



WORLD
CONFERENCE
ON QUALITY
& IMPROVEMENT

ANAHEIM, CA | HYBRID
MAY 15 – 18, 2022

Identify, Prioritize, and Engage Stakeholders

To Achieve Ongoing Stakeholder Accountability

Daniel Zrymiak, ASQ Fellow

May 17, 2022

**ART and SCIENCE
OF QUALITY**

Presentation Purpose

- This presentation applies proven practices from Social Responsibility and Project Management to:
 - Identify Stakeholders
 - Prioritize Stakeholders
 - Engage Stakeholders
 - Achieve Ongoing Stakeholder Accountability

Learning Objectives – Take-Aways

- The presentation follows the **Stakeholder Journey** with explanations, examples, methods for use:
 1. Stakeholder Engagement and Risks to the Project.
 2. Identify, Analyze, Engage, Communicate, and Manage Stakeholders to achieve Project Goals.
 3. Assess Stakeholders' Needs, Review Plans, and Prepare Stakeholder Artifacts.
 4. Close the Loop: Identify, Prioritize, and Engage Stakeholders for compliance, fulfillment, and success.

Identify Stakeholders: Driving Motive

- Driving motive from Social Responsibility **Principle #4**
ISO 26000: Respect for Stakeholder Interest
 - *“Organizations should identify their stakeholders as being individuals or groups with interests in decisions and activities of the organization.”*

Identify Stakeholders: Benchmarking Sources of Project Risks

- Benchmark from Social Resp. **Principle #4 ISO 26000:**
Respect for Stakeholder Interest:
 - Legal Rights and Interests: Be conscious, respect, recognize.
 - Capacity to Engage: Consider how to contact and interact effectively for informed decisions.
 - Representation of Society: Do their interests align with Society?
 - Impact on Governance: How do interests and viewpoints affect the organization's governance, and what are the implications?

Identify Stakeholders: Overview

- Conduct a Needs Assessment to identify and manage Stakeholders.
- Consider the Sphere of Influence of the internal and external Stakeholders:
 - Day-to-Day Processes/ Transactions,
 - Ongoing Governance,
 - Holistic Economic,
 - Legal/ Political,
 - Public Opinion/ Social Media

Identify Stakeholders: Needs Assessment

- Conduct a Needs Assessment to identify Stakeholders.
- Identify Stakeholder:
 - Who are they and how do they affect success?
- Conduct Stakeholder Analysis:
 - What are the characteristics and priorities of each Stakeholder?

Identify Stakeholders: Needs Assessment

- Determine Approaches for Stakeholder Engagement and Communication:
 - Which ways to best connect with the Stakeholders?
 - How frequent and what format for communications?
- Manage Stakeholder Engagement and Interactions:
 - When and where does engagement occur?
 - How is it most effectively deployed?

Identify Stakeholders: Sphere of Influence

- Governance:
 - Representing rules, regulations, and authorities
- Economic:
 - Dependencies and necessity (or discretionary) roles
- Legal/ Political:
 - Legal mandate to enforce or influence behaviors
- Public Opinion:
 - Impact of general constituents and participants.

Identify Stakeholders: *PETIT* Pathway To Portfolio Engagement

- **P-Preparation:**
 - Investigate and monitor target stakeholder types
- **E-Empathetic:**
 - Seek to understand *What's In It For Them* to collaborate
- **T-Transparent:**
 - Disclose levels of control and expected outcomes
- **I-Integrity:**
 - Follow through on commitments, and resolve issues
- **T-Testimonial:**
 - Use stable Stakeholder relationships to build new ones

Prioritize Stakeholders: Overview

- Determine and quantify concerns, based on costs and risks.
- Compare concerns to acceptable industry baselines.
- Set Key Process Indicators (KPIs) to track performance.
- Determine and quantify levels of concern

Prioritize Stakeholders: Approach

- Highlight potential objections and resistances to change
- Conduct and refine Stakeholder analysis including:
 - Impact,
 - Urgency,
 - Proximity,
 - Frequency.
- Apply resolution of objections to Project Plans.

Prioritize Stakeholders: Objections & Resistances to Change

- Potential Objections
 - Unsustainable increases to cost and scope
 - Expansion of legal complexity and financial accountability
 - Exceeds expected responsibilities and accountabilities
- Resistances To Change
 - Retain existing business model and regulatory protocol
 - Introduction of more risks, issues, incidents, and problems to be managed
 - Improper exposure of proprietary organizational knowledge

Prioritize Stakeholders: Objective Levels of Concern

- Determine Levels of Concern for Core Practices
 - Qualitative and Quantitative evaluations.
 - Compare with required and acceptable industry baselines
 - Determine extent of correction, enhancement, and best-in-class targets
- Quantify Levels of Concern to Cost and Performance Metrics
 - Estimate business risks and costs of non-compliance.
 - Project potential competitive premiums for strategic SR advantages
 - Set Key Process Indicators (KPIs) to monitor and raise performance

