

Avancier Methods (AM)

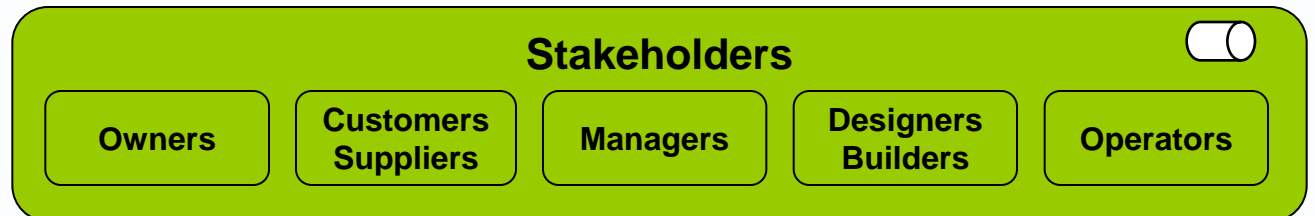
In both INITIATE & MANAGE phases

Stakeholder management

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Why do we need stakeholder management?

- ▶ Without stakeholder management, we are more likely to fail



1995 “Chaos report” Standish Group’s study in the USA

- ▶ Of software projects in the USA
- ▶ Nearly one third - cancelled before completion.
- ▶ More than half - nearly double the cost of original estimate.

1997 KPMG's Survey of Unsuccessful IT Projects

- ▶ (1,450 public and private sector organizations in Canada.)
- ▶ The three most common reasons for project failure are:
- ▶ **1 Poor project planning**
 - Inadequate risk management and a weak project plan.
 - Risk management more important as the organization gets bigger..
- ▶ **2 A weak business case**
 - The need for the system should be justified
 - in ways that relate directly to the organization's business needs.
- ▶ **3 Lack of top management involvement and support**
 - This often dooms the project to failure before it starts.
 - Securing buy-in from the top is essential.
 - Often by a strong business case backed up with a realistic project plan

Scope, cost and risk of architecture not understood?

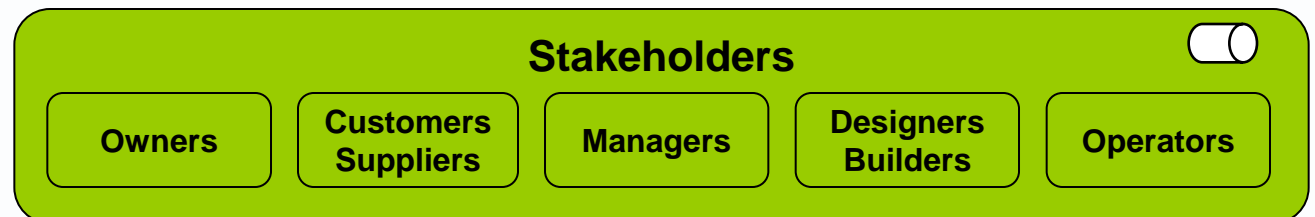
Architecture precursors not in place

Poor stakeholder management?

- ▶ half of all IT projects with [have] price tags exceeding \$15 million
 - 45 percent over budget
 - 7 percent over time
 - 56 percent deliver less value than predicted.
 - 17 percent implode in such spectacular fashion that they threaten to obliterate the whole business.
- ▶ four ways to improve project performance.
 - **Managing strategy and stakeholders**
 - Mastering technology and content
 - Building effective teams
 - Excelling at core project-management practices
- ▶ [John Friscia](#) | June 28, 2013
- ▶ Atfter Michael Bloch, Sven Blumberg, and Jürgen Laartz of McKinsey & Company in conjunction with Oxford University,

A candidate top 10 causes of “architecture” failure

- ▶ 1. Sponsor is at the wrong level.
- ▶ 2. Sponsor has no vision or a daft vision/requirements.
- ▶ 3. Sponsor does not understand or support the architects’ practical vision.
- ▶ 4. Sponsor has too little money – or too much money!
- ▶ 5. Architect or team has insufficient time or resources.
- ▶ 6. Stakeholders cannot or will not engage.
- ▶ 7. Sponsors or stakeholders change their mind.
- ▶ 8. Sponsors or stakeholders are replaced by people with different agendas.
- ▶ 9. Stakeholders are not recognised
- ▶ 10. Some other force majeure



- ▶ Be it enterprise architecture
 - what we choose to do for more strategic reasons
 - to increase cross-organisational integration and standardisation
- ▶ Or solution architecture
 - what we have to do on every project.
- ▶ Without stakeholder management, we are more likely to fail



How can stakeholders help?

