Cross-Cutting Tool

Stakeholder Analysis

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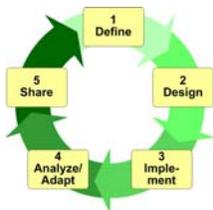
Resources for Implementing the WWF Standards

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Stakeholder Analysis

What Is Stakeholder Analysis?

A "stakeholder" can be defined as:

> *Any individual, group, or institution who has a vested interest in the natural resources of the project area and/or who potentially will be affected by project activities and have something to gain or lose if conditions change or stay the same.*

Stakeholders are all those who need to be considered in achieving project goals and whose participation and support are crucial to its success. Stakeholder analysis identifies all primary and secondary stakeholders who have a vested interest in the issues with which the project or policy is concerned. The goal of stakeholder analysis is to develop a strategic view of the human and institutional landscape, and the relationships between the different stakeholders and the issues they care about most.

Why Stakeholder Analysis Is Important

Ultimately, all projects depend on selecting stakeholders with whom they can jointly work towards goals that will reduce or reverse the threats to your key conservation targets.

A stakeholder analysis can help a project or programme identify:

- The interests of all stakeholders who may affect or be affected by the programme/project;
- Potential conflicts or risks that could jeopardise the initiative;
- Opportunities and relationships that can be built on during implementation;
- Groups that should be encouraged to participate in different stages of the project;
- Appropriate strategies and approaches for stakeholder engagement; and
- Ways to reduce negative impacts on vulnerable and disadvantaged groups.

The full participation of stakeholders in both project design and implementation of is a key to – but not a guarantee of – success. Stakeholder participation:

- Gives people some say over how projects or policies may affect their lives;
- Is essential for sustainability;
- Generates a sense of ownership if initiated early in the development process;
- Provides opportunities for learning for both the project team and stakeholders themselves; and
- Builds capacity and enhances responsibility.

When to Use Stakeholder Analysis

Stakeholder analysis can be undertaken throughout all stages of the project cycle, but it definitely should be undertaken at the outset of a project or programme. In particular, during the *Define* phase, stakeholder analysis is a crucial component of situation analysis (Step 1.4 in the *WWF Standards of Conservation Project and Programme Management*). As you go through your situation analysis, stakeholder analysis provides a preliminary identification of key stakeholders, indicating who is

important and influential and how they can be involved in the programme. During the *Design* phase (Step 2.1), a detailed stakeholder analysis, involving all key stakeholders, will help shape the development of strategic actions and inform risk analysis. In the *Implement* phase (Step 3.4, in particular), stakeholder analysis will help identify who, how and when stakeholders should be involved in project/programme activities. Later, during the *Analyze/Adapt* and S*hare* phases, the stakeholder analysis serves as a reminder, providing a benchmark against which projects can monitor and evaluate the effectiveness of their engagement with stakeholders, both supportive and opposing.

Stakeholder analysis is also an appropriate time to explore whether or not gender will be a factor in the elaboration and implementation of future efforts. It is well documented that discrimination by gender is likely to diminish the impact and effectiveness of projects and policies. Furthermore, the inclusion of women as stakeholders has the potential to achieve both better management of the resource base and improved community welfare. Gender analysis involves the assessment of:

- The distribution of tasks, activities, and rewards associated with the division of labour at a particular locality or across a region;
- The relative positions of women and men in terms of representation and influence; and
- The benefits and disincentives associated with the allocation of tasks to women and men.

How to Develop and Use Stakeholder Analysis

Given the potential impact of stakeholder attitudes and influence on the success of a project, it is often best to ensure a wide scope of the stakeholder analysis during the *Define* and *Design* phases to make sure that legitimate stakeholder interests and concerns are effectively addressed during the *Implement* and *Analyze/Adapt* phases.

There are a number of ways of undertaking a stakeholder analysis. Workshops, focus groups and interviews are three common approaches. During the course of the project cycle you may use all three, matching the technique to the evolving needs of the project. Whatever approach is used, there are three essential steps in stakeholder analysis: 1) Identifying the key stakeholders and their interests (positive or negative) in the project; 2) Assessing the influence of, importance of, and level of impact upon each stakeholder; and 3) Identifying how best to engage stakeholders. We describe key questions to ask at each of these steps and provide an example of a tool.

1. Identifying the key stakeholders and their interests (positive or negative) in the project

As outlined in the *Basic Guidance to Situation Analysis,* any given threat or opportunity factor has one or more stakeholder groups associated with it. To analyse stakeholder groups, you can thus either start with your situation analysis and think about the key stakeholders associated with each, or start with an analysis of the stakeholders and then link them to specific threat and opportunity factors.

Some of the key questions you should ask at this step include:
- How are the threatened project targets being used? By whom? Who is threatening the conservation target?

