

Public Policy Management: W15. Stakeholder Analysis

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Week	Main Topics	Key words
10	How Policy Makes Politics	nexus of policy and politics
11	Evidence-Based Policymaking	Evidence, research
12	Policy implementation	bureaucracy, Government officials
13	Evaluation of public policy	Goals, attainment
14	Public Policy Analysis	policy content analysis
15	Public Policy Analysis: Stakeholder Analysis	who, what and how
16	Public Policy Analysis: Cost- Benefit Analysis	costs, benefits, returns

Recap previous weeks

- Institutional Foundations of Public Policy; Law Making and its Actors
- Budget as a Part of Policy Cycle; How Policy Makes Politics
- Evidence-Based Policymaking; Policy implementation
- Evaluation of public policy
- Public Policy Analysis
- **Outline of Week15: Stakeholder analysis**
- Introduction
- Introduction to Stakeholder Analysis
- Why Stakeholder Analysis is important?
- Who are stakeholders?
- Who Participates?

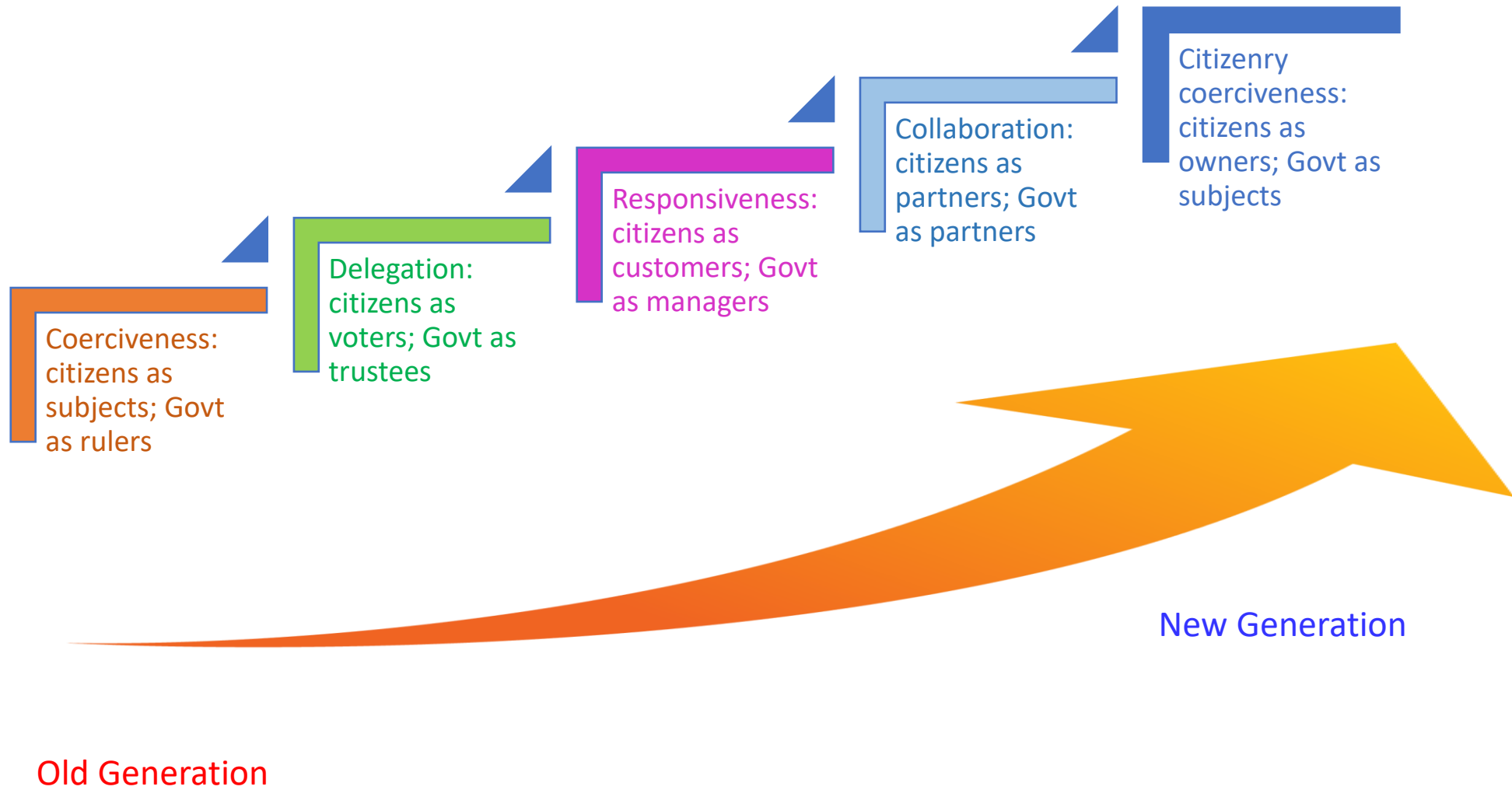
Outline of Week15: Stakeholder analysis

- Stakeholder engagement
- The Importance of Institutional Arrangements
- Power and interest-based stakeholder analysis
- Part II: Stakeholder Analysis in Health
- To sum up

Introduction

- In a democracy, public policymaking is a process that is usually inclusive of many different stakeholders. From the business community and labor unions to interest groups and everyday citizens, there are a variety of stakeholders who can have a say in the direction of public policy.
- Actors are the people or groups who are directly involved in the policymaking process. This can include legislators, executive branch officials, and lobbyists.
- Stakeholders are the people or groups who have a vested interest in the outcome of public policy. This can include special interest groups, citizens, and businesses.
- The policymaking process is usually a long and complicated one, with many different stakeholders vying for influence. In the end, the goal is to create policies that will benefit the greatest number of people possible.

