

# STAKEHOLDER ANALYSIS

Objective:

- To develop an understanding of stakeholder analysis methods

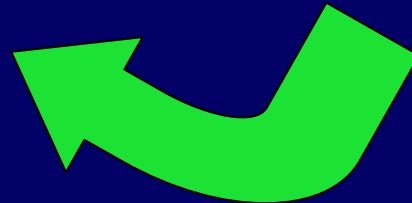
# STRUCTURE OF SESSION

**Introduction**

**How to do stakeholder analysis**



**Using the findings**



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# INTRODUCTION

# What is 'stakeholder analysis'?

It involves:

- Identifying primary, secondary and key stakeholders
- Assessing their interests
- Determining impact of these interests on viability of an IW project/programme
- Actively involving, as far as possible, all identified stakeholders in the SHA process.

# 'Stakeholder'

- ...an interested individual, group or institution that may or may not be affected by decisions or actions pertaining to a specific resource, and may or may not be part of decision-making about the resource

# Primary stakeholders

- ...those individuals, groups and institutions ultimately affected by decisions and actions regarding water resource management, use, development and conservation.
- They include both winners and losers
- **EXAMPLE: WATER USERS**

# Secondary stakeholders

- Are intermediaries in the design and implementation of an IW basin management framework, programme or project.
- Can be sub-divided into funding, administrative, implementation and advocacy institutions
- Can also be more simply sub-divided into governmental, NGO and private sector institutions

# External stakeholders

Include:

- Those with other vested interest than water e.g. politicians & traditional leaders
- ISSUE: Where do you draw the boundary?



# Implications for IW participation strategy?

- Contributes to higher level of acceptance of IW Diagnostic Analysis, Strategic Action Planning and programme/project design and implementation.
- Enhances sustainability of IW decisions and actions.

# Why do stakeholder analysis?

- To draw out stakeholder interests
- To identify conflicts of interest
- To identify stakeholder relations that can enhance cooperation, support and ownership
- To identify appropriate forms of participation
- To lay ground work for monitoring and adaptive management

# When to do stakeholder analysis?

Ideally at the beginning of a programme or project...

Can also be part of an ongoing adaptive process of planning, implementation and monitoring...

# Who should do analysis?

- A team NOT an individual!
- However, because stakeholder analysis often involves sensitive and undiplomatic information, and because of the covert nature of many stakeholder interests and agendas, there is often little to be gained in trying to uncover such information in public.

# How much time should be spent?

Depends on:

- Scale of an IW programme or project
- Complexity of issues

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# **HOW TO DO A STAKEHOLDER ANALYSIS**