Prioritize Stakeholders: Criticality

- Criticality of Impact and Urgency

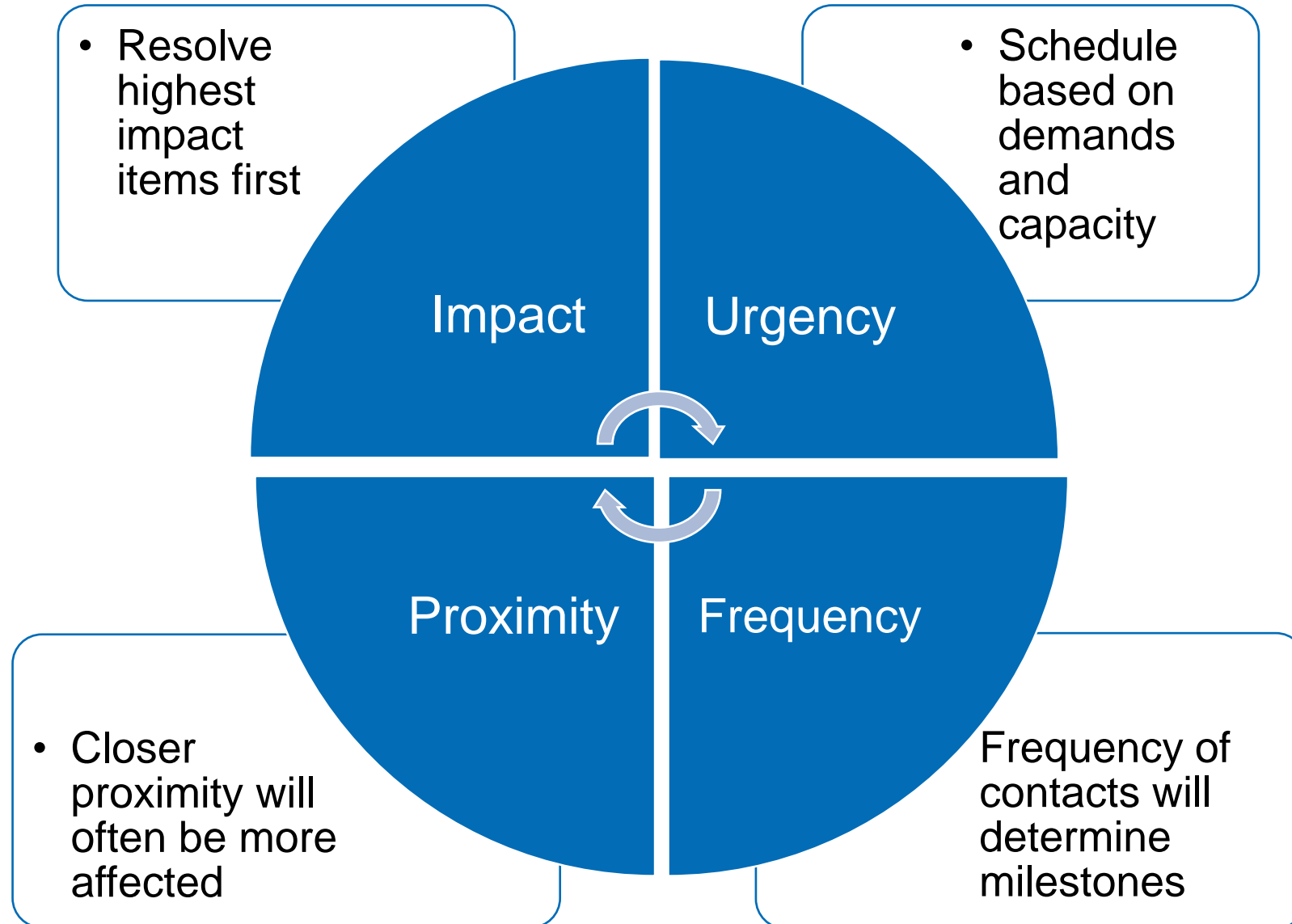
- Chart and rank for criticality

- Consider Proximity and Frequency

- Support the closest stakeholders
- Contact frequency and expectations

- Resolve highest impact items first

- Schedule based on demands and capacity



- Closer proximity will often be more affected

- Frequency of contacts will determine milestones

Engage Stakeholders: Overview

- Monitor external and internal flows into and through the organization
- Engage Stakeholders at their critical points of influence and interactions (i.e. Decision-Makers).
- Manage the narratives and messages to avoid competing information flows which might introduce conflict or contradictions.