An evolutionary continuum of government–citizen interaction



Introduction to stakeholder analysis

- A Stakeholder Analysis (SA) is a tool that assists in the facilitation of institutional and policy reform processes by accounting for and frequently incorporating the needs of stakeholders both before and during the process.
- A Stakeholder Analysis is the process of identifying people who are involved with or have influence on or are affected by community of practice and grouping them according to their levels of participation, interest, and influence in the community.
- A Stakeholder Analysis is important to better understand the audience, secure key support, gain early alignment on goals, and help address issues or conflicts early on.
- To conduct a Stakeholder Analysis, determine who the stakeholders are, group and prioritize the stakeholders, determine how to communicate with and win buy-in from each group.
- It is also used to determine how best to involve and communicate to each of the stakeholder groups.

Introduction to stakeholder analysis

- Stakeholder analysis is a technique used to identify and assess the importance of key people, groups of people, and institutions that may influence the success of the taken up project.
- Stakeholder analysis should always be done at the beginning of a project, even if it involves simply making a quick list of stakeholders and their interests.
- This technique is used alone or with team members. However, a team approach is likely to be more effective than an individual doing the analysis alone.
- The type and scale of the project, and the complexity of the issues, will determine how much time one should devote to this task.

Why is a Stakeholder Analysis important?

- Stakeholder Analysis is important for several reasons, including:
- **To better understand audience** - Audience is not homogenous nor is it totally a set of individuals each and every one with a set of unique characteristics. There will be similarities amongst them (diversified - young/old, low income/high income, secondary education/tertiary education, and so on) and a Stakeholder Analysis enables to start categorizing the audience along different criteria.
- A Stakeholder Analysis raises awareness of and gives useful information about key potential members who can then approach for support and alignment on critical goals.
- **To secure key support** – To need to approach key influencers, executives, team and policy leaders, and other valuable stakeholders for help early in the policy. Leverage their knowledge, wisdom, and influence to help set the direction and ensure its success.

Why is a Stakeholder Analysis important?

- Enlisting these stakeholders early also increases the chances of gaining their buy-in, their feeling of ownership, and of earning their ongoing support. The Stakeholder Analysis helps determine who these influencers and other key stakeholders are.
- **To gain early alignment on goals** - Having identified those different stakeholders up front, then early-stage meetings are required to secure alignment around the community's strategic objectives and plans and helps ensure that everyone starts the formation of the CoP on the same lines, that is, with a clear and common understanding of what success looks like, and in many cases, their responsibilities for helping ensure that success.

Why is a Stakeholder Analysis important?

- We can raise a broad and expansive set of questions:
- Can governments and multi-stakeholder public policy improve in an effective way?
- What processes are most useful in involving stakeholders and in improving public policies
- Which public policy instruments are most effective?
- Do cultural or other differences make transfer of experience unrealistic

Who are stakeholders?

- Stakeholders are the people who influence public policy. The executive or management term is used to describe an individual, group, or organization.
- Actors are referred to as performers in a play or film. Bettors must hold stakes in order to receive funds from winners.
- There are software engineering to understand the stakeholders and actors involved in organization's public policy.
- The person or people who have an indirect influence on an organization's decisions or actions is referred to as its stakeholder.

Who Are The Stakeholders In Public Policy?

STAKEHOLDERS IN STI POLICY MAKING



Government

Office of Principal Scientific Adviser to GoI
NITI Aayog
Ministry of Science and Technology
Ministry of Earth Sciences
Ministry of Electronics and Information Technology
Ministry of Human Resource Development
and more..



Academia

Indian National Science Academy, New Delhi
Indian Academy of Sciences, Bangalore
National Academy of Sciences, India, Allahabad
Nominated institutes of higher education



Autonomous and independent think-tanks and policy institutions

Technology Information, Forecasting and Assessment Council (TIFAC),
National Institute of Science, Technology and Development Studies (CSIR-NISTADS),
DST- Centres for Policy Research (DST-CPRs),
National Institute of Advanced Studies (NIAS), and
Research and Information System for Developing Countries (RIS)
and more...



Industry

Confederation of Indian Industry
Federation of Indian Chambers of Commerce & Industry
Associated Chambers of Commerce and Industry of India
Direct representation of some industries



The citizens of the country

Who Are The Stakeholders In Public Policy?

- Individuals in the public sector may include politicians (head of state or legislature), bureaucrats and technocrats from various sectors (such as health, education, finance, and local governments), and public sector workers who implement programs.
- Policymakers, and other stakeholders are referred to as individual stakeholders. Organizations and institutions that are directly or indirectly affected by proposed policies are commonly referred to as stakeholders.
- These organizations have a wider reach and play an important role in driving policy change. Public policy can be altered if those who are directly affected by the outcome are moved in that direction.
- This task can be daunting, but it is critical to recognize, organize, and manage stakeholders, both here and abroad. When we engage stakeholders, it is easier to effectively advocate for the cause.

Different methods of categorizing stakeholders

	Audience types		
Category	Corporate audiences	General audiences	Policy maker audiences
Component	Present and potential shareholder, employee, supplier, distributor and consumer	General public without business link	Industry regulators and local government sectors
Information channel	Notified by the firms, corporate statements, media reports, colleagues, community leaders, microblog and other social media	Media reports, colleagues, community leaders, microblog and other social media	Notified by the firms and formal information channel

Different methods of categorizing stakeholders

- In the above table,
- What does this conceptualization of stakeholders mean for public affairs?
- For the management of emerging and active issues?
- Do the information channels identified in the above Table have differential impacts on the stakeholders?
- On how issues are dealt with and resolved?
- What does this configuration of stakeholders and information channels suggest about the management of corporate reputation over time?

