



THE ROLE OF STAKEHOLDER ENGAGEMENT IN CHANGE MANAGEMENT

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Background

- Introducing a new project = CHANGE
- Up to 80% of change efforts FAIL



Why do change efforts fail?

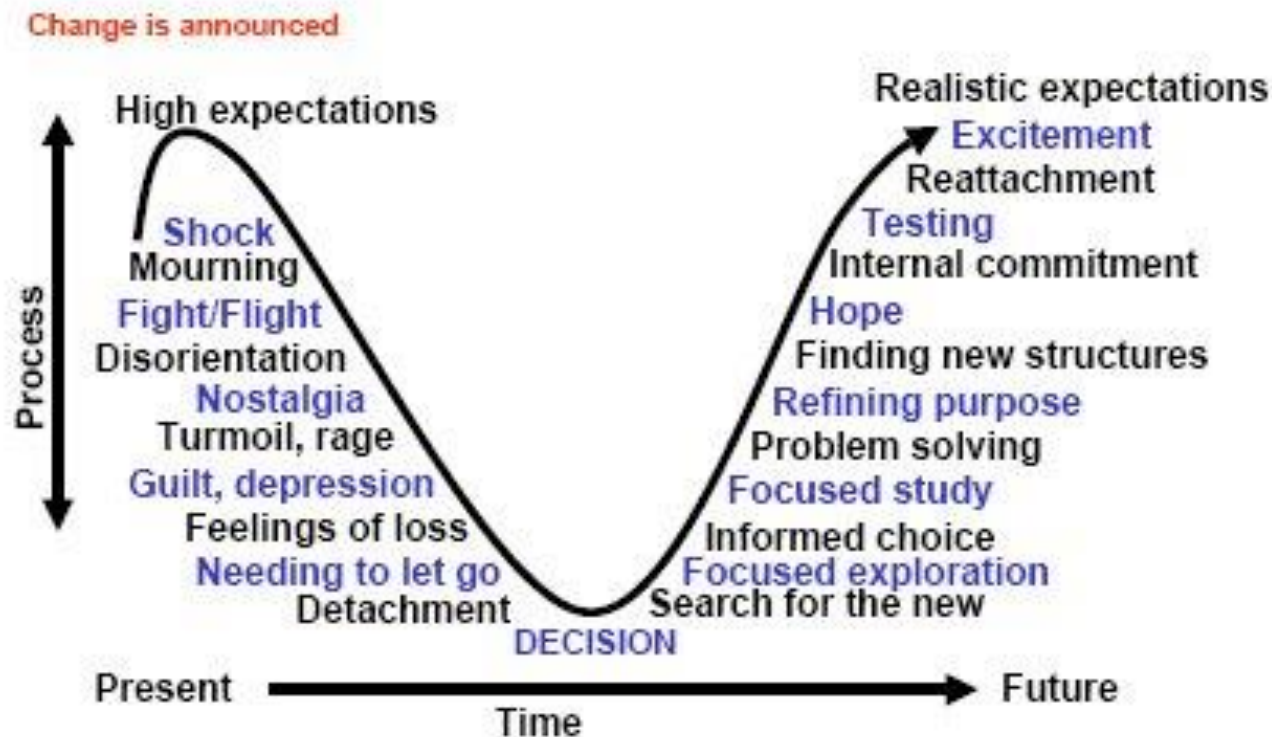
- Poor stakeholder engagement
 - Lack of communication / limited information
 - Change is enforced
 - No opportunity for stakeholders to influence change
 - No compelling case for change
 - Biased decision making
 - Mismatch between expectations and reality
 - Unconvincing change leaders
 - Inherent human resistance to change
-
- Failure to understand that **people are at the heart of change**, and people are emotional more than logical



Why people resist change?

- Personal loss (status, authority, financial)
 - Risks & losses appear to outweigh benefits
 - Lack of impact equity amongst stakeholders
 - Disruption to routine
 - Fear of the unknown
 - Nostalgia
 - Low trust in management competence
 - Temporary fad
 - Lack of ability to accommodate change
 - Misunderstanding re: need for change
 - Lack of consultation
 - Inadequate communication
- } leaving us feeling unimportant

The Roller Coaster of Change



Ref: Kubler-Ross



The solution?

- Understanding who your stakeholders are
- Understanding your stakeholders' motivations
- Involving (& empowering!) your stakeholders
- Communicating with your stakeholders

allows you to reduce resistance, improve solutions, generate more successful outcomes



ESSENTIALS OF STAKEHOLDER ENGAGEMENT



What is a stakeholder?

- Who stands to be affected by your activities
 - Residents, service users
 - Staff, partners and service providers
- Who may be able to influence your activities
 - Decision makers
 - Regulatory agencies
 - Project partners
 - Investors or funders
 - Politicians
- Who may have an interest in your activities
 - Property developers / investors
 - Others using the space
 - Interest groups
 - Media



Why engage stakeholders?