- Who is most dependent on the resources at stake? Is this a matter of livelihood or economic advantage? Are these resources replaceable by other resources?
- Who possesses claims – including legal jurisdiction and customary use – over the resources at stake? Are several government sectors and ministry departments involved? Are there national and/or international bodies involved because of specific laws or treaties?
- Who are the people or groups most knowledgeable about, and capable of dealing with, the resources at stake? Who is managing these resources? With what results?
- Are the stakeholders and their interests geographically and seasonally stable, or are there migration patterns?
- Are there major events or trends currently affecting the stakeholders (e.g., development initiatives, land reforms, migration, population growth)?
- Has there been a similar initiative in the region? If so, to what extent did it succeed? Who was in charge and how did local stakeholders respond?

A useful tool for this first step – identifying the key stakeholders and their interests – is given in the table below. Begin by brainstorming all possible stakeholders using the above questions as a guide. Then research the human environment. Talk to various stakeholders, and ask them who they would see as potential stakeholders for the initiative in question. Your list of stakeholders may grow or shrink as your analysis progresses, and your understanding deepens. Next try to learn about each stakeholder group in as much depth as possible.

To fill out the first column in the matrix below, list the stakeholders in relation to the above list of questions. Number your stakeholders for easy reference. Then describe the stake or mandate of each stakeholder in the second column. The mandate refers to the nature and limits of each stakeholder's stake in the resource (e.g. livelihoods, profit, lifestyles, cultural values, spiritual values, etc.), and the basis of that stake (e.g. customary rights, ownership, administrative or legal responsibilities, intellectual rights, social obligation, etc.). For each stakeholder, describe their potential role in the project in column 3. Then note in column 4 if the stakeholder is marginalized, e.g. women, indigenous peoples, ethnic minorities, youth, or other impoverished or disenfranchised groups. Marginalized stakeholders lack the recognition or capacity to participate in collaboration efforts on an equal basis, and particular effort must be made to ensure and enable their participation. In the last column decide who are the key stakeholders, i.e., those who – because of claims over or direct dependence on the resources, or their power, authority, or responsibility – are central to the initiative at hand. Their participation is critical.

Table 1. Stakeholder Analysis Matrix

Stakeholders	Stake / Mandate	Potential Role in Project	Margina- lized?	Key?

2. Assessing the influence and importance of each stakeholder as well as the potential impact of the project upon each stakeholder

Key questions for this second step in a stakeholder analysis include:

- Who is directly responsible for decisions on issues important to the project?
- Who holds positions of responsibility in interested organizations?
- Who is influential in the project area (both thematic and geographic areas)?
- Who will be affected by the project?
- Who will promote/support the project, provided that they are involved?
- Who will obstruct/hinder the project if they are not involved?
- Who has been involved in the area (thematic or geographic) in the past?
- Who has not been involved up to now but should have been?

To continue with the second step of the stakeholder analysis – assessing the influence, importance, and level of impact upon each stakeholder – a simple grid is shown in Figure 1 that can be useful for thinking through how different types of stakeholders might be engaged. It organizes stakeholders according to their likely influence over decisions to be made, and the likely impact of project decisions upon them.

