STAKEHOLDER MANAGEMENT: AN ANALYSIS OF THE IMPACT OF VIEWING AN ORGANIZATION AS A SINGLE STAKEHOLDER - A CASE STUDY OF THE STATE WATER COMPANY IN SOUTH AFRICA

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Abstract

Corporate project failure in recent times has been associated with poor stakeholder management. These avoidable adverse events are not only prevalent in business corporations; but also in government owned enterprises. Project stakeholders have become more influential in the decision-making processes, in project planning and execution. Stakeholders cannot be avoided when decisions are made as their exclusions in decision-making may derail organizational objectives. The increased use of consultants in state owned entities has seen some internal stakeholders such as departments and sections within the companies play a less significant role in projects executed by the organizations. The objective of this paper is to explore the implication of ignoring internal units in a large organization in corporate project management. The fundamental flaws identified were associated with stakeholder identification and subsequent inclusion in the planning and execution of the project. The process of identifying the key stakeholders in the bulk flow meter replacement project, the subsequent stakeholder analysis and the emergence of excluded stakeholders are explored; flaws analyzed, and possible solutions given for such future projects. The project revealed the need for project managers to acquaint themselves with the culture, structure of the organization and the interdepartmental and sectional relationships within the organization. The paper exposes why it is unwise and risky for a project manager to view an organization as a single stakeholder. The article concludes with lesson learnt from this project, which are applicable to future projects.

Keywords

Stakeholder management, internal stakeholder, stakeholder analysis, state owed companies.

1. Introduction

It is imperative in the 21st century that organizations are responsible and responsive to those who are affected or can affect the successful implementation of organizational goals and projects (Andriof, Waddock, Husted, and Rahman, 2017). Corporate project failure in recent times has been associated with poor stakeholder management (Nwobodo-Anyadiegwu & Mbohwa, 2017). These avoidable adverse events are not only prevalent in business corporations; but also, in government owned enterprises.

For successful execution of projects; comprehensive project management plans are necessary to direct a project towards its desired objectives. Projects vary from a simple project that may require a few days to complete to large complex projects that require years to complete. However, regardless of the duration and complexity of the project, a successful project management strategy is required, and central to this success is the satisfaction of key

stakeholders' needs. These stakeholders are often diverse, have differing project expectations and may view the success of a project from different perspectives (Bourne 2006: 2).

Project stakeholder management includes identifying the individuals, groups of individuals and organizations that have real or perceived interest in the project and its outcome, analysing these stakeholders, their expectations and influence on the project and formulating management strategies for engaging these stakeholders in project participation and decision making. The critical role of stakeholder management is to identify, describe, fathom, analyse and manage the stakeholders' interest (Carroll, 1991). Furthermore, a proactive, rather than a reactive approach to stakeholder management is required for project success (Nwobodo-Anyadiegwu & Mbohwa 2017). Effective stakeholder management fosters healthy project relationships which are maintained by continuous effective communication between the project manager, the project team and the other stakeholders. This helps the project manager to understand the needs and expectations of the stakeholders and identify risks of potential conflict.

This article explores the influence, on the later stages of the bulk flow meter replacement project, of internal stakeholders who were not initially identified as key stakeholders and their impact on the project. These internal stakeholders referred in this article include, departments within the water company, operations managers and organization staff. The paper further presents brief literature overviews of stakeholder management theory, stakeholders and stakeholder management processes during the project life cycle, how they were applied or misapplied and what should have been done to improve the project during each process. The article further shows the effects of excluding internal departments from projects which are conducted within organizations that are viewed as one stakeholder and concludes by highlighting the lessons learnt from this project.

2. Literature

2.1 Stakeholder Management

According to PMBOK (2013), stakeholder management includes the process required for identification of people, groups or organizations that could impact or be impacted on by a project. It encompasses analyses of stakeholder expectations and impact on a project to develop appropriate management strategies for engaging stakeholders in project decisions and executions by focusing on continuous communication with the stakeholders to achieve the key objective of stakeholder satisfaction.

Stakeholder management can, therefore, be summarised in four processes:

- i. **Stakeholder identification** this involves identifying everyone, every group and every organization that has an impact, can affect or be affected by the project. This process culminates in the drafting of the project stakeholder list.
- ii. **Stakeholder analysis** this involves identifying the needs of stakeholders in respect to the project. This process also involves building a profile around all the identified stakeholders. This review of stakeholders may include their stake, power, influence and interests in the project and its outcome. Stakeholder analysis will enable the project manager to identify those stakeholders on whom more effort should be focused and those of a lesser influence but who should be kept informed.
- iii. **Stakeholder planning** this process involves formulating effective strategies focused on stakeholder engagement. This may include developing the communication plan, the reporting plan and methods to be used for stakeholder engagement throughout the project lifecycle (PMI PMBOK 2013:390)
- iv. **Stakeholder engagement** this process involves engaging with the stakeholders to ensure that the objectives of the project are realised. Stakeholder engagement helps the project manager to build relationships with the project stakeholders which is maintained throughout the project lifecycle.