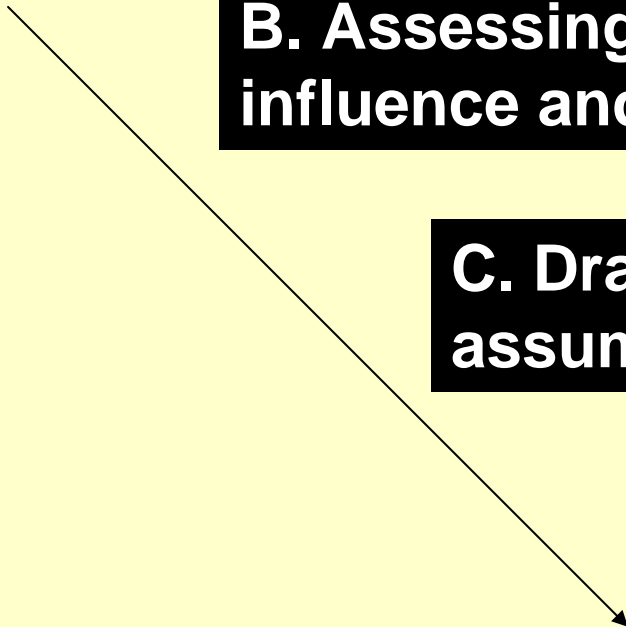
# ANALYTICAL PROCESS

**A) Stakeholder identification  
and Stakeholder interests**

**B. Assessing stakeholder  
influence and importance**

**C. Drawing out  
assumptions and risks**

**D. Identifying appropriate  
stakeholder participation**



# A) Stakeholder identification and Stakeholder interests

Identify & list all potential stakeholders

Identify their interests relative to IW Management

Assess impact of IW Management problem & objectives on these interests

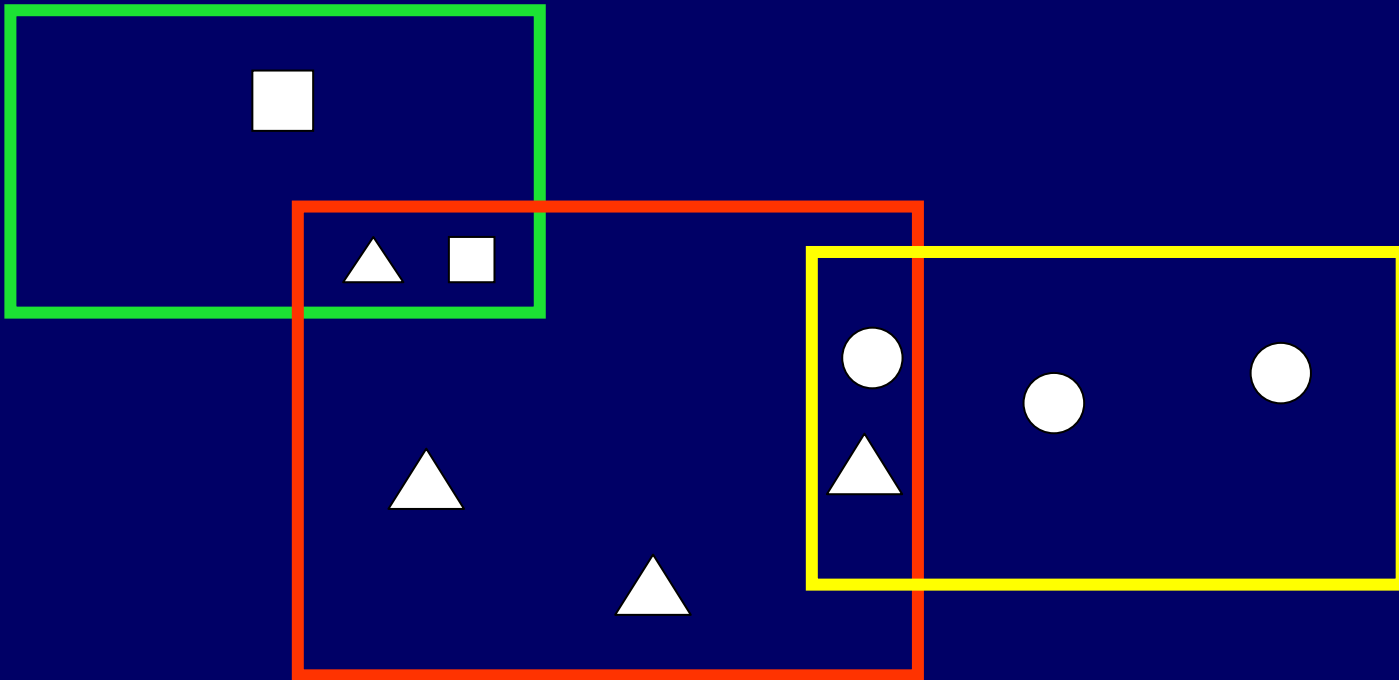