Stakeholder engagement

- Increasingly, stakeholder engagement is thought to produce benefits well beyond bureaucratic accountability. While stakeholder engagement is theorized to increase legitimacy, social justice, and effectiveness (Fung 2006), scholars often emphasize the latter aspect of engagement: stakeholders' ability to influence the policy process.
- Subsequent scholars have directly measured the effectiveness of stakeholder engagement by assessing changes between draft and final decisions (Rinfret and Cook 2014; Yackee 2005).
- While intuitively appealing, this approach to measuring influence tends to preclude other ways in which stakeholders shape policy decisions— such as by shaping the initial draft or plan under consideration by regulators, or by leveraging political support for particular decisions.

Stakeholder engagement

- A **stakeholder engagement** is the process by which an organization engages people who are likely to be affected by its decisions or who have an influence on its implementation. As stakeholders, they may play an important role in making decisions and influencing the organization or in their local community.
- **Local government stakeholders**, on the other hand, include residents associations, sports clubs, and community associations, such as Scouts and Community Gardens, who use the grounds and facilities in the local government area.
- The primary difference between actors and stakeholders is their level of participation. **Procurement actors** play a more active role than procurement stakeholders. Actors are stakeholders in addition to being stakeholders because of the benefits they receive as a result of the use of public goods and services.

Role of Stakeholder analysis

- Role for multi-stakeholder involvement in both the development and implementation of public policy and that development and implementation are separate processes and can involve different patterns of stakeholder involvement in both the development and implement phases or both.
- We believe that stakeholders have different skills and levels of interest in public policy that can be reflected in either development or implementation or both.
- Current worldwide economic conditions, muddied even further by various political upheavals—for example, Egypt, Ukraine and Syria—have exposed significant weaknesses in the ability of government at all levels, to develop, fund, implement and sustain public policy initiatives without the involvement and support of a large set of stakeholders outside the governmental sphere.
- We need new models, approaches and vibrant, diverse examples of multi-stakeholder involvement in public policy in order to better understand this phenomenon and construct research agendas.
- We firmly believe that multi-stakeholder support and commitment will only increase in importance and that there is value in bringing attention to such actions through both theoretical and empirical studies.

Role of Stakeholder analysis

- King, Feltey, and Susel (1998, 320) define “authentic” participation as “deep and continuous involvement in administrative processes with the potential for all involved to have an effect on the situation,” suggesting that stakeholder influence includes not only measurable change to policy decisions but also regular participation and the ability to raise issues and participate in deliberation with decision makers.
- Public participation is not new; citizen juries, town meetings, and public hearings have long been standard practice.
- More recently, however, scholars have documented a proliferation of “new governance” practices designed to more systematically increase stakeholders’ influence on policy and to improve social justice by ensuring wider representative in policy decisions (Bingham et al. 2005).
- Many such initiatives— including community councils, study circles, and participatory budgeting initiatives—focus on engaging citizens in decisions about local service delivery (Fung 2015).

Role of Stakeholder analysis

- Participatory approaches are also on the rise among state and federal agencies, where new mechanisms have emerged since the late 1990s that give stakeholders a larger role in developing proposed rules, regulations, and policy decisions.
- These include negotiated rulemaking and other processes that allow stakeholders to develop draft rules and regulations (Coglianese 2005; Cook and Rinfret 2013), as well as efforts to solicit stakeholders' advice and input into broader strategies to address public problems (Fung 2015).
- Despite the potential benefits, empirical evidence suggests that there are drawbacks to stakeholder engagement in practice. Effective stakeholder engagement requires time and money (Irvin and Stansbury 2004).
- Some stakeholder engagement processes are poorly run or facilitated by inexperienced agency employees.
- Decision makers may view stakeholder engagement as a mere formality rather than a meaningful attempt to incorporate stakeholders' concerns into policy decisions (Adams 2004).
- While stakeholders clearly can and do influence policy, (Fung 2006), scholars also express pessimism that stakeholder engagement is a consistent way for diverse segments of the public to influence policy decisions (Rountree and Baldwin 2018).

Who Participates?

- Stakeholders in public policy making are the people who are affected by the policies that are created. They can be individuals, businesses, or interest groups.
- Patients, fitness professionals, dietitians, health and wellness doctors, government representatives, doctors, funding agencies, and management are some of the stakeholders in health promotion.
- The policy manager, donors, investors, shareholders, customers, competitors, suppliers, vendors, local and national communities, internal and external organizations such as government and **regulatory agencies**, and labor unions are all stakeholders in a business process.
- Stakeholders benefit from a company's consultation process because it allows them to learn about the local context in which a policy will take place, raise issues and concerns, and ask questions that they can possibly influence. Stakeholder involvement is becoming increasingly important as various policy is developed.

Who Participates?

- An often-repeated criticism of stakeholder engagement is that it may privilege certain stakeholders' influence over others.
- Fung (2006) distinguishes between lay stakeholders—unpaid citizens—and professional stakeholders, who represent organized interests, including public interest and industrial organizations.
- Industrial stakeholders tend to be most influential (Yackee 2005), particularly when regulation poses a threat to industry profits or industrial groups have more resources to devote to participation (Crow et al. 2015).
- Regulators may perceive that industry possesses greater expertise than lay stakeholders, particularly in technically complex policy areas (Crow et al. 2015). However, well-organized public interest groups—which possess similar expertise—may be able to act as a countervailing influence (Yackee 2011).
- Thus, while many participatory processes tend to favor professional over lay stakeholders and industry over public interest stakeholders, the relative influence of these groups depends on the salience of the issue, its technical and bureaucratic complexity, and the attitudes of agency officials, who can act as gatekeepers of the policy process (King et al. 1998; Rinfret et al. 2014).