Strategic Considerations

- Increased Government move towards engaging with citizens & adoption of stakeholder-centric approaches
- Using stakeholder expertise for more sustainable outcomes
- Building stakeholder champions beyond the ‘usual suspects’ for improved credibility & broader resonance
- Integrated cross-organisational approaches
- Enhanced transparency / open data



Why engage stakeholders?

Emerging Threats

- Collective journalism
- An increasingly interested, self-informed, and demanding public – growing expectations
- Emergence of the ‘stakeholder society’
- Urban expansion brings development to sensitive areas



Why engage stakeholders?

Project Motivations

- To minimise **Risks**
 - Rejection / Objection
 - Wasted Effort, Resources
 - Disillusionment...affects potential success of future initiatives
 - Reputation
- To take advantage of **Benefits & Opportunities**
 - Prioritise engagement resources
 - Identify strong value proposition
 - Collaborative problem solving and delivery
 - Create sustainable impacts



Risks of Engaging?

- it will cost more **money**
- it will slow the project down
(which will cost more **money**)
- the public will ask for impracticable solutions
(which would cost more **money**)
- it won't make a difference
(which will be a waste of **money**)
- it will open us up to scrutiny, criticism, and reputation damage
(which could result in us losing **money**)
- we are the experts – the public needs to **trust** us



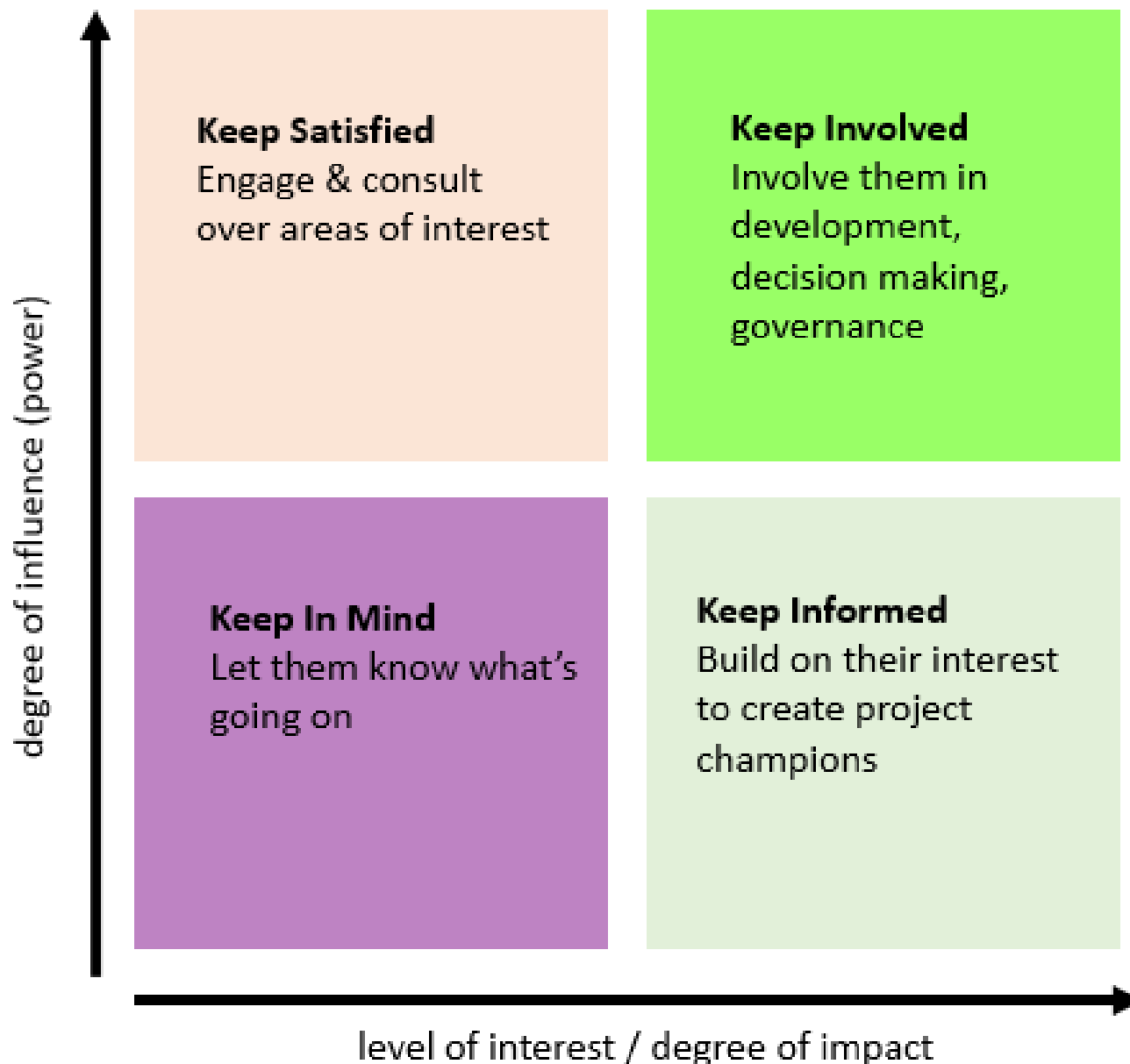
Identifying Your Stakeholders

- Who stands to be most impacted by your activities?
- Who makes decisions about your project?
- Who is involved in influencing decisions about your project?
- Who needs to know about your activities?
- Who may have an interest in what you are doing?
- Are there any hidden stakeholders?