Engage Stakeholders: Flows Into and Through Organizations

- Foundational (Sponsors, Gatekeepers)
 - Proprietors (Founders, Primary Owners),
 - Senior Leadership (Executives),
 - Functional Leadership (Department Heads)
 - Shareholders, and Financial (i.e. Creditors)
 - Regulators
 - Professional Groups

Engage Stakeholders: Flows Into and Through Organizations

- Supply Chain (Partners and Service Providers)
 - Suppliers and Subcontractors, Professional Services, Brokers
- Recipients (Downstream Constituents)
 - Direct: Distributors, Clients, End Users, Downstream Customers
 - Indirect: Communities, Environments, Ecosystems, Society

Engage Stakeholders: Obtain Stakeholder Approvals

- Conduct and Refine Stakeholder Analysis:
 - What analysis is relevant?
 - How do the conclusions influence and drive project decisions?
- Obtain Stakeholder Approvals:
 - How do we identify and properly engage **decision-makers**?
 - How do we **Gain Approvals** from decision-makers with **Suitable Authority**?

Engage Stakeholders: Communications Approaches For Stakeholder Categories

- Sponsors, Financiers: Proprietors, Shareholders, and Financial Supporters (i.e. Creditors)
 - Specific Summaries with KPIs, Performance against targets
 - Potential Risks relative to laws, regulations, and identified concerns
- Peers, Cohorts: Joint Venture Partners, Collaborators
 - Duties: Delineation of responsibilities and shared commitments
 - Next Steps: Holistic, affirmative approaches to collaborative solutions

Engage Stakeholders: Communications Approaches For Stakeholder Categories

- Dependents, Staff, Delegates:
 - Lead with Servant Leadership and Transparency.
 - **Explicit Systems** with templates, references, and directions
 - **Knowledge Base** to establish context and importance
 - Reinforcement of **Core Values and Principles**
 - **Lessons Learned**: Corrective action and resolution of violations and discrepancies.

Engage Stakeholders: Communications Approaches For Stakeholder Categories

- Oversight Agencies: Regulators, Industry Oversight
 - Records: Traceable records, Audit trails
 - Reports: Investigation files showing diligence and transparency
- General Public: Advocacy groups, Community delegates
 - Validation: Confirm understanding of interests and priorities
 - Alignment: Adjust to meet or mitigate concerns raised

Stakeholder Performance: Overview

- Reconcile Stakeholders' interests and objections
- Track and monitor ongoing accountabilities.
- Track communication interactions at all levels of Stakeholders along with open commitments, outstanding risks, unresolved issues, and escalations.
- Summarize KPIs and Metrics, to establish fulfillment of Goals.

Stakeholder Performance: Tracking Communications

- Cadence of Regular Schedule
 - Submit updates and reports as required or agreed.
 - Collect updates and convene checkpoint interactions.
 - Archive previous artifacts (i.e. transcripts, meeting records).
- Special Purpose Communications
 - Track for purpose
 - Retain for future reference

Stakeholder Performance: Tracking to KPIs and Metrics

- Goal > Question > Metric
 - Conduct Stakeholder Engagement
 - Define and Prioritize the Organization's Goals.
 - Specify Questions eliciting the fulfillment of Goals.
 - Define Metrics that respond to Questions, revealing Goal Performance.
 - Communicate Metrics with significance and next steps.

Stakeholder Performance: Tracking to KPIs and Metrics

- Goal > Question > Metric > Example:
 - Stakeholder Priority: Reduce non-recyclable waste,.
 - Goal: Reduce non-recyclable waste by 30%
 - Question: What are annual changes to non-recyclable waste?
 - Metric: Year-Over-Year changes to non-recyclable waste
 - Organization wide
 - By geographic location
 - By functional area or department

Stakeholder Performance: Tracking to KPIs and Metrics

- Track Operations to KPIs.
 - Define data sources and summarize for periodic updates.
 - Communicate KPIs, highlighting the impact to overall Goals and Core Values and Principles.
 - Monitor trends, Celebrate wins, and address Challenges
 - Engage Stakeholders with specific performance information.
 - Reconcile Stakeholder Performance back to Commitments.

Stakeholder Performance: Reconciliation and Control

- ✓ Stakeholders Identified and Prioritized
- ✓ Stakeholders' Interests and Objections Captured
- ✓ Stakeholders Engaged With Suitable Communications
- ✓ Stakeholders Reconciled With Interests and Objections Controlled
- ✓ Stakeholder Accountability Tracked and Monitored

Confirmed Objectives – Take-aways

- The presentation followed the **Stakeholder Journey** with explanations, examples, methods for use:
 1. Stakeholder Engaged and Risks to the Project covered.
 2. Identified, Analyzed, Engaged, Communicated with, and Managed Stakeholders to achieve Project Goals.
 3. Assessed Stakeholders' Needs, Reviewed Plans, and Prepared Stakeholder Artifacts.
 4. Closed the Loop: Identified, Prioritized, and Engaged Stakeholders for compliance, fulfillment, and success.

MANAGE YOUR STAKEHOLDERS NOW

*Identify, Prioritize, and Engage
Your Stakeholders
For Compliance, Fulfilment, and
Success*



Questions?

Daniel Zrymiak, ASQ Fellow –

Email: dzrymiak@memberleader.asq.org ; dzrymiak.asq@gmail.com