The Importance of Institutional Arrangements

- Institutional design is one factor that might improve stakeholder engagement (Bryson et al. 2013; Edelenbos 2005; Fung 2006; Nabatchi 2012). Here, institutions are defined as rules and norms that require, forbid, or allow certain behaviors by actors in a policy situation (Ostrom 2005).
- Rules specify an actor; an action or goal that is required, forbidden, or permitted; and consequences for following or not following the rule. Norms are shared understandings about acceptable behavior; norm violations may incur social or political, rather than legal, consequences.
- Rule analysis has been applied most often in informal, community-based settings (Cox, Arnold, and Villamayor Tomas 2010), but in recent years, it has been used in more formal settings (Siddiki et al. 2015; Weible et al. 2017).

The Importance of Institutional Arrangements

- Four aspects of institutional design are particularly relevant to stakeholder engagement in administrative policy (Fung 2006; Ostrom 2005).
- First, *scope rules* specify a set of possible outcomes from the interaction. Any given policy decision may be made up of a series of smaller decisions, each with a different scope. For example, the scope of pre-notice and comment meetings is often to *draft* a proposed rule, while the notice and comment process itself is designed to *modify* a draft rule.
- The effect of a given mechanism on policy decisions thus may be shaped by its scope and its relationship with other participatory mechanisms.
- Second, *participation rules* shape which stakeholders are allowed to participate and how they are selected (Fung 2006). In some processes, any stakeholder may participate, while public officials select participants in others (Fung 2006; Nabatchi 2012).

The Importance of Institutional Arrangements

- Related are position rules, which specify a set of roles with particular resources, privileges, and responsibilities (Ostrom 2005). In notice and comment proceedings, for example, administrators are responsible for convening participants and drafting initial rules, while in other emergent processes, stakeholder committees take on these responsibilities.
- Third, *information rules* specify what information is available to each actor and the degree to which participants can communicate and deliberate (Fung 2006). In notice and comment proceedings, information is directed from stakeholders to public managers. In other contexts, stakeholders can share information and deliberate, with the possibility of developing mutually beneficial solutions.
- Finally, *aggregation rules* specify how interactions among actors will be translated into policy decisions (Edelenbos 2005). Nabatchi (2012) identifies a continuum of approaches to “shared decision authority,” ranging from proceedings in which the public has no ability to influence policy decisions to those in which the public is authorized to make final decisions.

The Importance of Institutional Arrangements

- In notice and comment proceedings, for example, aggregation rules specify that regulators will consider stakeholder comments, but does not require adoption of stakeholders' suggestions. Preliminary research suggests that participatory mechanisms often have limited effect on policy if the link between participation and final decision-making is not clearly specified (Edelenbos 2005).
- Scholars have hypothesized that in addition to the rules themselves, the formality of the process may matter. Here, the dominant view is that informal processes are likely to favor industry or other already powerful groups, either because informality allows agency officials to favor these groups (West 2009; Yackee 2011), or because industrial stakeholders have the resources and motivation needed to navigate informal processes (Crow et al. 2015).
- Conversely, however, informal processes could also provide public officials with flexibility to act as “honest brokers” that balance multiple actors' concerns (Rinfret and Cook 2014).

Stakeholder Influence

- Influence on policy decisions
- Which stakeholders are influential?
- How Institutional Arrangements Shape Stakeholders' Influence
- Traditional “notice and comment” proceedings provide meaningful but limited opportunities for stakeholders to shape policy decisions.
- Participation rules can mandate, encourage, or discourage participation by a diverse set of stakeholders
- Position and information rules can mitigate power imbalances between industrial and public interest stakeholders
- Deliberative processes allow stakeholders to develop consensus recommendations that are more likely to influence policy decisions.
- Clear aggregation rules and norms are necessary for stakeholders to have consistent policy influence.