Stakeholder Mapping

interest	impact	influence
How interested is the stakeholder in your project?	How much does the project influence the stakeholder?	How much influence does the stakeholder have over the project?
High / Medium / Low	High / Medium / Low	High / Medium / Low





Stakeholder Mapping

interest	impact	influence	importance	opportunities	risks
How interested is the stakeholder in your project?	How much does the project influence the stakeholder?	How much influence does the stakeholder have over the project?	What matters most to the stakeholder?	How could the stakeholder positively contribute to the project?	How might the stakeholder disrupt the project?
High / Medium / Low	High / Medium / Low	High / Medium / Low	e.g. working conditions for staff, preserving wildlife or heritage sites, local employment	e.g. champion the project to other stakeholders, training, expert knowledge	e.g. protest, refuse to participate, reject proposals



Create your engagement strategy

interest	impact	influence	importance	opportunities	risks	strategy
How interested is the stakeholder in your project?	How much does the project influence the stakeholder?	How much influence does the stakeholder have over the project?	What matters most to the stakeholder?	How could the stakeholder positively contribute to the project?	How might the stakeholder disrupt the project?	How best to engage the stakeholder?
High / Medium / Low	High / Medium / Low	High / Medium / Low	e.g. providing respite for carers, working conditions for staff	e.g. champion to staff, training	e.g. protest, refuse to participate	e.g. face-to-face meeting followed by monthly briefings, emails, drop-in session



COMMUNICATING WITH STAKEHOLDERS



Tailoring Communications

- We understand that we have a range of stakeholders with different engagement needs
- We have identified the issues that matter to our key stakeholders
- Now we can tailor our communications for best effect



Why tailor communications

- All people are different...
- And, we are designed to filter out background 'noise'
- Every project has different engagement and communications needs
- Every project phase is likely to require a different approach
- Therefore communications must be tailored to stand out to the audience we want to reach

Vote in Britain

THE Sun SAYS

We are about to make the biggest political decision of our lives. The Sun today urges everyone to vote LEAVE.

Throughout our 150-year membership of the European Union it has proved increasingly greedy, wasteful, bullying and increasingly incompetent in a crisis.

Next Thursday, at the ballot box, we can reject this huge and ill-fated EU. Because by June 23, it is our last chance. Because by June 23, our future looks far brighter if we stay in the EU.

Outside the EU we can become richer, safer and free at long last to forge our own destiny – as America, Canada, Australia, New Zealand and many other great democracies already do. And as we were the first to do centuries ago.

If we stay, Britain will be engulfed in a few short years by this relentlessly expanding, German-dominated federal state. For all David Cameron's wishes, aspirations, our power and values WILL be further eroded. Staying in will be worse for immigration, worse for jobs, worse for wages and worse for the building and manufacturing industries of going the same way, with even dire consequences for the historic market.

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VOTE TO QUIT EU ON JUNE 23

20% OFF BOOKS AND STATIONERY AT WHSmith

William and Kate have raised the big wedding bill question: Should the bride's family pay?

LET OF EUROPE

We want our country back

THE Daily Express today becomes the first national newspaper to call for Britain to leave the European Union.

INSIDE 8-PAGE ROYAL ASCOT GUIDE

Mary Dejevsky There's one man who could trump Trump
Owen Wilson Why Ben Stiller and I make good comedy
Hamish McRae There's one man who could trump Trump
Simon Hughes Liverpool how to fan power on the pitch

Exposed: Brexit campaign and its crony think-tanks

Business for Britain uses research from supposedly 'impartial' groups which actually share close links to it

It is not just the Brexit campaign that is being exposed, but the crony think-tanks that have been set up to support it. A new report from the think-tank Business for Britain, which is part of the Brexit campaign, reveals that it has been set up to support the Brexit campaign and its crony think-tanks.

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Prince 8-page tribute supplement

the guardian

Obama: Brexit would put UK at 'back of the queue' on trade

Fans hope for answers from Prince postmortem

Obama: Brexit would put UK at 'back of the queue' on trade

Fans hope for answers from Prince postmortem

President gives warning of costs to economy

Intervention defended as UK's 'need to know'

Daily Mail 65p

Why the Queen was opposed to gay marriage

Just one of the revelations in our major series by Britain's top royal experts

AN FINEST MAN 'KILLED BY No10'

Downing St accused over ousting of anti-EU business chief

David Cameron was under pressure yesterday to 'come clean' about Government involvement in the ousting of a pro-Brexit business boss.