Prioritize stakeholder interests



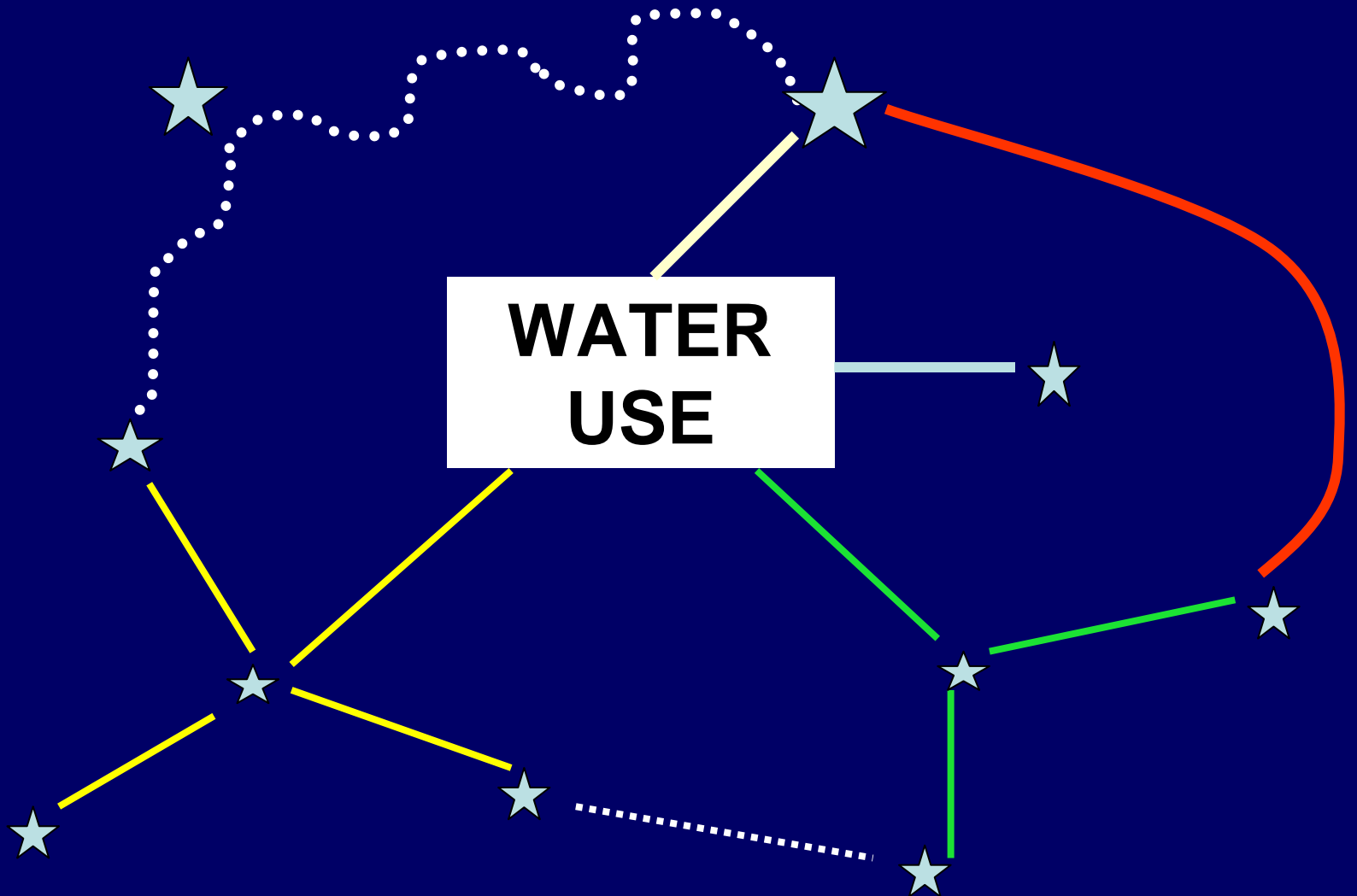
# STAKEHOLDER TABLES

<b>SH</b>	<b>Interests</b>	<b>Capacities/ Resources</b>	<b>Priority of interests</b>
Secondary			
Primary			
External			

# VENN DIAGRAMS



# VISUAL MAPPING



# CHECKLISTS

- For Identifying stakeholders
- For Drawing out of interests

# **B. Assessing stakeholder influence and importance**

## **Influence**

- Power to control what decisions are made
- Extent to which individuals, groups and institutions can persuade or coerce others into making decisions and taking certain actions