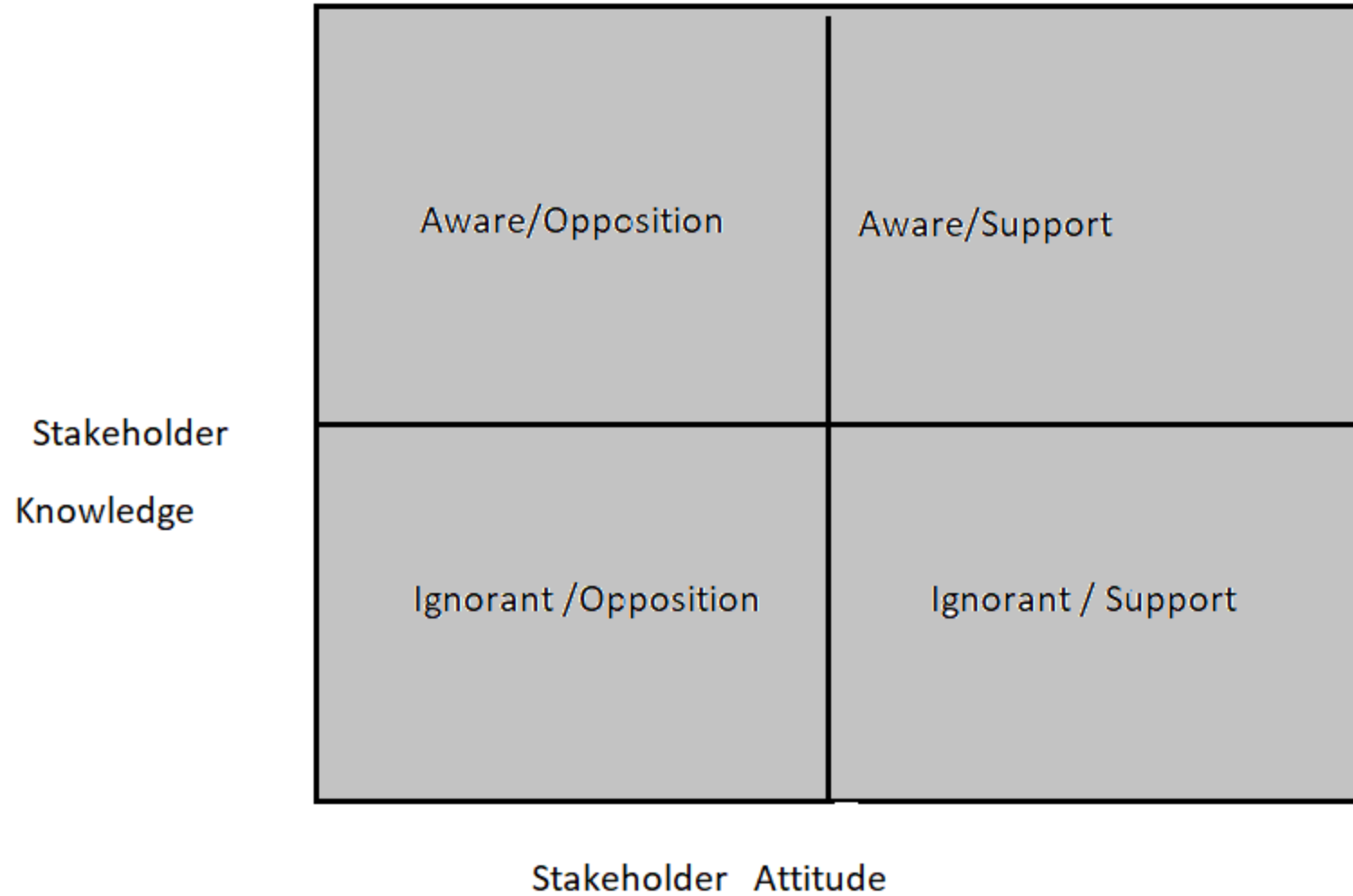
Stakeholder Influence

- **Based on stakeholder importance and influence**
- Stakeholder interest is related to different policy phases, and the change in interest influences policy from start to end.
- Various annotations of positive, negative, and unknown are aligned to policy success to different criteria with interest. With different needs same intensity will not be applied.
- **Importance and commitment**
- This metric considers the importance level of importance for each stakeholder and their level of commitment in the policy.
- Stakeholders with low commitment and low importance are called cheerleaders.

Importance
of
Stakeholder
to
Project
Success

Conscientious Objector	Fully On-Board
Cheerleader	Strong Believer

Stakeholder Commitment



Stakeholder Influence

- This grid defines stakeholder knowledge of a policy and the respective attitude of the matrix. This method uses a model rather than using a range to describe the impact of attitude. Cheerleaders are supportive and highly informed about the policy.
- Stakeholders who are supportive but lack policy knowledge needs to be nurtured to make them aware of policy details.
- Stakeholders who are unaware and opposed requires attention as the team can change their attitudes. It also defines a contingency plan to identify and reduce negative stakeholders.

Understanding the stakeholders

- The list of questions can help in understanding the various types of stakeholders in the policy:
- What is their interest in the policy?
- How the policy results affect their life?
- What is the best way to engage and commit stakeholders?
- What motivates stakeholders?

The Different Types Of Stakeholders In The Private And Public Sectors

- Businesspeople and investors interested in making a profit, consumers who pay taxes and fees, and civil society organizations that advocate for changes in public policy are among the private sector individuals.
- A community stakeholder is someone who lives near a government facility or service area. Residents, business owners, and employees of local institutions may all be members of this group.
- A collective of people who are affected by public policy and programs is referred to as a public sector citizen. Citizens, ethnic minorities, social groups, and labor unions are just a few of the possible groups.
- The presence of private sector collective stakeholders is defined as people who are directly impacted by the policies and programs of the private sector.
- They may include employees, shareholders, and customers in addition to stockholders.

How Do Stakeholders and Institutions Influence Public Policy?

- The separation of powers and checks and balances provides institutions and stakeholders with numerous ways to influence public policy.
- The purpose of checks and balances is expressed in the impeachment, removal, and other legal actions taken against public officials who are found to have abused their positions.

The Importance of Engaging All Stakeholders in the Planning Process

- When developing a strategic plan for a public organization, all stakeholders must be taken into account.
- A cohesive plan that addresses the needs of the entire organization must consider each group's unique perspective, as well as the needs of all groups within an organization.
- Engaging all stakeholders prior to the start of planning is critical.
- The goal of open communication is to ensure that the plan is tailored to the needs of the various parties involved while also facilitating the exchange of ideas.
- Regular communication with stakeholders is required in order to keep them informed about the plan's progress and to make changes when necessary.
- Keeping everyone informed helps to build trust and collaboration at the organization, and ensuring that everyone is aware of the organization's direction ensures that everyone has a say in its direction.
- In addition, an organization in the public sector must be mindful of the regulatory environment.