FINANCIAL TIMES

Sea of troubles President Xi needs to change tack - GIDEON RACHMAN, PAGE 15

Lest we forget What business leaders can learn from battlefield bravery - ANDREW HILL, PAGE 16

Building the future Why private investors are wary of funding infrastructure - PAGE 10

Doping threatens Rio ban for Russia

Cameron flags national security in Brexit fight as he eyes quick deal

Premier heckled at CBRE conference • Four point EU reform plan to be outlined today

NHS needs to look beyond taxpayers for funding, warns former regulator

Three Tiers of Communication

- Notification
 - *One-way information flow*
 - **Aim:** *to keep people informed*
 - **Benefits:** *efficient, avoids stakeholder burnout*
 - **Risks:** *doesn't encourage people to get involved*
 - **Forms:** *Leaflets, letters, email bulletins, social media updates, posters, newsletters, exhibitions*



Three Tiers of Communication

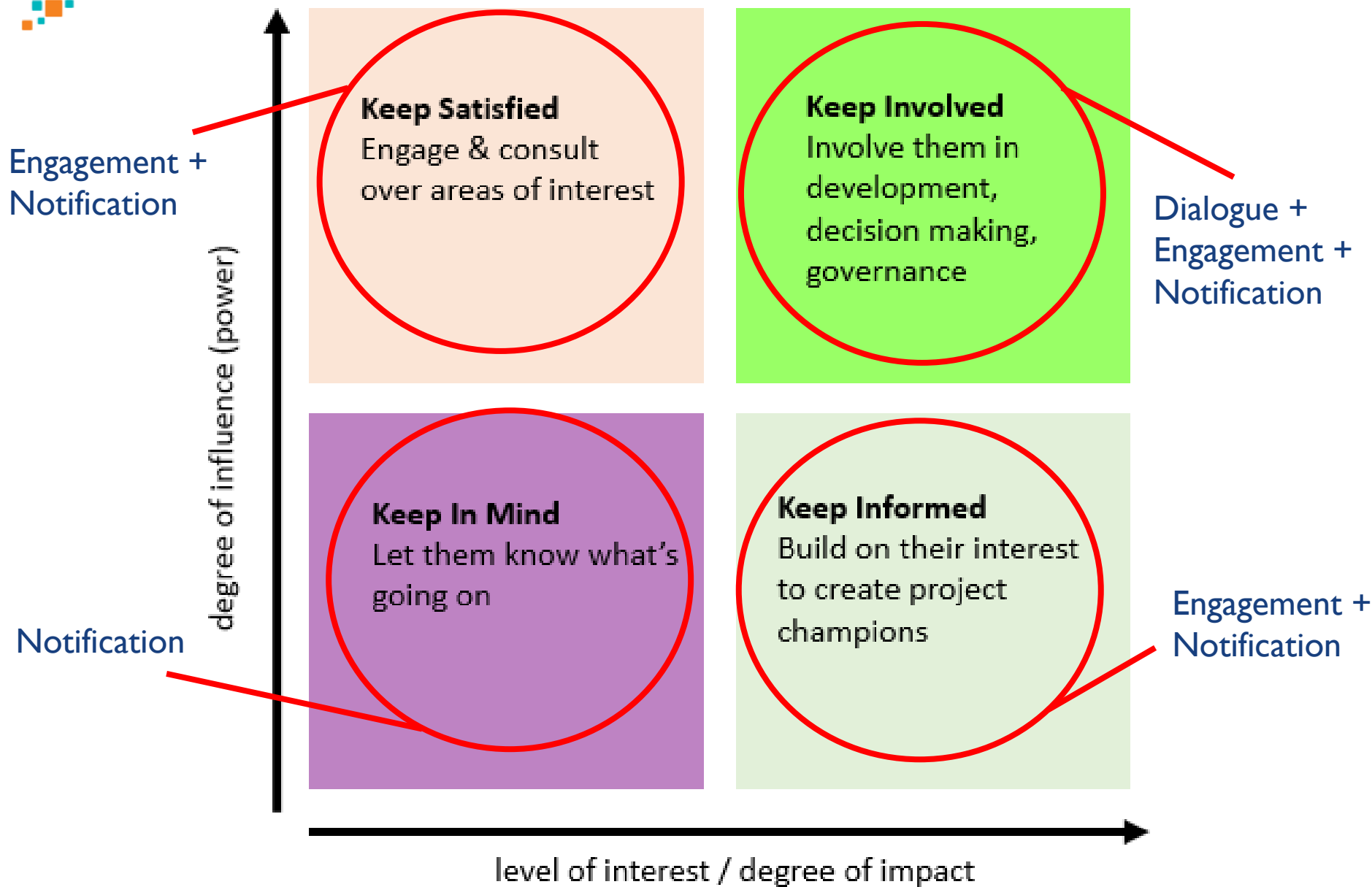
- Engagement
 - *Two-way information exchange*
 - **Aim:** *to keep people informed and respond to their feedback*
 - **Benefits:** *gives people a voice, helps people feel valued, helps build trust, reduces misunderstandings*
 - **Risks:** *requires more effort & resources, failing to respond in a timely & consistent manner can damage trust and credibility*
 - **Forms:** *Helpline, emails, meetings, staffed displays, drop-in sessions*



