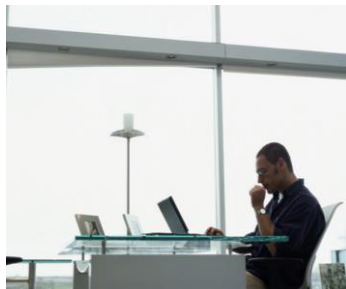


Stakeholder Assessment and Commitment



Change Management
A Highlands Group White Paper Series



By R. Kendall Lyman, Shane R. Cragun, and Jim Dowling



Stakeholder Assessment and Commitment

Franklin Delano Roosevelt said, “It is a terrible thing to look over your shoulder when you are trying to lead—and find no one there.” Part of change management focuses on getting the commitment, ownership, and buy-in of all stakeholders, including employees, owners, funders, leaders, suppliers, and customers. All of these individuals have a “stake” in the success or failure of an initiative, and have the potential to disrupt the effort in some way. It is not unusual for an organization to invest time and energy in a major initiative, only to have someone derail it during implementation. Self interest (e.g., ego, political advantage, turf protection, financial gain, etc.) is a challenge that cannot be ignored. When initiatives get derailed, most of the time it can be traced to a key stakeholder who was not committed early on. Successful leaders find ways to identify and engage key individuals whose involvement and commitment will be necessary down the road. In short, effective leaders can “look over their shoulder” and find support because they have taken time to ensure that key stakeholders are moving in the same direction.

This white paper helps you understand the difficulties leaders face—the blank stares, muttering, foot-dragging, and subtle sabotage that turns a good plan into an unworkable mess—when they try to get people to change the way they do things. Remember, individuals change—not organizations. The more adept change agents are at encouraging individual change, the more likely the organization will change. Most people want to change some things at work, but nobody wants to *be* changed by someone or something. The key to understanding how to create ownership and commitment on a large-scale change effort is to understand one’s own feelings and motives regarding change.

Change management researcher and author John P. Kotter summarized eight errors common to change efforts:

1. Not establishing a sense of urgency
2. Failing to create a sufficiently powerful guiding coalition
3. Lacking a compelling vision and strategy
4. Under communicating the vision by a factor of 10
5. Permitting obstacles to block the new vision
6. Failing to create short-term wins
7. Declaring victory too soon
8. Neglecting to anchor changes firmly in the corporate culture



Notice how many of these errors have to do with not creating ownership and commitment through lack of involvement, communication, and education. Consequences of these errors include:

- New strategies are not implemented well
- Acquisitions do not achieve expected synergies
- Reengineering takes too long and costs too much
- Downsizing does not get costs under control
- Initiatives do not deliver hoped-for results

To avoid similar errors in your change initiative, conduct a stakeholder assessment using the following steps:

1. Identify key stakeholders who have a “stake” in the outcome of the change initiative.
2. Gather stakeholder feedback.
3. Aggregate the data.
4. Assess the current and desired level of commitment for each stakeholder.
5. Develop a plan to build stakeholder commitment.
6. Deal with immovables.

1. Identify Key Stakeholders

To identify key stakeholders, think of key individuals and groups inside the organization as well as external customers and suppliers whose commitment is vital to your success. List these individuals on the Stakeholder Commitment Plan at the end of this paper.



2. Gather Stakeholder Feedback

One way to increase stakeholders' commitment levels is to involve them. Communicate with stakeholders often. Ask them how they think the change initiative will impact the organization and individuals.

Tasks

Complete the following tasks to decide how to get stakeholder feedback:

1. Determine which stakeholders you need to involve to gain more awareness and understanding.
2. Determine appropriate questions to ask internal stakeholders. Consider using the Personal Impact of Change Worksheet (on the next page) with employees to learn what they think about their current situation and what the possible individual impact could be given the types of changes that are likely to happen. Create similar questions to ask departments or functions that might experience change.
3. Determine appropriate questions to ask external stakeholders (e.g., customers, vendors, funders, partners). Consider asking the following:
 - What is your current level of satisfaction with the organization?
 - What is your current level of understanding about the future direction of the organization (and/or any proposed changes)?
 - What concerns, complaints, and suggestions for improvement do you have?
4. Make assignments to conduct each interview. We suggest using leaders that are part of the change to interview stakeholders so they can understand stakeholder perceptions firsthand.