2.2 Stakeholder Theory

Stakeholder theory postulates that any company encompasses a complex network of stakeholders involving myriad of relationships, all of which the enterprise must fathom and manage (Samuel & Mqomboti 2017; Freeman, 1984). Hence, devoting proper attention to all legitimate stakeholders is central to achieving higher performance (Freeman 1984; Verbeke & Tung 2012). Freeman (1984, p. 46) defined a stakeholder as 'any group or individual who can affect or is affected by the achievement of the organization's objectives.' Stakeholder management theory conventionally recognizes an organization's employees, suppliers, competitors and government as its stakeholder (Clarkson 1995, Verbeke & Tung 2012). Furthermore, stakeholders are generally classified as either 'primary' or 'secondary'. The primary stakeholders comprise of employees, customers, investors, and suppliers. Clarkson (1995, p. 107) defined primary stakeholders as those 'without whose continuing participation the corporation cannot survive as a going concern.' Essential to the discourse in this study is the primary stakeholder.

Jones' Instrumental Stakeholder Theory (1995) also focused on the relationships between an organization and its various stakeholders. He argues that an organization consistently remains competitive by developing trusting and accommodating relationships with its stakeholders, this in turn, resolves the problem of opportunism - where people take advantage of dysfunctional relationship emanating from poor stakeholder management.

Verbeke and Tung (2012) added another dimension to stakeholder management theory by proposing a two-level transformational adaptation approach to change in stakeholder interests, influences and stakes. Their emphasis is that an organization can remain competitive based on its ability to manage its stakeholders over time, in the face of ever evolving stakeholder agendas.

The theories discussed so far are especially applicable and useful in State Owned Entities (SOE) where the everincreasing use of consultants in executing projects has introduced a new breed of stakeholders. This gives rise to the following questions:

- 1. What is the overall influence of continued consultant engagement on the organization and employees vis-àvis project ownership, project participation, motivation and skills. In other words, has consultant engagement changed the overall behavioral pattern of the SOEs?
- 2. Has the continued use of consultants had a positive or negative impact on the project quality, project cost and overall service delivery.

The case study used in this research helped to highlight, and to some extent, give an insight into answering the first question, which was the focus of the study - the impact of a consultant ran project on SOCs' employees who have not been initially considered as key stakeholders. Informed by the theories presented, recommendation can be extrapolated such that, for an SOC engaging a consultant to run a project:

- 1. Stakeholder identification must be an extensive exercise run by both the organization and the consultant. Emphasis should be to 'fish' out all prospective stakeholders from within and outside of the organization.
- 2. Stakeholder analysis should have more focus on internal stakeholders (employees)
- 3. Employee buy in and commitment, should address the question of "what role the employees identified as stakeholders will play, and how will the organization motivate its employees to actively participate". It is vital to note that in any project under the SOCs, end user employees must not be left to be spectators in the project planning and execution.
- 4. Strategic stakeholder management plans should be formulated that ensure both stakeholder support and stakeholder participation.
- 5. Stakeholders should be effectively engaged to bring to surface stakeholder interests, fears, attitude towards the project, and internal networks. The engagement plan should not be static to allow for evolving stakeholder needs.

Stakeholders' involvement can be viewed as a requirement as well as a benefit. Accordingly, stakeholder management should not be used as an opportunity to gain approval for decisions taken somewhere outside internal departmental and corporate interest (Nwobodo-Anyadiegwu & Mbohwa 2017). This kind of involvement may lead to an organization meeting its objectives but faced with a burden of an unmotivated,

disengaged and unresponsive workforce, which will ultimately lead to poor performance in the long run.

2.2 The importance of stakeholders' synergy

Stakeholder synergy implies the involvement of everyone that has any relation with a project. Benefits of good stakeholder management include strong commitment, trust, as well as value creation for competitive advantage (Harrison et al., 2010). Stakeholders synergy is accomplished by effective stakeholders' management strategy. Freeman et al. (2007) suggested a four-step process to manage stakeholders: the process starts with identifying all the stakeholders for the project, determining the importance as well as the stake of every stakeholder, evaluating the performance of every stakeholder, and finally revising the corporate priorities and policies in resonance with stakeholders' value.