Three Tiers of Communication

- Dialogue
 - *Multiple exchange of information*
 - **Aim:** *use stakeholder inputs to inform decision making*
 - **Benefits:** *values stakeholder expertise, builds buy-in, can produce more sustainable successful outcomes*
 - **Risks:** *requires intensive effort, failing to genuinely consider inputs can destroy trust and credibility, difficult to balance all inputs*
 - **Forms:** *idea generation workshops, stakeholder forums, masterplanning events, participatory design*







Essentials of Risk Communication

- People assess risks (such as the risks associated with change, or introduction of a new project) according to many variables other than just logical evaluation of facts
- Outrage plays a major role in the way that people perceive risks
- Outrage factors include:
 - Trust
 - Control
 - Voluntariness
 - Dread
 - Familiarity
- Risk communication allows you to communicate with stakeholders in situations of high concern (outrage) and low risk (even where perceptions of risk are high)

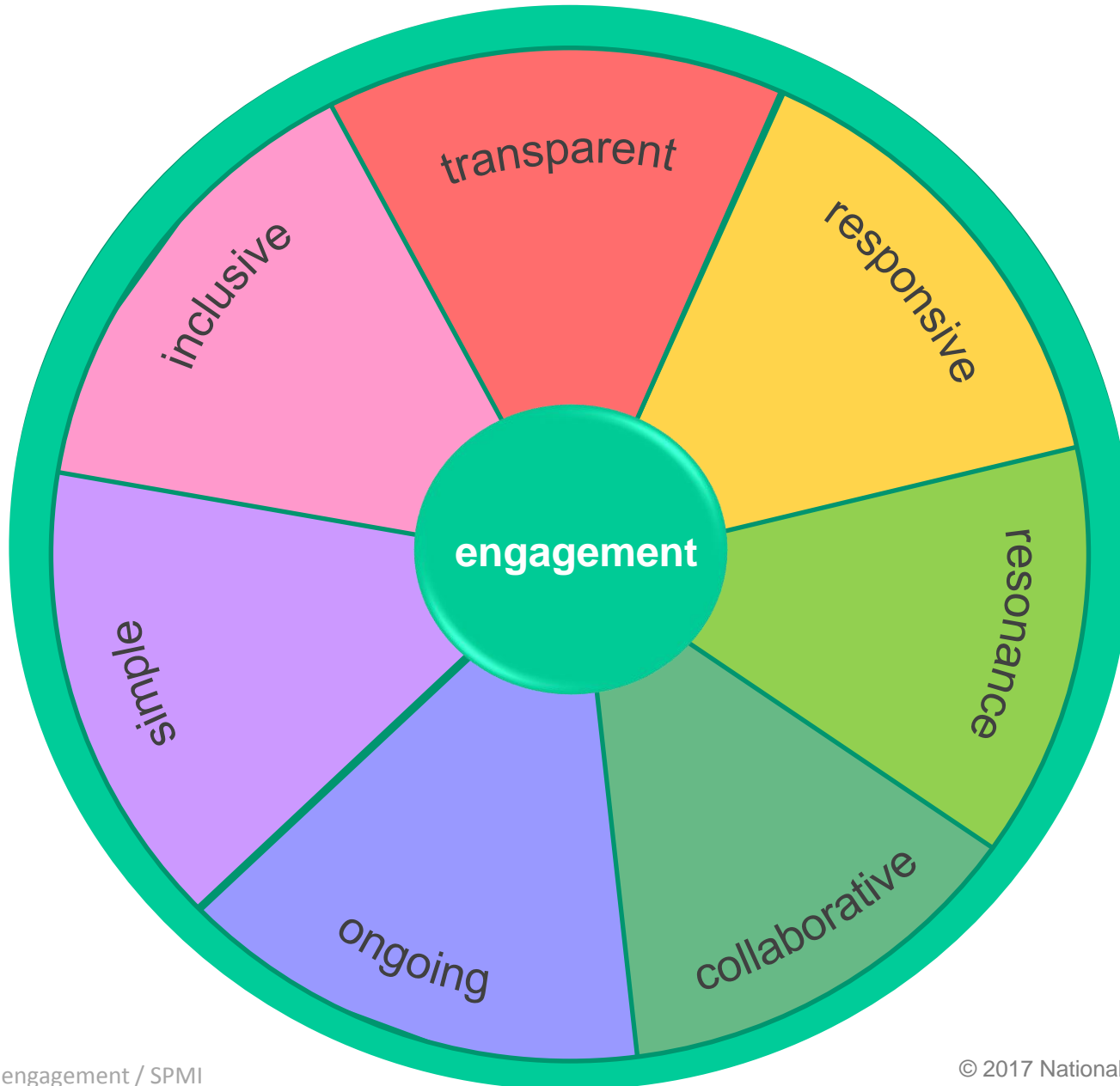


Essentials of Risk Communication

- The primary goal of risk communication is to build **trust and credibility**
- Only then can we convey information
- In situations of high concern, people will not accept information from those they do not trust
- Furthermore, when we are upset our ability to absorb information is reduced