... as sponsors

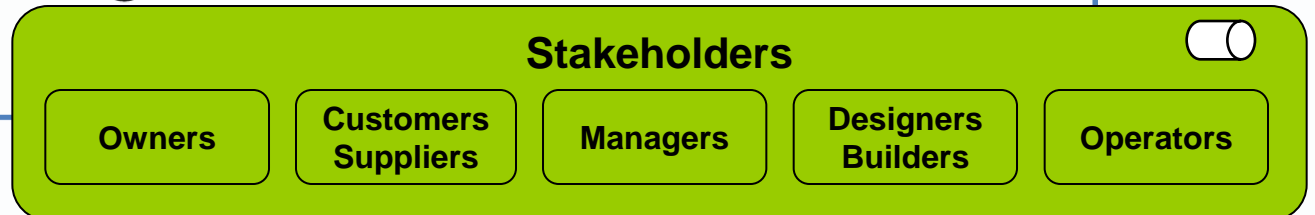
- Providing the resources to support our initiative

... as friends

- Sharing their enthusiasm and contacts

... as experts

- With the knowledge to make or break our initiative



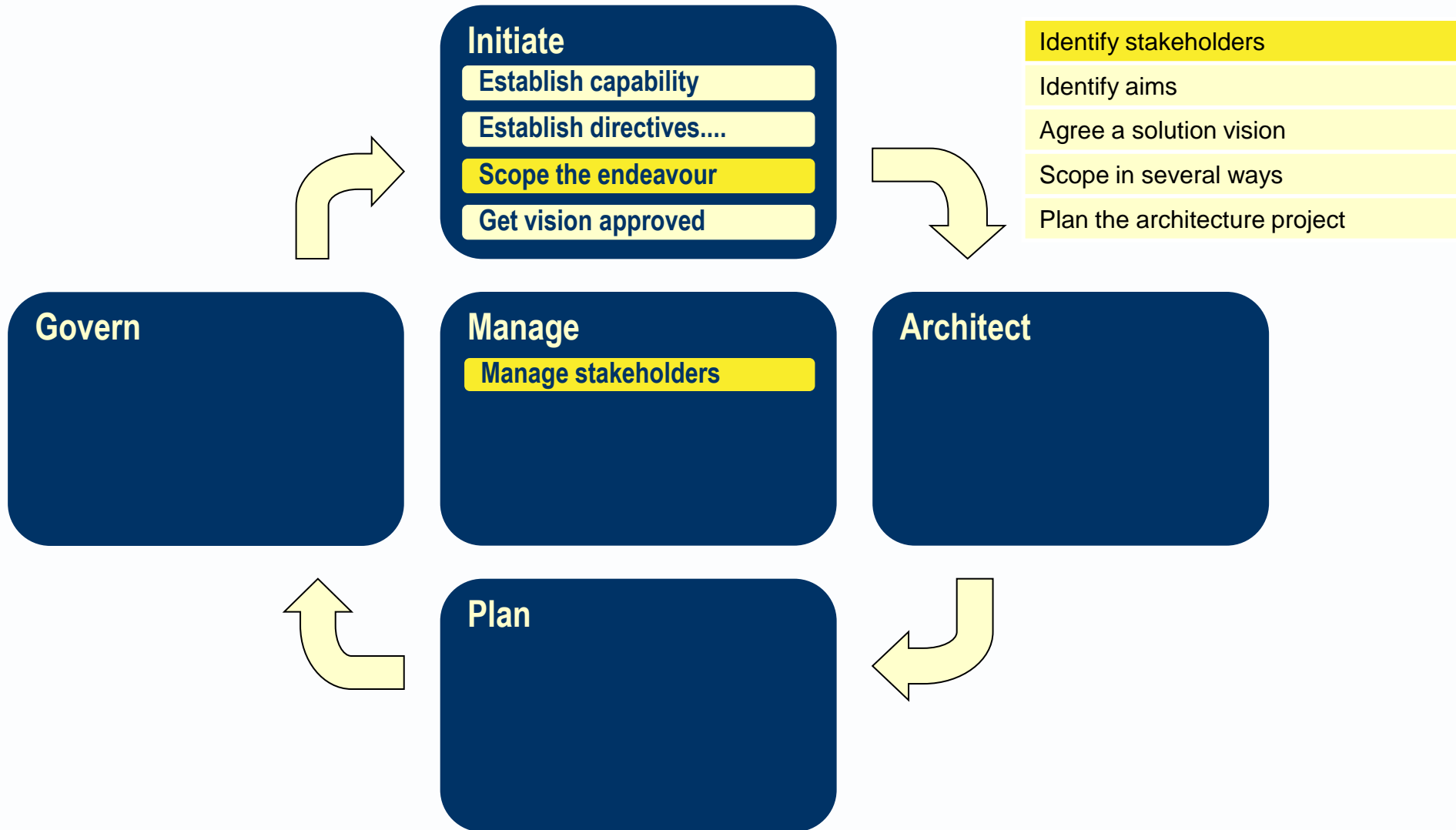
The solution architect is the chief technical risk mitigator