Identifying all stakeholders and determining their objectives and expectations should be one of the core activities of the project conceptual phase and these should be incorporated into the project plan at the earliest stage. The success or failure of a project will hinge on the project manager's ability to meet the needs of the project stakeholders and satisfy them. Stakeholder satisfaction should, therefore, be managed as a key project objective (PMBOK 5th Ed 2013: 390), and to achieve this, a clear stakeholder management plan must be put in place.

Efforts and strategies should be applied to attract all possible stakeholders, both internally and externally, who are likely to be part of the project. This, in turn, allows for proper stakeholder analysis and planning for project phases where these stakeholders are likely to 'show up'. It has been shown that sometimes different stakeholders are involved at different phases of a project (Steyn, Carruthers, Dekker, du Plessis, Kruger, Kuschke, Sparrius, van Eck, Visser; 2016: 14). An exhaustive stakeholder engagement exercise will reduce the risk of stakeholders coming in at later stages of the project and causing changes to the project scope.

Management of stakeholders at different levels of influence and power can constitute a challenge to the project manager (Sutterfield, Friday-Stroud, Shivers-Blackwell 2006: 26). Failure to either identify all key stakeholders or address their needs may result in project delays, cost escalations and project failure. The Bulk Flow Meter Replacement Project is one such project where poor stakeholder management resulted in a negative impact on the project.

2.4 Who is a Stakeholder?

A project brings together different people from various backgrounds who have a stake, perceive that they have a stake or are impacted by the project. These people are all referred to as project stakeholders. A stakeholder, therefore is "an individual, group or organization who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project" (PMBOK 5th Ed 2013: 29). These stakeholders may be internal or external to either the project scope or to the project team" (Sutterfield et al 2006: 27).

In any democratic society, anyone can become a stakeholder and no permission is required to become a project stakeholder. It is imperative to note that stakeholders are entitled to some rights and interests because they are central to the existence, success or failure of any project. (de Beer, Rensburg 2011: 212). Furthermore, stakeholder involvement approaches are not be viewed as convenient tools for public relations, image building or winning acceptance for a decision taken behind closed doors (Kurth, Larkin, Keisler, and Linkov, 2017)

The birth of a project comes with a variety of stakeholders whose expectations of the project are as varied as their backgrounds and with this comes the risk of conflicting ideas. To reduce the potential of conflict among stakeholders, the perceptions of each stakeholder group and the discrepancies between these perceptions need to be thoroughly investigated (Wei, Liu, Skibniewski, Balali 2016: 473).

There are two main types of stakeholder in any organization. Primary stakeholders are those who are important to the survival of the project, and who make the decisions. Secondary stakeholders are those who are essential to the project but do not have direct authority or influence. Rather, they are a means by which project objectives can be met.

Project stakeholders can also be categorized by their location in relation to the organization. Internal stakeholders for example operations managers, are those who can influence or are affected by the project from within the organization and external stakeholders for example consultants are those that can influence or are affected by the project but are not within the client organization. It is vital that all stakeholders relevant to the project are identified at the project planning phase as failure to identify the stakeholders increases the risk of project failure.

2.5 Stakeholder Analysis

A project brings together various players with diverse backgrounds and equally diverse characteristics. These individuals, groups and organizations' behaviour, interests and motivations have a direct bearing on the decisions of the project. It is of paramount importance that information on these players is generated in order to gain an understanding into how the players can influence the outcome of the project and this can be achieved through a broad stakeholder analysis approach.

Stakeholder analysis is a methodology useful for identifying project stakeholders; defining their stake in the project; profiling their influence, power and interests in the project and; identifying and assessing the likely relationships between the various project stakeholders. It aims to evaluate and understand stakeholders from an organizational perspective or to determine the relevance of the stakeholder to a project (Brugha, Varvasovszky 2000: 239).

Stakeholder analysis should not be done as a 'once off' project activity, but rather, as an iterative process which will be integrated at various project phases due to possible project changes as a result of perspectives, questions and priorities generated by stakeholders in the course of the project (Lelea, Roba, Christinck, Kaufmann 2014: 13). Stakeholder analysis process employs a range of different methodologies for analysing stakeholder interest (Brugha, Varvasovszky 2000: 240), all with the intention of gathering data useful for stakeholder management.

According to the PMBOK 5th Edition, there are multiple classification models used for stakeholder analysis and these include:

- Power/interest grid this groups stakeholder pl based on their level of power and their level of interest concerning the project.
- Influence/impact grid groups stakeholders based on their ability to effect changes in project.
- Salience model provides classes of stakeholders on the basis of their power, urgency and legitimacy.