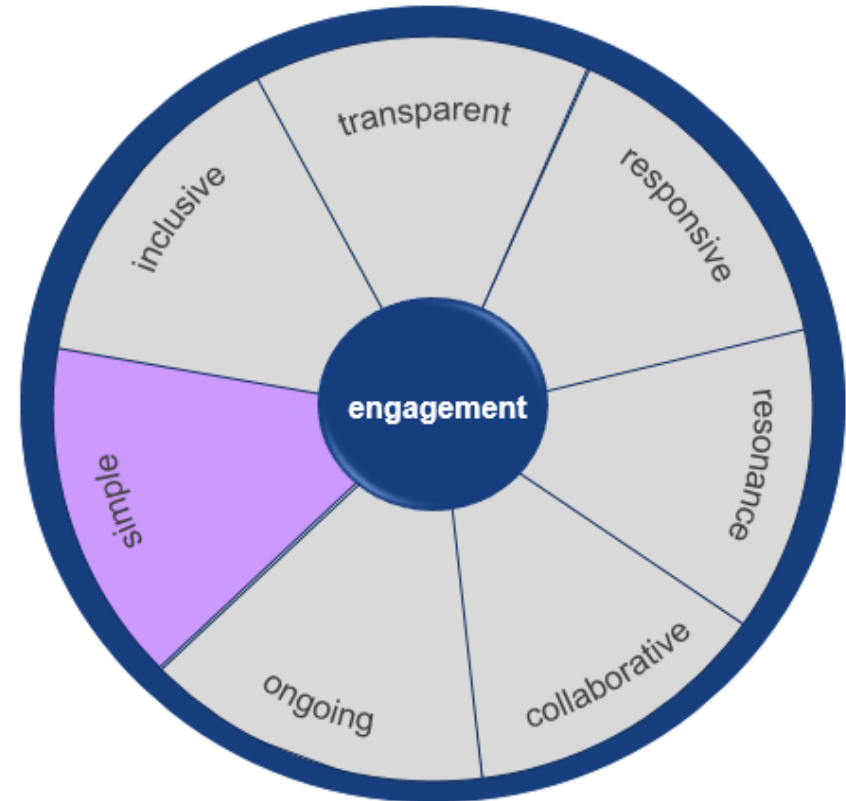
Principles of Effective Engagement





Principles of Effective Engagement

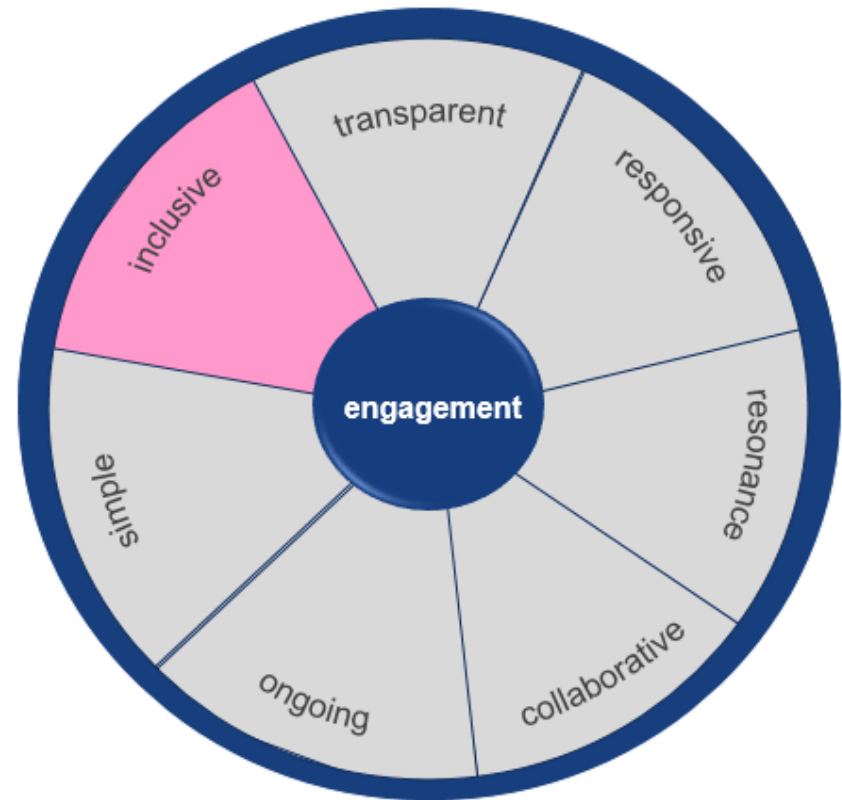
- Keep it **Simple**:
 - Be clear about how people can be engaged and what they need to know
 - Remove barriers to engagement
 - Make sure your engagement processes are not complicated
 - Use language that is easy to understand