Personal Impact of Change Worksheet	
Current Situation	Possible Impact
Who I work with and report to:	I will no longer work with: New people I will work with:
What I produce now:	New outputs I will be expected to produce:
What skills and tools I need most now:	What new skills and tools I will need most:
My work environment/conditions now:	My new work environment/conditions:
How I am measured and rewarded now:	New ways I will be measured and rewarded:
Name (optional):	Contact information (optional):





Example: Personal Impact of Change

The following example shows some typical responses to the Personal Impact of Change Worksheet.

Personal Impact of Change Worksheet	
Current Situation	Possible Impact
Who I work with and report to: <i>Quality Assurance Group</i>	I will no longer work with: <i>Other Quality Assurance managers (directly)</i> New people I will work with: <i>New integrated product team</i>
What I produce now: <i>Data analysis; review sessions</i>	New outputs I will be expected to produce: <i>Live reports about processing defects</i>
What skills and tools I need most now: <i>Data analysis and report writing</i>	What new skills and tools I will need most: <i>Working with others; working in a team</i>
My work environment/conditions now: <i>Back office away from the production floor</i>	My new work environment/conditions: <i>On the production floor</i>
How I am measured and rewarded now: <i>Defect identification</i>	New ways I will be measured and rewarded: <i>Throughput</i>
Name (optional):	Contact information (optional):

3. Aggregate the Data

As you gather data, the issues raised by one group are often similar to the issues raised by other groups. This step helps data-gathering team members clarify themes and focus areas for the change effort.

Tasks

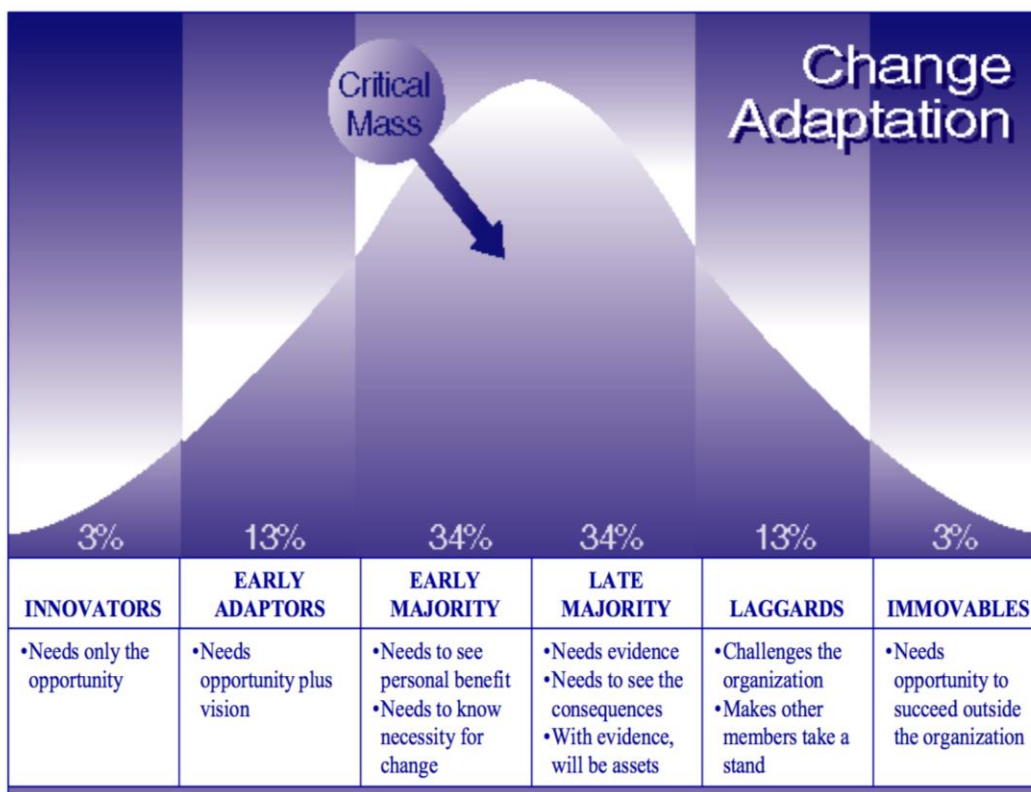
Complete the following tasks to aggregate data:

1. Select and invite representatives who participated in the different interviews to review the data.
2. Set a time to meet. Allow enough time to fully discuss and understand the findings.
3. Determine common themes and the impact of each theme.
4. Identify approaches to deal with themes not addressed in the change plan.
5. Determine how to thank stakeholders (e.g., employees, customers, vendors, partners, funders) for their input, describe the key themes, and outline steps to address their issues.



4. Assess the Current and Desired Level of Commitment

The Change Adaptation Curve illustrates how readily individuals adapt to change. Often, change leaders spend most of their time focusing on the laggards and immovables—the “squeaky wheel gets the grease” syndrome. Research shows that most people in each segment on the graph get their information and ideas from the group in front of them. Consequently, a leader’s time is best spent on getting the “swing vote”—the early adapters and early majority—so those groups can bring the rest of the employee population along.





Tasks

Complete the following tasks to assess the current and desired level of commitment:

1. As a group, assign each stakeholder to a segment on the Change Adaptation Curve that best describes them.
2. Assess what level of support you think each key stakeholder is currently providing the organization (i.e., make, help, permit, question/resist, or unaware). Use the Stakeholder Commitment Plan worksheet at the end of this paper. Specify the current level of commitment with an “X”. The definitions for the rating scale are:

Make: This group typically includes line managers and/or external stakeholders who are responsible for making the change/redesign happen. This group needs to be committed and willing to proactively make the change happen.

Help: This group provides help and resources to make the initiative succeed. Staff managers and other support roles are typically in this category. This group needs to be able to help the change effort when needed.

Permit: These people allow the initiative to proceed, but they do not necessarily take an active role.

Questions/Resists: These people may have questions about the initiative or may resist it.

Unaware: Chose this category when you do not know the stakeholder’s current commitment level.

Note: Sometimes it might be useful to have individual stakeholders, or a stakeholder group, assess their own levels of commitment. In this way, they are engaged from the outset.

3. Determine the level of future support you would like each key stakeholder to provide. On the Stakeholder Commitment Plan, specify the future level of commitment with an “O.” Then brainstorm potential action steps the team can take to get the required level of support.

Note: If all of the individuals in a particular group, such as Senior Vice Presidents, have the same level of current and desired commitment, and the activities to attempt to obtain the desired commitment are the same, then the group could be listed as a single unit on the Stakeholder Commitment Plan. But if not, then list the individuals separately.

4. Identify the role that each stakeholder plays in the change effort. Then brainstorm an initial list of action steps to improve current commitment levels to the desired level of support.



5. Develop a Plan to Build Stakeholder Commitment

The template below is an intuitive and easy way to create a master plan for stakeholder commitment. Use data from the Stakeholder Commitment Plan to complete the master plan below.

