Stakeholder analysis

Supporting document to the Video tutorial on Project Development, step 2

1. Why is stakeholder analysis needed?

Stakeholder analysis helps you to understand the interests and concerns of groups whose participation and support is crucial to the success of your project. These are individuals or organisations who have a "stake" in your project, either because they are interested in the problem you want to solve, or they may be directly involved into project activities, or because their interests will be affected as a result of the project implementation.

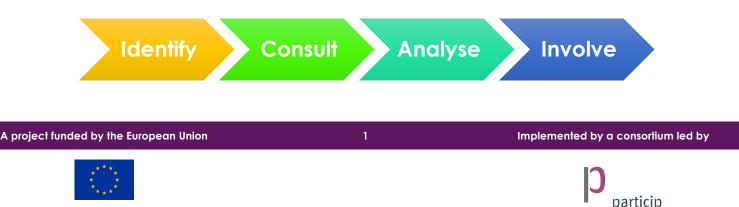Identification and analysis of these groups will help you to

- Better understand the problem that you are solving in the project

- Define your project activities, for example, communication planning and stakeholder involvement into the strategic management of the project;

- Identify groups that need to be involved into project during its implementation;

- Win their support and reduce the potential negative impacts.

It is important that you identify the stakeholders already during the project development stage. By carrying out the analysis, you will be able to better understand their interests, potential conflicts of interests, define risks and plan activities to mitigate them.

2. How to carry out the stakeholder analysis for your project idea?

What to do:
There are four main steps in the stakeholder analysis, and this exercise will result into the stakeholder matrix.

Identify **Consult** **Analyse** **Involve**

particip

(1) **Identify** who may affect or be affected by the problem that you will address in your project, either directly or indirectly. Make sure that you do not mix groups with different interests:

  - *Who is involved? What interest do they have in the implementation or outcome of your project?*

(2) Do not assume that you know their interests and concerns, but rather **consult** them to understand how they are affected by the project:

  - *What motivates them? What is their capacity?*

(3) **Analyse** how the stakeholders affect the success of your project and how their interests need to be taken into account/ addressed in the project, create the matrix:

  - *Where do you need the stakeholder's support? If they are not positive about your project, how could you make them support it?*

It is **important** that you identify the stakeholders, understand and analyse their needs, and describe them in the project application. And it is **crucial** for the success of the project that you take them into account when planning your project activities.

(4) Plan your project activities with due respect of **the stakeholders** and their needs, **involve them** or address their interest:
  - *How can their needs be addressed? What information do they need from you, and what is the best way of communicating with them?*

3. Video illustration

Below you will find the example developed in the video tutorial. Remember that the "stakeholder matrix" is a working tool towards developing your project.

STAKEHOLDERS	How affected by the problem	Capacity and motivation to bring about change	Possible actions to address their interest
Inhabitants	Worried about health consequences of polluted water	Be able to swim in clean water. Participate in events, share information	Educate them on what they can do themselves
Farmers	Have to guess how much fertilizer to use	Economize on fertilizer, know area in detail	Demonstration of economic benefits
Fishermen	Income lowered due to fewer fish caught	Get sufficient income from local waters, Detailed knowledge of water bodies	Give them stage to talk about importance of clean water and a healthy fish stock
Property owners	Inferior water quality next to their gardens	Want to keep nice view but also cleaner water, May work together in putting plants on shores	Explain & show that plants on shore can help improve water quality and keep view
Environmentalists	See biodiversity being reduced, less nature to be enjoyed	Mission to protect nature. Knowledge of area and of what works well	Involve as much as possible in project management and meetings
Authorities	Citizens dissatisfied by water quality. Pressure to protect nature but also economic activity	Political motivation to make improvements. Experience and resources to implement and coordinate measures	Arrange meetings for and brief officials from different areas (environment, agriculture, utilities, economy), provision of equipment and training