Principles of Effective Engagement

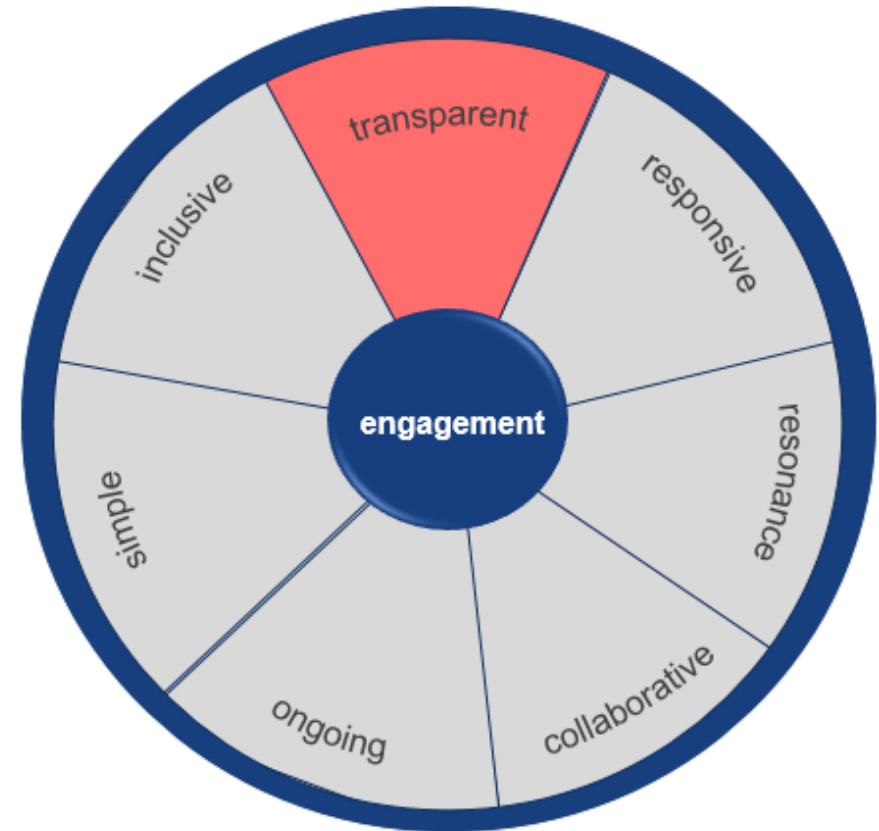
- **Be Inclusive:**
 - Identify your stakeholders
 - Provide opportunities for all of your stakeholders to be engaged





Principles of Effective Engagement

- **Be Transparent:**
 - Explain the extent to which people can influence decisions
 - Make information available to enable them to participate meaningfully





Principles of Effective Engagement

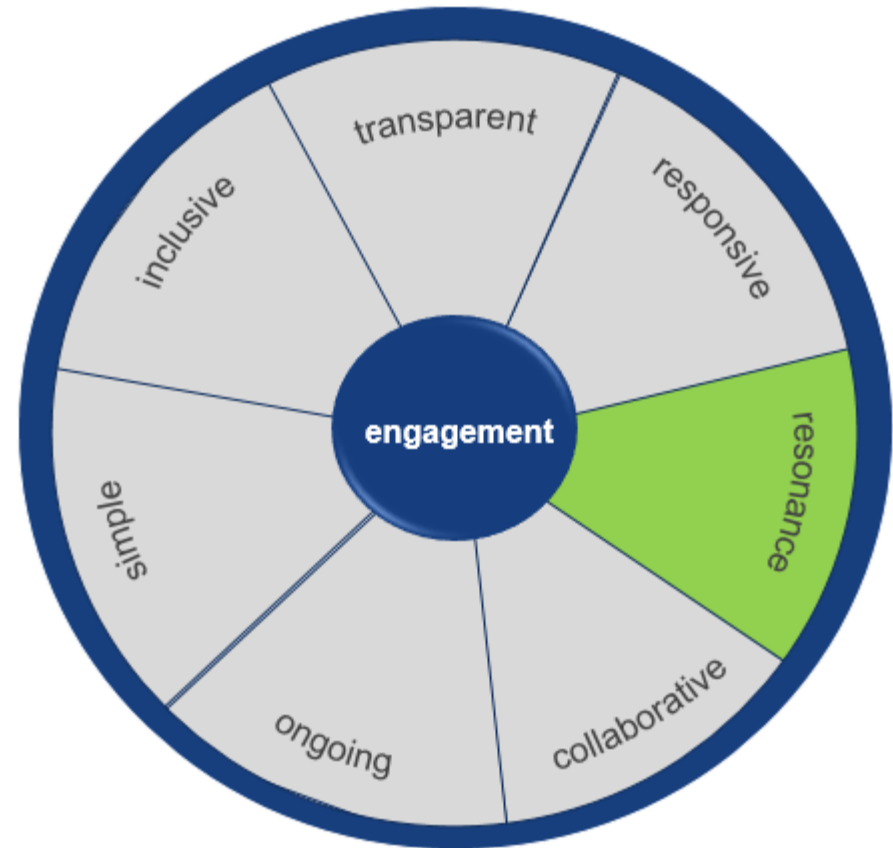
- **Be Responsive :**
 - Acknowledge and address peoples' concerns
 - Respond to peoples' feedback by explaining how you have taken on board their comments





