STAKEHOLDER ANALYSIS

CMI Chartered Management Institute

Management Models

>> INTRODUCTION

Stakeholder analysis is the process of identifying and assessing the influence of an organisation's stakeholders. Stakeholders are all those who have a stake or an interest in the operations of the organisation, including internal stakeholders such as employees, and external stakeholders such as customers and suppliers.

>> HOW CAN THIS HELP ME?

Stakeholder analysis enables decision makers to assess the influence of individuals and groups who may help or hinder them in the achievement of their goals. This can be helpful in the development of organisational strategy or in planning specific initiatives and projects. Carrying out an analysis of stakeholder groups and their interests can make it easier to anticipate problems, gain the support of the influential groups, develop effective communications strategies and improve the products and services offered by the organisation.

>> ADDITIONAL RESOURCES

Stakeholder analysis and management (CMI Management Checklist 234)

>> THE MODEL

	Internal
	Primary
	Secondary
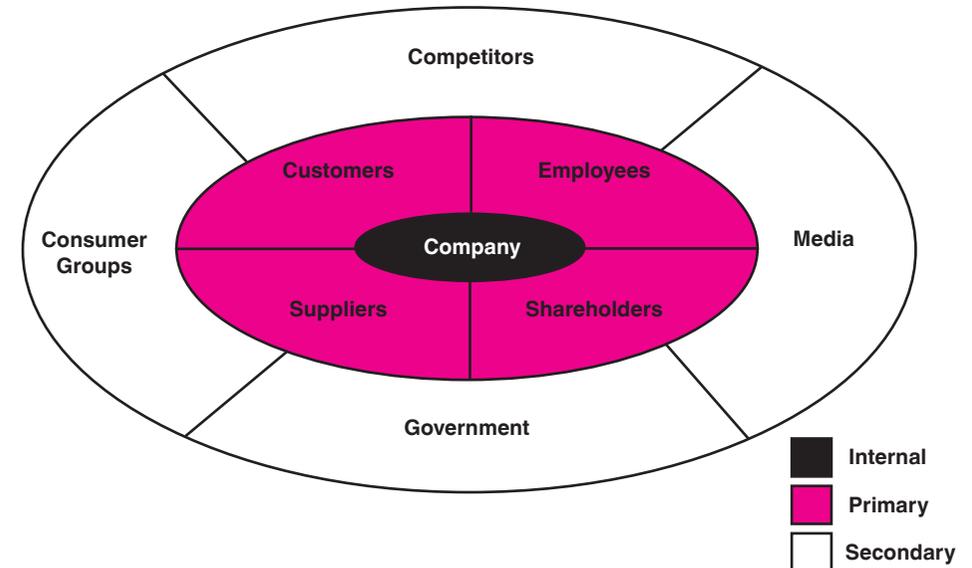
A stakeholder map provides a graphic representation of the individuals, groups and organisations which influence the achievement of the organisation's goals. Stakeholders are often classified as primary where they have a direct influence on the organisation and secondary where their role is indirect. Secondary stakeholders are indirectly affected – in this example these include government bodies, pressure groups and the media.

A stakeholder matrix shows the level of interest and influence exerted by different stakeholders. It allows organisations to prioritise stakeholders by making decisions about how much effort to invest in attending to their needs and communicating with them.