- ▶ Owners: business and IT board members, customers.
 - Explain problems and solutions
 - “Sell” solutions, manage expectations
- ▶ Managers: programme/project/change managers.
 - Steer plans
- ▶ Buyers: procurement/acquisition organisation.
 - Explain requirements
- ▶ Suppliers: service and product providers.
 - Engage suppliers
 - Apply due diligence to suppliers
 - Monitor quality (and timeliness?) of supplier deliverables
- ▶ Designers, Builders, Testers: other project team members:
 - Approve designs, govern architectures and implementation
 - Monitor quality and timeliness of team deliverables
- ▶ Users: representatives and domain experts
 - Explain problems and solutions
 - “Sell” solutions, manage expectations
- ▶ Operators and Maintainers: IT Services Management.
 - Shoot troubles

For all stakeholders,
the architect **identifies**
and mitigates
technical risks

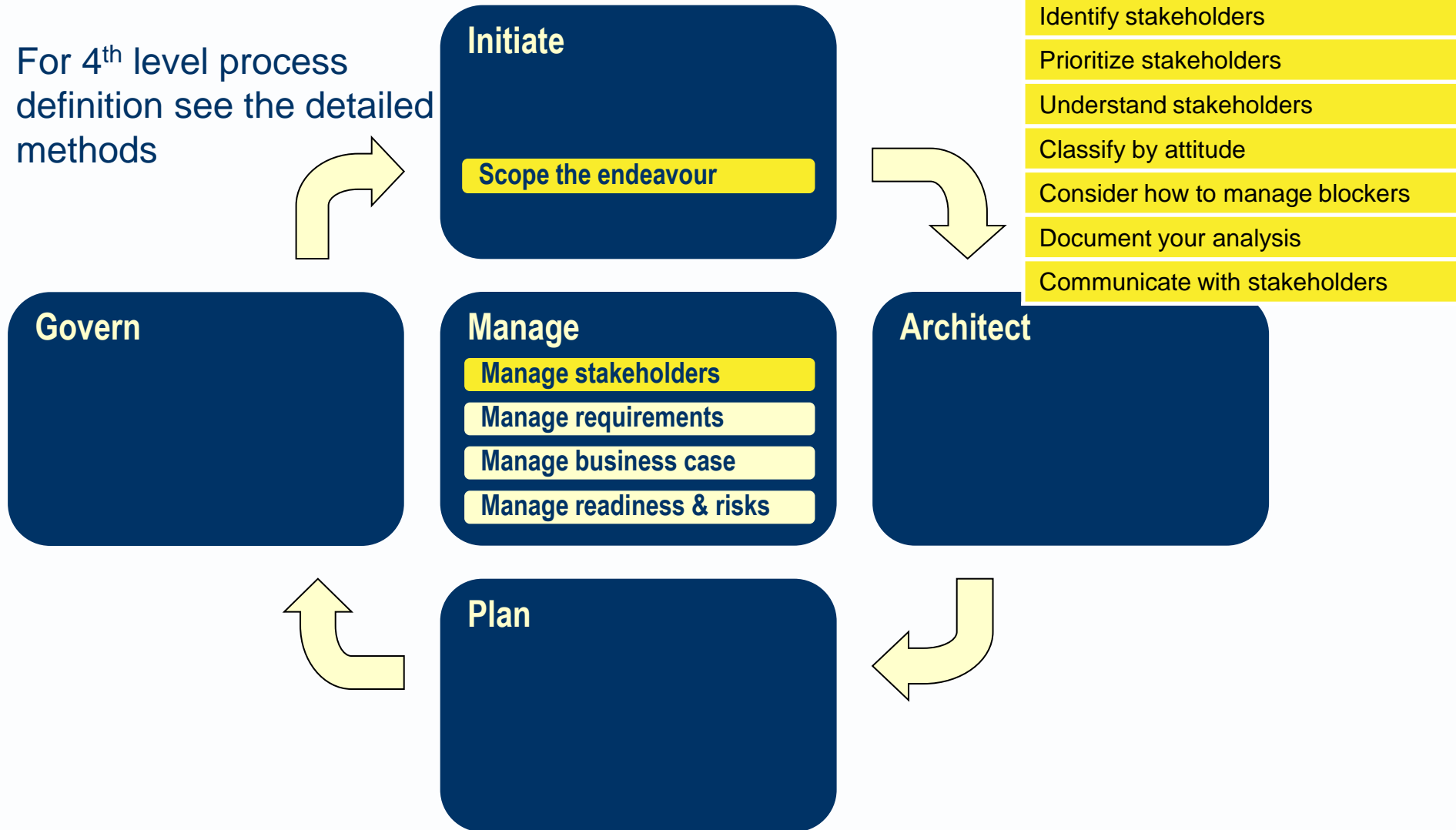
And
identify opportunities

