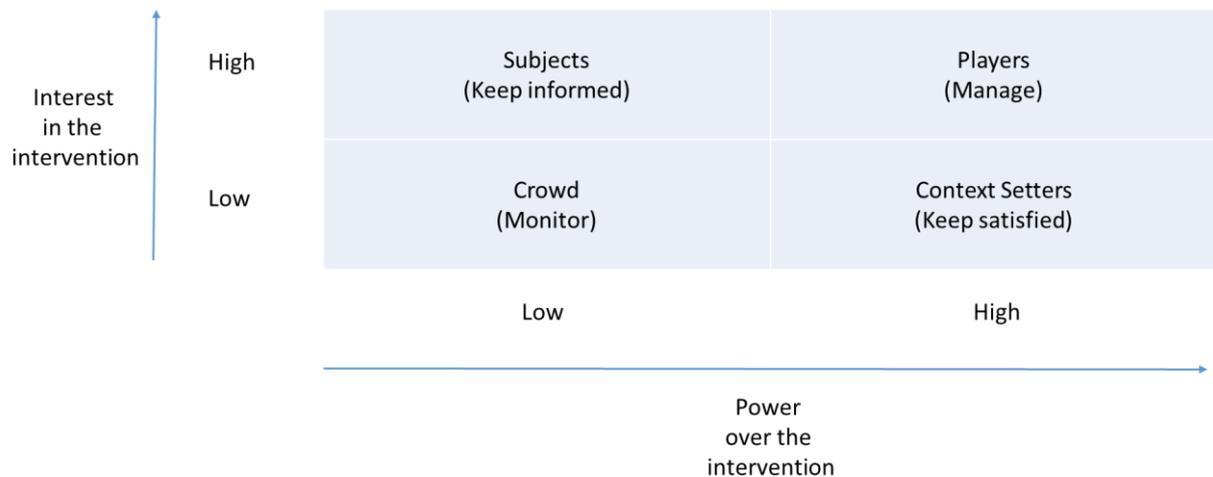
	Low Power	High Power
High Interest	Subjects (Keep informed)	Players (Manage)
Low Interest	Crowd (Monitor)	Context Setters (Keep satisfied)

Interest in the intervention (vertical axis)

Power over the intervention (horizontal axis)

Figure 1: Power vs. interest grid (Ackermann et al., 2005)

What assumptions are made about stakeholders?

- All interventions including policies, programmes and/or pilots make assumptions about the interests, values and capacities of stakeholders. The extent to which these assumptions are valid can significantly impact on success of an intervention including its implementation.
- The assumption rating chart developed by Mason and Mitroff (1981) provides insight into stakeholder assumptions.
  - o Brainstorm stakeholders (or draw on existing list);
  - o Note what assumptions are made about each stakeholder
  - o Locate each assumption on the assumption rating chart set out in Figure 2

- o Assumptions that are 'least certain' but 'most important' highlight weaknesses in the intervention. Assumptions that are 'least important' but 'least certain' lend themselves to monitoring and review.
- This technique is helpful to test and strengthen interventions.

Most certain

Least
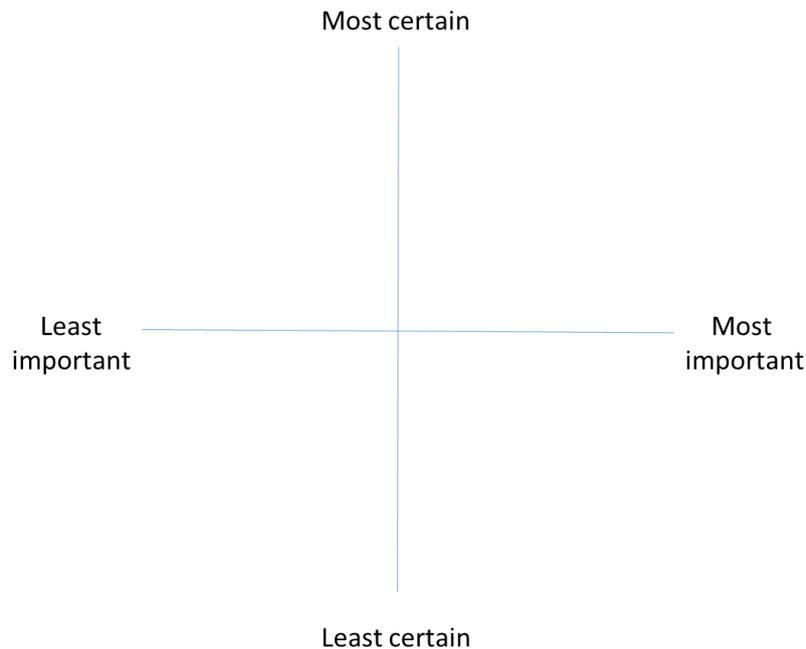important

Most
important

Least certain

Figure 2: Assumption rating chart (Mason and Mitroff, 1981)

References

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Freeman, R. (1984). Strategic management: A stakeholder perspective. Pitman, Boston.Mason, R., and and Mitroff, I (1981). Challenging strategic planning assumptions. John Wiley and Sons, Chichester.

Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. Academy of Management Review, 22(4), 853-886.

Further reading

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Achterkamp, M. C., & Vos, J. F. (2007). Critically identifying stakeholders: evaluating boundary critique as a vehicle for stakeholder identification. Systems Research and Behavioral Science, 24(1), 3-14.