## **B. Assessing stakeholder influence and importance**

### Importance

- Refers to those stakeholders whose problems, needs and interests are a priority to a GEF International Waters project

# Influence & importance: variables

For formal organizations:

- Legal hierarchy
- Authority of leadership (eg charisma)
- Control of strategic resources eg funding
- Possession of specialist knowledge
- Negotiating position (ie strength in relation to other stakeholders)

# Influence & importance: variables

For informal groups & primary stakeholders

- Social, economic & political status
- Degree of organization, consensus & leadership in the group
- Degree of control of strategic resources significant to basin management initiative
- Informal influence (via networks)
- Degree of dependence on others

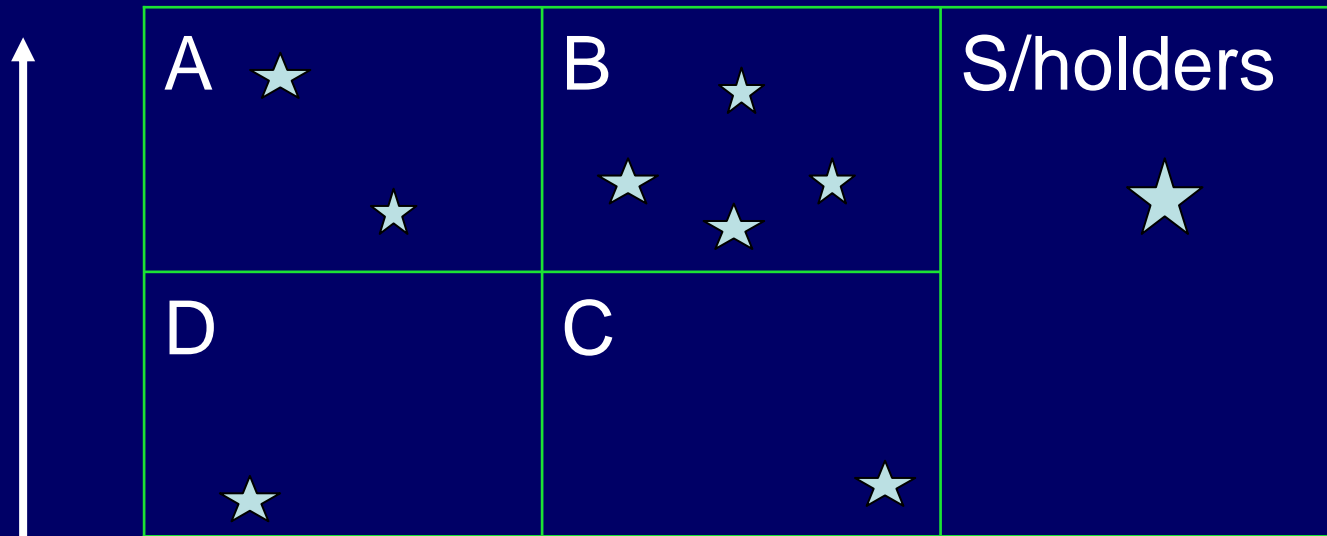


# CHECKLIST

- For Assessing which stakeholders are important for project success

# C. Combining influence & importance in a Matrix Diagram

High importance



Low importance

Low influence → High Influence

## **C. Drawing out assumptions and risks**

- The success of an IW project depends partly on the validity of assumptions made about interests of its various stakeholders
- Identify the most plausible assumptions about each key stakeholder
- Both the actual and potential Strategic Partnerships and Risks will emerge from matrix diagram

# CHECKLIST

- For Drawing out assumptions about deriving from stakeholders

## D. Identifying appropriate stakeholder participation

- Well designed programmes/projects define who should participate, in what ways and at what stage...
- Key stakeholders with high influence are likely to provide the core of support and strategic partnerships.
- Key stakeholders with high influence but low importance (therefore potentially risky) may be 'managed' by being consulted or informed....

