Stakeholders Analysis

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Importance of stakeholders analysis

1. **Identify conflicts of interest (actual & potential) between stakeholders**

2. **Identify positive relations between stakeholders to promote ownership and cooperation**

3. **Identify negative relations between stakeholders (this may limit the scope of the strategy)**

4. **Identify the type of participation most appropriate for different stakeholders**

Types of stakehodlers

- **Primary stakeholders**
    - Who are likely to be affected by the issue or a potential response both positively and negatively
    - E.g. farmers, children, community members

- **Secondary stakeholders**
    - Intermediaries in the process
    - Often related institutions
    - E.g. funding agency, government organizations, NGOS, politicians, and local leaders

Basic steps: Stakeholders Analysis

1. **Draw up a stakeholder table**
   - identifying the stakeholders according to their interests (overt and hidden)
2. **Develop a relationship matrix**
   - 'mapping' each stakeholder's importance to issues and their relative power/influence
   - Indicate what priority should be given to meeting their interests
3. **Identify risks and assumptions affecting stakeholders**
   - What is the role of stakeholders if the strategy is to be successful?
   - What negative responses might be expected?
   - What impact would these have on the activity?
4. **Identify appropriate approaches to stakeholder participation**
   - Partnership with stakeholders with high importance
   - Consulting those with high influence
   - Informing those with high influence but with low importance

Brainstorming method

- **Basic demography:**
  - men/women. rich/poor, young/old
- **Location**
  - Rural/urban, near the issue/far away, city town village/region
- **Ownership**
  - Manager, staff, unions, councils
- **Function**
  - Producers/consumers, policy-makers/implementers,
- **Scale**
  - Small-scale/large-scale, local/international communities
- **Time**
  - Past, present, future generaions

Analyzing the relationships

- **Function of the relationship**
  - Whether it is legal/contractual; information exchange; interpersonal links; power-building, etc
- **Strength of relationship**
  - Frequency of contact, intensity of contact
- **Formality of relationship**
  - Whether formal or informal relationship
- **Dependence between stakeholders**
  - A business-type dependency; regulatory-type dependency; technical dependency or social dependency
- **Quality of relationship**
  - Each stakeholder's perception of relationship with other parties
  - E.g. 'good', 'moderate', 'conflictual' etc.

Stakeholders Analysis: limitations

- **Stakeholder groups overlap**
- **Stakeholder groups change over time**
- **Problem of representation**
  - Some stakeholders may get under-represented or misunderstood
- **Stakeholders analysis is an information tool rather than one for decision-making → cannot provide easy solution**
  - Challenges
  - "what is the common ground for compromise?"
  - "How to manage conflict?"
  - "Which stakeholders' interest to prioritize?"