This analysis can be done using pieces of paper or cards on a table top or wall with the matrix written up on flipchart, as follows:
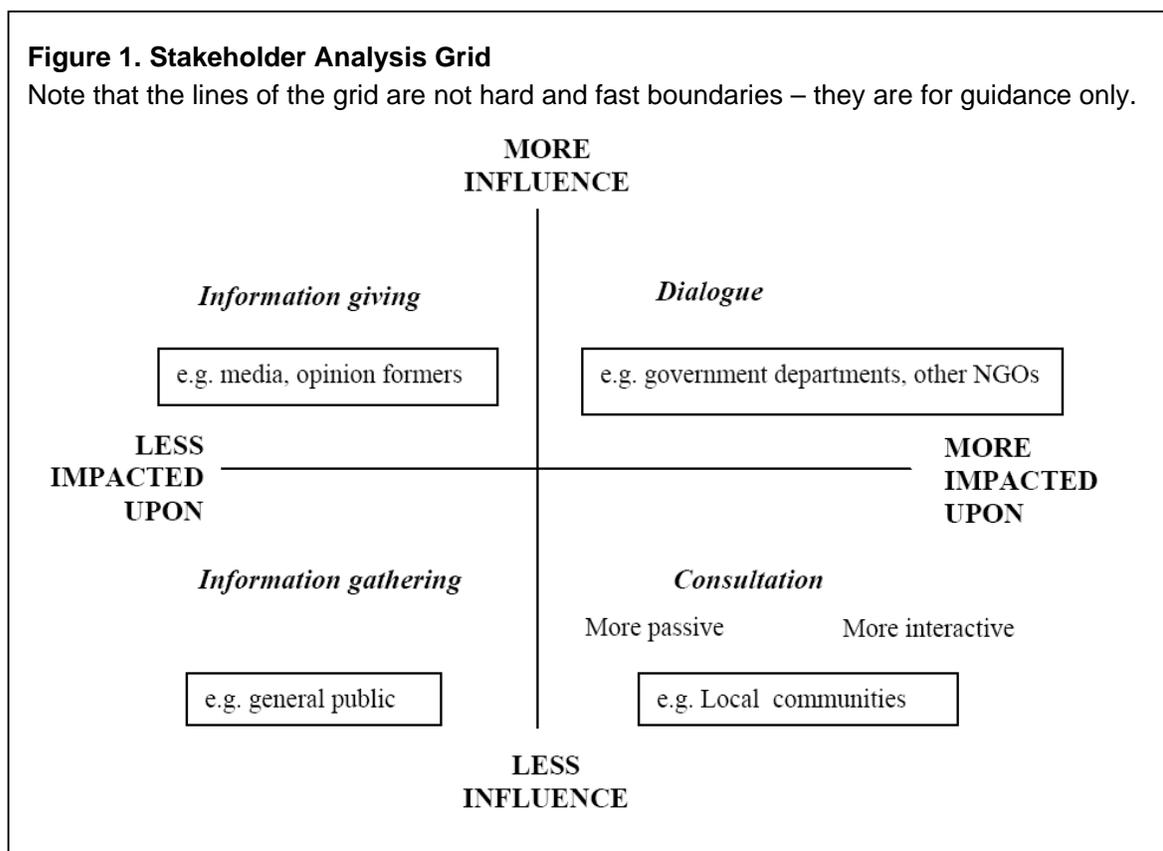
1. Identify stakeholders and write them on cards (one per card).
2. Organize and agree placement of cards on the matrix.
3. Consider relationships (e.g. responsibilities, rights, levels of conflict) within and between stakeholders in each area of the matrix.
4. Consider potential strategies (approaches, methods) for engaging different stakeholders in each area. The approaches in indicate common (but definitely not exclusive) approaches of engagement.

The following questions may prove useful when considering where stakeholders sit on the Influence/Impact analysis quadrant):

- Are they likely to influence the success or failure of your project?
- What is their relationship with WWF?
- What is their relationship with the project?
- Where are they now versus where you think they should be on the Influence/Impact quadrant?

3. Identifying how best to engage stakeholders

Finally, the third step involves determining how to involve the different stakeholders. Different types of stakeholders will be engaged in different ways in the various stages of the project, from gathering and giving information, to consultation, dialogue, working together, and partnership.

Figure 1. Stakeholder Analysis Grid
Note that the lines of the grid are not hard and fast boundaries – they are for guidance only.

This third step in the stakeholder analysis is covered in Step 3.4 of the Standards, which focuses on partnerships. Determining who needs or wants to be involved, and when and how that involvement can be achieved provides the basis for developing collaborations. Once stakeholder views are understood, a decision can be made on whether to pursue collaboration.

The importance of the process in planning and conducting successful collaborations cannot be overemphasized. Good-faith efforts are often derailed because the parties are not skilled in the collaboration process, and because insufficient attention is given to designing and managing it. Using an inclusive, transparent approach during project development and implementation will help build ownership and commitment. If it is not possible or realistic to have all key stakeholders involved from the outset, then a process for gradual involvement may be needed.

General Lessons
The increasing scope and ambition of many projects require a commitment to dialogue and collaboration with a diverse range of stakeholders. Dialogue that is open and transparent is critical to long-term success. Resource managers have learned a number of lessons in stakeholder collaboration, namely that:

> ➢ The goals of any collaboration venture must be clarified before engaging stakeholders. Goals help identify and target those interests that need to be represented in collaboration processes, and those that can be left out.
> ➢ It is fundamental that enough time be budgeted to explore stakeholder views, values and perspectives so that an understanding of the human and institutional landscape can be established.
> ➢ All key stakeholders must be involved in the design and implementation of policies and projects if successful results are to be achieved.
> ➢ Deciding who is "inside" or "outside" a collaboration process will always be relevant to project outcomes and to their sustainability.
> ➢ It is important that stakeholder participation not be exclusive, or controlled or dominated by any one group.
> ➢ All stakeholders will come to the process with their own biases.
> ➢ Stakeholder collaboration is a process that requires the opportunity and space for participants to listen to and learn from one another. It is important to create spaces for stakeholders to come together to develop and share their visions and agendas.
> ➢ Monitoring and evaluating the nature of the *collaboration* is as important as measuring specific project outcomes

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