The Importance of Engaging All Stakeholders in the Planning Process

- Changes to a plan may be necessary in order for it to be compliant with new legislation or regulations. The success of a plan hinges on understanding the requirements of the regulatory body and ensuring that it is in compliance.
- Stakeholders must be aware of their responsibilities when it comes to strategic planning. Employees, for example, have a right to know what their future job responsibilities are, as well as how those duties will affect the organization's goal setting.
- Vendors are obligated to provide organizations with accurate pricing information as well as the terms of their contracts.
- Stakeholders must understand the organization's objectives in order to contribute to its success. This knowledge is critical for creating trust and fostering collaboration among all involved.
- When plan for the future, must be open and honest about the challenges and opportunities to face. As a result of engaging with all stakeholders, the organization's success becomes more likely.

Government Must Take Into Account All Stakeholders

- When a government agency decides to embark on a project, it must take all stakeholders into account. The public and private stakeholders include federal, state, and local government agencies, NGOs, CSOs, and appropriate private entities such as non-profit employee labour organisations.
- Individuals and businesses in the surrounding communities must be stakeholders. A public relations firm manages relationships between an organization and its stakeholders in the process of managing public relations.
- It is a strategic tool that assists businesses in meeting their goals. A stakeholder is anyone or everyone who is likely to affect or have an impact on an organization's objectives. Stakeholders in the case of a military conflict may include members of the armed forces, their dependents, and members of the surrounding community.
- Citizens can become a part of a project if they are involved in it, such as when a road is closed. However, for the majority of projects, the general public is not a stakeholder until an adverse event results in an expense or inconvenience to the general public.

Who Are The Stakeholders In Policy Making Process?

- There are a variety of stakeholders in the policy making process, including government officials, lobbyists, and concerned citizens.
- Each group has a vested interest in the outcome of policymaking and works to influence the process.
- Government officials are responsible for proposing and enacting policies, while lobbyists attempt to persuade officials to support their favoured policies.
- Concerned citizens can voice their opinions on policies to influence the debate.
- Ultimately, it is the government officials who make the final decisions on policies, but all of the stakeholders play an important role in the process.

Role of Stakeholders In Public Policy Making

		Influence	
		Low	High
Power	Low	Minimal Effort	Keep Informed
	High	Keep Satisfied	Key Players

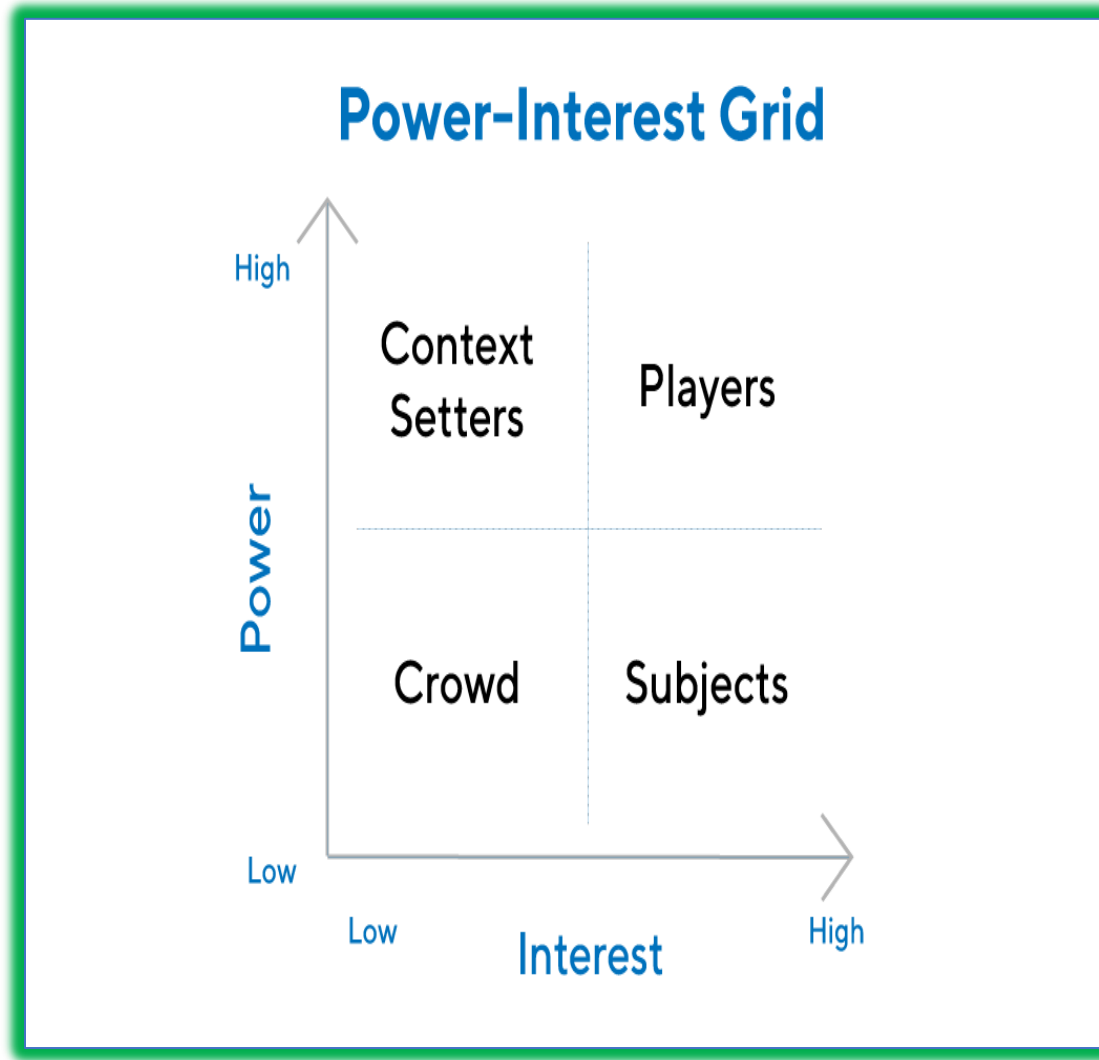
The four main stakeholder groups are:

