4 Step Process for Stakeholder Analysis

STEP 1
Identify Key Stakeholders

Assess:

- Who are the potential beneficiaries?
- Who might be adversely impacted?
- Have vulnerable groups been identified?
- Have supporters and opponents been identified?
- What are the relationships between the stakeholders?

The first step of a Stakeholder Analysis is to identify the key stakeholders – whose participation will be sought – from the large array of institutions and individuals that could potentially affect or be affected by the proposed intervention.

This can be achieved by a simple list. When answering the questions above, consider the beneficiaries, affected groups, and other interested groups.

STEP 2
Assess Stakeholder Interests and Potential Impact of the Project on these Interests

Assess:

- What are stakeholder expectations of the project?
- What are the benefits likely to be for the stakeholders?
- What resources might the stakeholders be able and willing to mobilize?
- What stakeholder interests conflict with project goals?
Once the key stakeholder groups have been identified, their possible interests in the project can be considered. Some stakeholders interests are less obvious than others and may be difficult to define, especially if they are hidden, multiple, or in contradiction with the stated aims or objectives of the organization or individual. The above questions can guide the inquiry into the interests of each stakeholder or group.

**STEP 3**

Assess **INFLUENCE and IMPORTANCE**

For each group, assess

- power and status (political, social and economic)
- degree of organization
- control of strategic resources
- Informal influence (e.g. personal connections)
- power relations with other stakeholders

**Influence** refers to the power that stakeholders have over a project. It can be exercised by controlling the decision-making process directly and by facilitating or hindering the project’s implementation. This control may come from a stakeholder’s status or power, or from informal connections with leaders.

**Importance** relates to the degree to which achievement of project goals depends on the active involvement of a given stakeholder. Stakeholders who are important to a project are generally those whose needs the project seeks to meet as well as those whose interests may converge with the objectives of the project. Some stakeholders may be very important to a project but lack influence. These stakeholders may require special efforts to enable them to become active participants to ensure their needs will be met.

Both the influence and importance of different stakeholder groups can be ranked along simple scales and mapped against each other, as an initial step in determining appropriate strategies for their involvement. Both variables can be assessed in a preliminary manner based on the knowledge of those familiar with the stakeholders concerned. More in-depth assessments of importance and influence would require direct consultations (for instance, to ask local-level stakeholders for their reactions to a proposed intervention).
STEP 4

Outline a Stakeholder Participation Strategy

Plan stakeholder involvement according to:

- Interests, Importance and Influence for each group
- Particular efforts needed to involve important stakeholders who lack influence
- Appropriate forms of participation throughout the project cycle

On the basis of the previous three steps in the stakeholder analysis process, some preliminary planning can be done on how the different stakeholder groups can best be involved in subsequent stages of the project. As a rule of thumb, the appropriate approaches for involving stakeholders of differing levels of influence and importance can be as follows:

- stakeholders of **high influence and high importance** should be closely involved throughout to ensure their support for the project
- stakeholders of **high influence and low importance** are not the target of the project but may oppose the intervention; therefore, they will need, as appropriate, to be kept informed and their views acknowledged to avoid disruption or conflict
- stakeholders of **low influence and high importance** require special efforts to ensure that their needs are met and their participation is meaningful; and
- stakeholders of **low influence and low importance** are unlikely to be closely involved in the project and require no special participation strategies (beyond any information-sharing strategies aimed at the ‘general public’).

W+ project template documents have incorporated relevant elements of the combined Voluntary Carbon Standard/ Social Carbon template documents. WOCAN acknowledges the intellectual property of the VCS and Social Carbon and appreciates the leadership and examples set by these organizations.