Stakeholder	Master Plan for Building Commitment
	Key strategies to influence: Action steps: Accountability:
	Key strategies to influence: Action steps: Accountability:
	Key strategies to influence: Action steps: Accountability:



Tasks

Complete the following tasks to develop the master plan for building stakeholder commitment:

1. List the key stakeholders (individuals or groups) in the left-hand column.
2. Identify the key strategies to improve stakeholders' commitment levels.
 - Based on the Change Adaptation Curve segment you assigned the stakeholder earlier, what actions might help the stakeholder increase his or her commitment?
 - **Note:** Below are some proven key strategies for positively influencing stakeholder commitment.
3. Identify action steps that need to be completed to implement the strategies and gain the desired level of commitment.
 - In this step, simply brainstorm a list of action items to help move commitment levels to their desired state.
 - **Note:** If you do not know why certain stakeholders are not highly committed, then you will need to determine the root cause.
4. Identify the individual or group who will accept primary responsibility for stakeholder commitment levels and who will implement the influencing strategies and plans.

Key Strategies to Win Stakeholder Commitment

You can employ many strategies to increase stakeholder commitment levels. Some that we have found successful include:

- **Involvement:** The saying goes that when there is no involvement, there is no commitment. Stakeholders can be involved in many ways, from high involvement (e.g., participating on a team) to low involvement (e.g., answering a survey).
- **Communication:** Employees have a high need for information and for forums where they can voice their opinions.
- **Education:** Helping stakeholders intimately understand the business case for change often creates a sense of urgency for change.
- **Competitive Information:** Use stakeholders to collect competitive information as a way of creating a business case for change in the stakeholders' minds.
- **Targeted Literature:** Stakeholders can become more committed to the change by reading books or articles about the type of change they will experience.



6. Deal With Immovables

Concerning a large-scale redesign effort, the CEO of one well-known company said, “We will carry the wounded—but shoot the stragglers.” On virtually every large-scale change initiative, some people will strongly oppose it and work to subvert the effort. Often they are extroverted opinion leaders who have tremendous influence in the “rumor mill.” No matter what, they will not change—and we consider them immovables (a.k.a. “snipers”). It is tempting to ignore (or “shoot”) such “stragglers.” But consider this alternative position. Individuals do not voice a concern without energy and commitment. The louder and more forceful the critique, the stronger the commitment behind it. If the critics didn’t care what happened to the organization, they wouldn’t expend the energy to complain.

In this step, you genuinely explore the concerns raised by the “stragglers.” What do they see as the downsides? What pitfalls do they see that might waste resources? What is behind their concerns? Listening to the immovables and trying to understand all of their objections, fears, and concerns can yield three important benefits:

1. It will help you do a more thorough job of addressing potential barriers to success.
2. It will show everyone else that you take the organization’s vision, mission, and values seriously. Remember, how you respond to emotional challenges reveals what you truly value.
3. You may convert the immovables into supporters of the change.

It is important to note that after leaders have listened to concerns and made appropriate modifications, some stakeholders will still not be supportive. In these cases, leaders must have candid and honest communication with these stakeholders to clarify what has been done (and what will not be done) based on their feedback. If the stakeholder is an employee, leaders should be bold and suggest that everyone might be better served if the employee moves on to another organization. When this happens, leaders must model the values of the organization, be honest in their feedback, and candid about the alternatives.



Conclusion

Part of change management focuses on getting the commitment, ownership, and buy-in of all stakeholders, including employees, owners, funders, leaders, suppliers, and customers. These individuals have a vested interest in the success or failure of an initiative. American economist John Kenneth Galbraith said, “Faced with the choice between changing one’s mind and proving that there is no need to do so, almost everybody gets busy on the proof.” Leadership, change agents, or change teams are responsible for understanding stakeholders’ concerns, issues, complaints, and ideas. Then it is their job to create a plan to increase stakeholder commitment and win the “swing vote” to support the change.

The Highlands Group

2975 West Executive Parkway, Suite 185

Lehi, Utah 84043

Phone: (801) 830-3537

Email: kendall@highlandsgrp.com

Website: www.highlandsgrp.com



Stakeholder Commitment Plan

Stakeholder	Specific Role	Make	Help	Permit	Question/Resist	Unaware	Action Steps

Instructions: In the shaded columns, place an "X" for the current commitment level and an "O" for the desired commitment level of each stakeholder.