- **High influence and high power.** These are likely project approvers and sponsors. Externally, these may also be key partners or customers. Make sure to check with these stakeholders regularly and ensure the expectations are aligned. During the course of the project, be sure to actively collaborate with these project stakeholders—the key players in stakeholder team.
- **High influence and low power.** These people *can* block or support project, but they probably aren't interested in doing so. They might be distant cross-functional partners or executive leadership. Make sure these stakeholders are aware of project basics and ask high power and high interest stakeholders to help manage the relationship if need be. Even if they have low interest, their work might be impacted—and don't want that fact to come as an unexpected surprise. During the course of the project, keep these project stakeholders informed at a high level to ensure they're satisfied with the project's progress.

The four main stakeholder groups are:

- **Low influence and high power.** No need of approval from this group of stakeholders, especially on early project details. It's more important to loop these stakeholders in during Step 4. During the course of the project, keep these project stakeholders informed.
- **Low influence and low power.** These are secondary stakeholders. Depending on the size and complexity, it might want to loop them in semi-regularly on project status reports, or not loop them in at all until the end. However, during the course of the project, make sure for checking in with these stakeholders in case they do want to become more involved.

Power and interest-based stakeholder analysis



- This method takes into account the influence and interest-based matrix for evaluating stakeholders.
- The main objective of using this technique is in reviewing the sentiments of most influential stakeholders for maximum benefits and success.

Power and interest-based stakeholder analysis

- **Players:** High-power, high-interest individuals with whom we will want to collaborate and keep fully engaged.
- **Subjects:** Low-power, high-interest stakeholders who can offer great insights and ideas for the project but whom don't need to always say yes to.
- **Context-setters:** High-power, low-interest stakeholders (heads of departments, for example) who can have a lot of influence over the project but do not want to be involved in the details. Keep them up to date.
- **Crowd:** The crowd consists of low-power, low-interest stakeholders. These individuals require some ongoing communication about the project's progress but probably the least important of all stakeholders.

Different types of stakeholders

- There are many different types of stakeholders who play a role in public policy making. Some of the most important stakeholders are government officials, lobbyists, and interest groups.
- Each of these groups has its own agenda and its own way of trying to influence public policy.
- Government officials play a very important role in public policy making.
- They are the ones who actually make the laws and regulations that govern our society. They are also the ones who have the power to enforce those laws and regulations. Lobbyists and interest groups also play an important role in public policy making.
- They try to influence government officials to make policies that will benefit their own interests.
- All of these different groups play a role in public policy making, and they all have their own agendas. It is important for everyone to be aware of the different agendas and to understand how they might influence the policies that are made.

Responsibility of stakeholders

- It is the responsibility of stakeholders to influence and influence policies at various stages. Stakeholder analysis investigates the interests of stakeholders in relation to a policy.
- They can prioritize their interactions with the major interest groups based on this analysis.
- This relationship is based on the principles of openness and transparency. Accountability and responsibility are carried out in a way that is transparent.
- A person should essentially trust information, which is a distinction between gossip and slander. It is critical to manage government agencies professionally without creating any conflicts of interest.
- It is necessary to treat and respect the rights that an agreement or the applicable law grants to all stakeholders. It is extremely rare that a community or stakeholders will be involved in the drafting of local regulations.

The Importance of Stakeholders in Public Relations

- The role of stakeholders in public relations is critical because they can help resolve issues that arise. Stakeholders' influence has the ability to influence the business and social environments, which will have an impact on financial and operating performance.
- To maintain good relationships with stakeholders, public relations professionals must understand their needs and how to meet them.

Public Stakeholders

- It's a big deal for anyone to have a stake in it. A group or individual that is affected by or has an influence on an organization's success. Groups that have an interest in a corporation, regardless of its interests, are now included in the definition.
- The primary goal of public consultation is to understand the needs of the community, the people working on the project, and the people who will be directly impacted by it. Stakeholders are typically classified into two categories: public and key stakeholders.
- A Stakeholder mapping strategy assists stakeholders in carefully considering the consultation process when identifying them. Voxcitio's mobile app, CRM system, survey builder, and email functionality are unique among stakeholders engagement solutions.
- People who are working on a large-scale project will benefit greatly from our Voxcitio software. The dashboard in this application allows to manage all of these stakeholders in one location.

Part II: Stakeholder Analysis in Health

- **STAKEHOLDERS:**

- are persons, groups or institutions with interests in a project or policy or who may be directly or indirectly affected by the process or the outcome.

- **KEY STAKEHOLDERS:**

- are those who can significantly influence, or are important to the success of the project.

- Findings can provide early and essential information about:
 - Who will be affected
 - Who could influence the process or outcomes
 - Which individuals, groups or organisations need to be involved; and
 - Whose capacity needs to be enhanced to enable them to participate.

Source: WHO Module

How best to negotiate?

- Stakeholder analysis helps assess a project environment, and to determine how best to negotiate during discussions about the project.
- More specifically, doing a stakeholder analysis can:
 - draw out the interests of stakeholders in relation to the problems which the project is seeking to address (at the identification stage) or the purpose of the project (once it has started);
 - identify conflicts of interest between stakeholders, which will influence the assessment of a project's riskiness;
 - help to identify relations between stakeholders which can be built upon, and may enable "coalitions" of project sponsorship, ownership and cooperation; and
 - help to assess the appropriate type of participation by different stakeholders, at successive stages of the project.