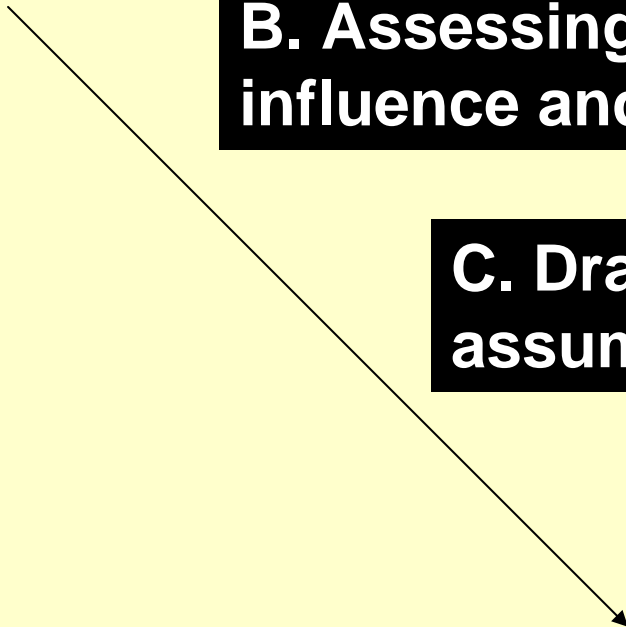
# SUMMARY

**A) Stakeholder identification  
and Stakeholder interests**

**B. Assessing stakeholder  
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**C. Drawing out  
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**D. Identifying appropriate  
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## USING STAKEHOLDER ANALYSIS

- To develop strategies for Stakeholder Participation in trans-boundary water management activities: for example
  - IW Diagnostic Analysis
  - IW Strategic Action Planning
  - IW Project design, implementation, M & E
  - Conflict resolution

# Practical Applications

- How do we move from awareness to practical application of stakeholder analysis methods?
- No blue print. Basin-specific situations and experiences vary, and innovation is therefore key.
- NB: Stakeholder analysis should be a broadly inclusive and adaptive process.



# Critical factors

- Policy Environment
  - Commitment by governments AND officials to promoting stakeholder participation.
  - Strong legal basis for stakeholder participation
  - Alignment in legal provisions for trans-boundary stakeholder participation.
  - Institutional support

# Critical factors

- Rights
  - Secure resource tenure arrangements among stakeholders in riparian states
- Political Empowerment
  - Decentralisation of IW management
  - Strengthening of basin or catchment level stakeholder institutions
- Stakeholder institutional capacity building
  - organisational development, funding, networks & learning alliances, communication technology (e.g.IT).

# Critical factors

- Communication and information dissemination.
- Clear and appropriate institutional roles and relationships
- Institutional legitimacy
- Effective management of power dynamics

# Critical factors

- Stakeholder participation in problem definition and strategy formulation
  - Who defines the NEED for participation?
  - Who identifies stakeholders in IW Management?
  - Who defines institutional roles and relationships?
  - Who facilitates participatory processes?

In other words, stakeholders need to come to the table as EQUAL partners, and not be drawn into the project of TWM defined by “others”.

# GROUP EXERCISE

FOUR groups

SCENARIO

THREE riparian states.

- Use **stakeholder analysis** tools.
- Decide on how to involve various stakeholders (i.e. approach)

# GROUP EXERCISE

Exercise:

Do a **stakeholder analysis** for your country:

- Draw a Stakeholder Table.
- Assess stakeholder **importance** & **influence** and combine these in a matrix diagram.
- Identify capacities & resources
- Identify any additional information you might need (how might you get that information)?

# GROUP EXERCISE

## OUTPUT

A very brief presentation addressing **ONLY** the following specific issues:

- List of identified stakeholders.
- Who are the key stakeholders, and why?
- What additional information do you need to identify stakeholders and their interests? (where might you get that info?)

# GROUP EXERCISE

## TIME ALLOCATION

GROUP EXERCISE: 2 HOURS

REPORT BACK: 40 MINUTES

DISCUSSION: 25 MINUTES

CLOSURE: 5 MINUTES