Identify stakeholders



Manage stakeholders

▶ For 4th level process definition see the detailed methods



How to manage stakeholders?

The techniques of business and systems analysis can help

- Interviews
- Workshops
- Documentation of problems and requirements

Stakeholder management per se is something else

Identify stakeholders

Prioritize stakeholders

Understand stakeholders

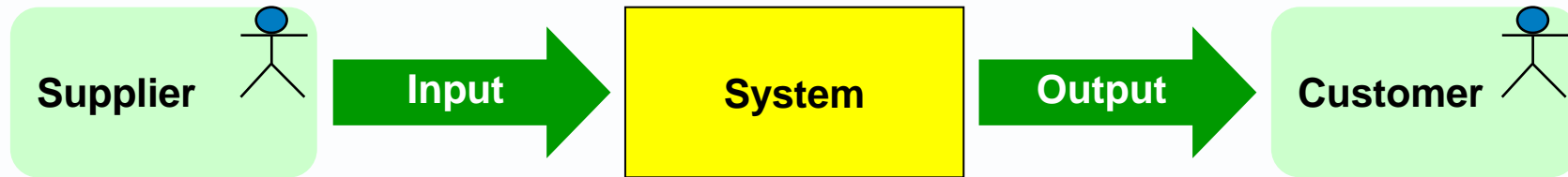
Classify by attitude

Consider how to manage blockers

Document your analysis

Communicate with stakeholders

1. Identify Your Stakeholders



▶ People who

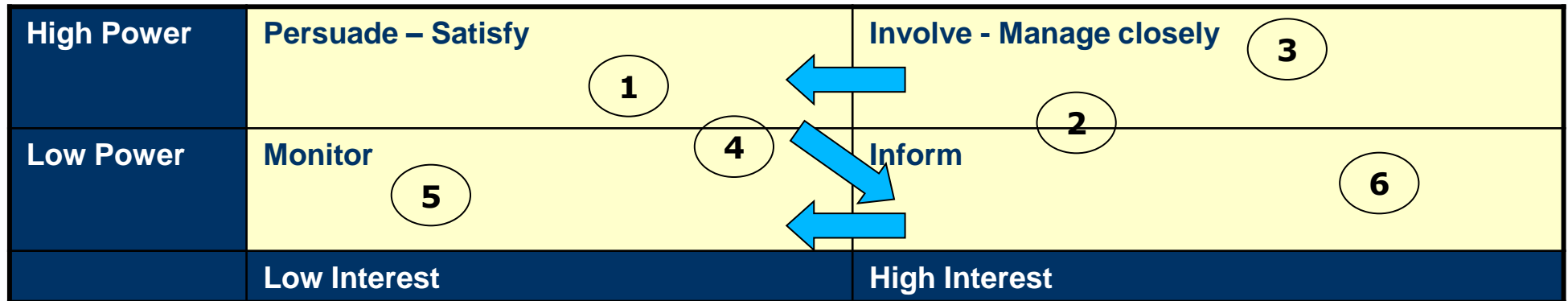
- are affected by your work
 - have influence on, or power over, your work
 - want you to succeed, or to fail
 - can start, shape or stop your work
 - want or will benefit from your work
- ▶ Stakeholders may be both organizations and people.
 - ▶ Ultimately you must communicate with people.
 - ▶ So identify the individual stakeholders if you can.