Identifying the stakeholders and creating a list

- Stakeholders can be listed and categorized in various ways. However a simple list of those who have an interest in the issue is a good starting point.

Example

Using the Health Centre Case Study, a brainstorming session was held with fellow staff members and a representative from the professional association. Based on this discussion, a list of stakeholders was developed. The checklist was used to ensure that the list was comprehensive. The list of stakeholders included the following:

- **Stakeholders:**
- Clients Department Head
- Clients' families Union
- Local community Professional association
- Staff – Nursing Other local health services
- Staff - Others Other health services in similar position
- Management of centre Department Chief Nurse
- Local politician: Minister of Health
- Local media, Local general medical practitioners

Drawing out stakeholders' interests in relation to the project

- The list of stakeholders forms the basis for identifying the interest each stakeholder has in the project, and the project's likely impact on them.
- By going through the checklist provided below, the interest each stakeholder has in the project can be identified.
- The likely or actual impact of the project on these interests should be assessed.

Stakeholder	Interest
Clients	Have a very strong interest but not a cohesive group.
Clients' families	Have a very strong interest but not a cohesive group.
Local community	Have a very strong interest but not a cohesive or informed group.
Staff – Nursing	All the nursing staff are affected but a few of them do not want to get involved.
Staff - Others	There is some self-interest here. Some of the staff just want the problem to go away and do not want to get involved.
Management of centre	Want the problem to go away. Not interested in change since the health centre is now operating within its budget. Concerned that change will bring more trouble.
Local politician	Is indifferent at the moment but an election is coming up.
Local media	Not much interest at the moment but if given the right information at the right time (election) could be very interested.
Department Head	Has been told to sort out the budget problem. Has done this so does not want the problem revisited at all.

Stakeholder	Interest
Union	Interested but has bigger issues elsewhere at the moment.
Professional association	Interested but has limited resources
Other local health services	Have an interest as clients are starting to move to use their services, and are therefore putting pressure on their resources.
Other health services in similar position	Have a stake in the project being a success therefore may be interested.
Department	Chief Nurse Can provide covert support but has a conflict of interest.
Minister of Health	This project may not be a priority but an election is coming up so may wish to have this issue resolved quickly.
Local general medical practitioners	Have to deal with disgruntled clients therefore they may provide some support to the project.

Assessing the influence and importance of stakeholders

- Key stakeholders are those who can significantly influence, or are important to the success of, the project.
- **Influence** is the power which stakeholders have over a project - to control what decisions are made, facilitate its implementation, or exert influence which affects the project negatively.
- Influence is perhaps best understood as the extent to which people, groups or organizations (i.e. stakeholders) are able to persuade or coerce others into making decisions and follow certain courses of action.
- **Importance** indicates the priority given to satisfying stakeholders' needs and interests through the project.
- Importance is likely to be most obvious when stakeholder interests in a project converge closely with objectives.

Taking the information from the Stakeholder Influence and Importance Tool, we can plot in this 2X2 matrix-the relative position of each of the stakeholders on the project.

Influence		Importance
I	III	
II	IV	

- **Combining influence and importance in a matrix diagram**
- Importance and influence can be combined by using a matrix diagram. This is done by positioning stakeholders in relative terms according to the two broad criteria in a two by two matrix. This exercise in positioning will indicate relative risks posed by specific stakeholders, and the potential grouping of support for the project.

Identifying assumptions and risks about stakeholders

- Process projects are often particularly affected by stakeholder interactions and responses to project activities.
- Advocates must therefore identify (and assess the importance of) the most plausible assumptions about each “key” stakeholder which are necessary if to be successful.
- By assessing the influence and importance of key stakeholders, some risks emerge from the matrix diagram.
- These key stakeholders may be able to “block” the project, and if this is probable, there is a risk that they could have a negative impact on the project or effectively stop it from being implemented.

Identifying appropriate stakeholder participation

- Stakeholder analysis can help determine how the key stakeholders can be included in the project.
- Note that “key” refers to high importance, high influence, or both.
- Key stakeholders with high influence and importance to the project’s success could provide the basis of the project’s “coalition of support”, and are potential partners in planning and implementation.
- Conversely, key stakeholders with high influence, but with low importance to the project’s success may be “managed” by being consulted or informed.

The group then developed participation plans for each of the key stakeholders. Examples of these plans are:

	Local politician		
	Inform	Consult	Partnership
Planning			
Implementation			
Monitoring & Evaluation			
	Other local health services		
	Inform	Consult	Partnership
Planning			
Implementation			
Monitoring & Evaluation			

Communicating with and win buy-in from each group

- Having built the list of stakeholders in their respective groups or categories, we need to determine how to best earn the ongoing support of each of these stakeholder types. Need to ask questions about stakeholders such as:
- What motivates each stakeholder?
- What other priorities do they have, and how can align the community with those priorities, and even use the community to help achieve those priorities (or at least ensure that the community won't threaten them)?
- Will this stakeholder likely have a positive view of the community? If not, what needs to do about it?

To sum up

1. **Identify the stakeholders of selected public policy: For the common understanding; we can broadly** defined, “a stakeholder is a person, group, or organization involved in or affected by a course of action”.
2. **Why stakeholders are important?** Understanding who the stakeholders are and how they are affected by public policy is important in assessing the effect of the policy. Hence, advised to perform a *Stakeholder analysis*, which is a systematic method for investigating stakeholders.
3. **Why interview or discussion with stakeholders?** Understanding the perspectives of stakeholders can provide a wide range of perspectives of stakeholders.

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What next?

- Cost-benefit analysis