Principles of Effective Engagement

- Create **Resonance**:
 - Find out what matters to your stakeholders
 - Tailor information to strike a chord with them





Principles of Effective Engagement

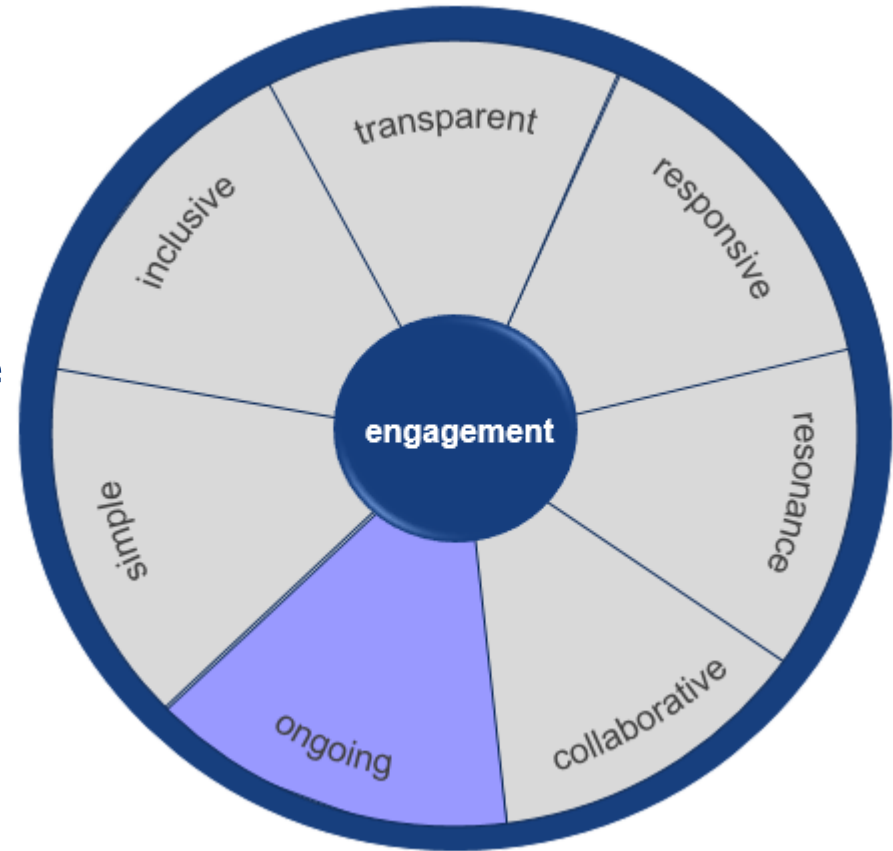
- Be **Collaborative** :
 - Recognise the expert inputs your stakeholders can offer
 - Identify aspects of your project or activities that stakeholders can co-create - empowerment
 - Invite them to contribute to your engagement plan





Principles of Effective Engagement

- Ensure it's **Ongoing**:
 - Build trust through ongoing engagement
 - Engagement activity should be sustained for the lifetime of the project / organisation
 - Aim for consistency





key takeaways

- Take **time** to understand your stakeholders and context – don't try to solve everything at the outset
- Recognise that your users are experts at being your users – draw upon that **expertise**
- When you actively involve your stakeholders, they are more likely to **share ownership** – of successes and challenges
- The earlier you involve people the better the **trust** relationship and the more opportunities to co-create solutions



Turning concerns into wins

- A stakeholder-centric approach can save your project **money**
- it can keep the project to schedule by minimising protests and resistance
(which will stop you losing **money**)
- it can identify innovative solutions to project challenges by drawing upon diverse inputs and opening up new avenues
(which could save you **money**)
- it can make a tangible difference to project delivery and outcomes, and sustainability
(which will be **money** well spent)
- it can open the project up to scrutiny driving higher standards of delivery, new angles of support, & improved reputation
(which could increase potential to make **money**)
- it can result in far greater **trust**, and enhanced credibility
(which will help your next project hit the ground running, saving you **money**!)

ISS2020

THOUGHT LEADERSHIP

DEVELOPING LEADERS

BUSINESS
TRANSFORMATION

DIGITAL
BUSINESSES

FUTURE SKILLS

SMART NATION

CONSULTING SERVICES

INFOCOMM
PROFESSIONALS

BLENDED LEARNING

APPLIED RESEARCH

HOLISTIC
ECOSYSTEMS

INTERNATIONAL
RECOGNITION

INDUSTRY ORIENTATION

STAKEHOLDER
COLLABORATION

EDUCATION PROGRAMMES



THANK YOU!

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