Owners: business and IT board members, customers.
Managers: programme/project/change managers.
Buyers: procurement/acquisition organisation.
Suppliers: service and product providers.
Designers, builders, testers: other project team members:
Users: representatives and domain experts.
Operators and maintainers: IT services management.

2. Prioritize Your Stakeholders:

- ▶ You may now have a long list of people and organizations that are affected by your work.
- ▶ Some may have the power either to block or advance
 - (Power + likelihood of exercising it)
- ▶ Some may be interested in what you are doing, others may not care.

- Identify stakeholders
- Prioritize stakeholders**
- Understand stakeholders
- Classify by attitude
- Consider how to manage blockers
- Document your analysis
- Communicate with stakeholders



3. Understand your key stakeholders

- ▶ What motivates them?
 - What is their financial or emotional investment in your work?
 - Is this a positive or negative force on you?
- ▶ What information do they want from you?
 - How do they want to receive information from you?
 - What is the best way of communicating your message to them?
- ▶ What is their current opinion of your work? Is it fair?
 - Who influences them? Who influences their opinion of you?
 - Do these influencers become stakeholders in their own right?
 - Who else might be influenced by their opinions?
 - Do these people become stakeholders in their own right?

| | | |
|-------------------|---|---|
| High Power | Persuade – Satisfy 1 | Involve - Manage closely 3 |
| Low Power | Monitor 5 | Inform 6 |
| | Low Interest | High Interest |

4. Classify by attitude

A/S = advocates and supporters of what you are doing - in green

B = blockers and critics – resistant to change - in red

O = others who are neutral in grey

- Identify stakeholders
- Prioritize stakeholders
- Understand stakeholders
- Classify by attitude**
- Consider how to manage blockers
- Document your analysis
- Communicate with stakeholders

| | | |
|-------------------|--------------------------------|--------------------------------------|
| High Power | Persuade – Satisfy 1 | Involve - Manage closely 3 |
| Low Power | Monitor 5 | Inform 2 |
| | Low Interest | High Interest |

Note: In the diagram, circle 1 is grey, circle 2 is grey, circle 3 is grey, circle 4 is red, circle 5 is grey, and circle 6 is green.

5. Consider how to manage blockers

- ▶ What will win them to support your work?
- ▶ If you don't win them around, how will you manage their

- Identify stakeholders
- Prioritize stakeholders
- Understand stakeholders
- Classify by attitude
- Consider how to manage blockers
- Document your analysis
- Plan stakeholder communication

▶ Tactics

1. I hear you! How can I help you remove your concern?
2. Can you incentivise them? Give them more responsibility?
3. Can your supporters win over your critics?
4. Can you go up and down the management hierarchy?
5. Can you remove them?
6. Can you threaten them?

5. Consider how to manage blockers

- ▶ What will win them to support your work?
- ▶ If you don't win them around, how will you manage their opposition?

- ▶ Tactics
 1. How can I help you remove your concern?
 2. Can your supporters win over your critics?
 3. Can you go up and down the management hierarchy?
 4. Can you incentivise them?
 5. Can you remove them?
 6. Can you threaten them?

- Identify stakeholders
- Prioritize stakeholders
- Understand stakeholders
- Classify by attitude
- Consider how to manage blockers
- Document your analysis
- Communicate with stakeholders

6. Document your analysis

- ▶ Most methodologies are rather bureaucratic in recommending you document everything from every angle
- ▶ You can document some or all of
 - Stakeholder catalogue
 - Concerns catalogue
 - Viewpoint library
 - Stakeholder communication plan
- ▶ The last is usually private

Identify stakeholders

Prioritize stakeholders

Understand stakeholders

Classify by attitude

Consider how to manage blockers

Document your analysis

Communicate with stakeholders

| Stakeholder | Concerns | Power (H,M,L) | Interest (H,M,L) | Communication plan |
|----------------|-----------------------|---------------|------------------|--------------------|
| 1 Customer | Goal, Deadline | High | High | |
| 2 Manager | Reputation, Profit | High | Low | |
| 3 End user | Usability | Low | High | |
| 4 Sales person | Customer relationship | Low | Low | |

7. Communicate with stakeholders

► Are you communicating as effectively as you should be with your stakeholders.?

| | | |
|-------------------|--|---|
| High Power | Persuade – Satisfy do enough to keep them satisfied but not so much they become bored with your message. | Involve - Manage closely the people you must fully engage and make greatest efforts to satisfy. |
| Low Power | Monitor monitor these people, but do not bore them with excessive communication. | Inform keep adequately informed, talk to them to ensure no major issues arise. may helpful you with project.details |
| | Low Interest | High Interest |

| Stakeholder | Concerns | Power (H,M,L) | Interest (H,M,L) | Communication plan |
|----------------|-----------------------|---------------|------------------|---|
| 1 Customer | Goal, Deadline | High | High | Involve - Manage closely |
| 2 Manager | Reputation, Profit | High | Low | Persuade – Satisfy - Monthly status report |
| 3 End user | Usability | Low | High | Inform – Weekly newsletter JAD workshops |
| 4 Sales person | Customer relationship | Low | Low | Monitor |

EA transformations require

- ▶ Commitment from the correct level of sponsorship
 - outside of the EA team or IT department
 - CxO backing for business transformation
- ▶ Organization change management
 - without incentives or motivation, people are resistant to change.
- ▶ Continued on going communication

Else EA transformational initiatives will simply grind to a halt from resistance to change



Sample stakeholders and concerns (edited from TOG example)

| Stakeholder | Concerns | | | |
|----------------------------|---|--|---|--|
| CEO | Changing the enterprise fast, but in a sustainable manner | The portfolio of enterprises products and services | Understanding opportunities, and how to capitalise on them | Understanding when to build, buy or outsource |
| COO and LoB managers | Increasing operational performance against KPIs | Leveraging best practice to realise operational excellence | Limiting negative impacts of change on operations | Maintaining employee morale and advocacy for change |
| CFO | Increasing the income, whilst reducing costs | Avoidance of large-scale and risky capital expenditure | Keeping sight and control of change cost, risk and value | Contracting effectively with suppliers |
| CIO | Reduce (or not unduly increasing) IT complexity and cost | Reducing reactive change and responding to it effectively | Maintaining SLAs | Managing risks to SLAs |
| Head of Change | Maintaining a balanced portfolio without overlaps or gaps | Effective sequencing and throttling of change | Stakeholder engagement and satisfaction | Objective costing and prioritisation of change |
| Architecture Practitioners | Maintaining visibility and influence over stakeholder thinking | Backing the right industry trends | Demonstrating value from architecture | Professionalism in architecture disciplines |
| Governance Bodies | Summarisation and communication of change approach and status | Assured compliance to governance criteria | Effective and consistent resolution of issues and changes in approach | Aligned change initiatives, with managed dependencies |
| PMO | On time and on budget delivery | Management of stakeholders | Identification and mitigation of risk and issues | Fully understanding scope and effort |
| SMEs and Project Teams | Understanding the big picture context | Easy access to knowledge and project compliance criteria | Working with a low stress and high productivity environment | |
| Chief Risk Officer | Risk identification and analysis | Risk mitigation plans | A risk and security investment plan to mitigate risks for the coming year | Monitoring risks to confirm their probability and the severity of impact |
| Chief Compliance Officer | Determining the compliance and regulatory requirements for the organisation | Getting regulators and compliance bodies to define compliance criteria | Accountability for compliance evidence for the organisation. | |

Manage stakeholders

▶ For 4th level process definition see the detailed methods