The models of stakeholder analysis mentioned above are by no means exhaustive.

3. Case Study – The Bulk Flow Meter Replacement Project

The importance of a proper stakeholder management plan on a project under a State Water Company (SWC) was demonstrated using The Bulk Flow Meter Replacement Project. The stakeholder management plan includes stakeholder identification; stakeholder analysis; stakeholder engagement and communication strategy. The case study highlights the effects; on the project, the project scope and the project failure to identify and engage all the key stakeholders during the project initiation phase.

The SWC consists of a number of divisions under which are departments and sections. Over a period of years, relationships have developed between these divisions, departments and sections. For any project to be a success in the organization, it is vital that the project managers familiarise themselves with the 'networks, together with shared norms, values and understandings which facilitate cooperation within the organization'. (de Beer, Rensburg 2011: 214). In other words, the project manager should understand the culture of the organization and its internal structures and consequently its internal stakeholders.

3.1 Background to the project.

The bulk flow meter replacement project was born out of a need by the SWC to have all the bulk flow meters, within its area of supply operational, for accurate water balancing as well as to develop meter records. Bulk flow meters are

used to record the volume of water: entering the water distribution network; leaving the network as well as water into and out of reservoirs. The need for accurate flow measurements of water cannot be overemphasized for an organization whose core business is supply of water to business and residents. The project did not only involve replacing flow meters but also to upgrade the meters and refurbish the chambers in which the flow meters are housed. This will allow the organization to utilise twenty first century flow measurement technology while at the same time ensuring that the health and safety of personnel and consumers is improved.

The SWC employed the services of an external consultant to oversee the implementation of this project with the collaboration of the organization's own personnel. The project covered the five regions of the organization's area of jurisdiction, which meant that combined work would cover more than three hundred flow meters. The consultant would appoint a project manager, who in turn will appoint contractors to be assigned work on the different regions. The end user of this project is the Metering section of the SWC, responsible for the maintenance and upkeep of these flow meters.

3.2 Stakeholders in the bulk flow meter project

The stakeholders in the bulk flow meter project can be defined as those who can influence the project process; a project task or whose work environments are affected by the project (Wei et al 2016: 475). The breakdown of the key project stakeholders and their effects on the project can be summarised as follows:

- 1. Those who could influence the project process including the sponsor, the project manager and the project team;
- 2. Those who could influence a project task including the project team, internal departments in the organization and functional managers and;
- 3. Those whose work environments would be affected by the project included the end user department, i.e. its operational manager and technicians.

The responsibility for identification of the key stakeholders for this project was given to the SWC's project engineer. As Bryson posited "the choice of which stakeholders are key is inherently political and involves judgement" (Bryson 2004: 26), assigning the identification of project stakeholders to one individual raises the risk of omitting other stakeholders as key stakeholders would solely be based on an individual's judgement. It was, therefore, imperative that a diverse group of individuals be assembled to identify and prioritise project stakeholders (Bourne 2006: 14) and have the SWC project engineer acting as the facilitator of the process. This setup denied the project manager an opportunity to gain an in depth understanding of the culture (Bourne 2006: 3) and structures of the organization in the process of stakeholder identification. This also presented the project manager with the added risk of 'bearing the burden', if it turns out that some key stakeholders were left out in the identification process and might agitate, or sabotage, the process later during the project lifecycle.

It should be noted that it remains the responsibility of the project manager to ensure that all key stakeholders are identified and to understand the objectives and needs of each stakeholder so as to effectively manage those needs (Sutterfield et al 2006:27). However, a more participatory approach to stakeholder identification, involving the project manager and other project team members would have ensured that all stakes relating to the project would have been listed and all stakeholders identified. Table1 gives a summary of some key stakeholders for the project, those who were identified, their interest as well as those stakeholders who were not identified for this project.

Stakeholders	Interests
Sponsor	Effective fund allocation and expenditure; project objective
Project Manager(Consultant)	Project success, achieve project objective, reputation
Project Engineer(SWC)	Project scope, funds allocation, approvals
Project Engineer(Consultant)	Project scope, project implementation
Line Manager (SWC)	Achieve project objective
Site Manager(Consultant)	Quality of work done, work schedule
Other Departments	Project impact on their activities e.g. quality, pipe works. not identified
Municipality	Safeguard infrastructure during excavations e.g. issue wayleaves etc
Contractors	Income, work schedule

Table 1: Project stakeholders

Suppliers	Income, timeous supply
Health and Safety Practitioner(SWC)	Health and safety on site
Home Owners	Impact of project works on their properties
Communities	Water availability during project works

It can be noted from Table 1 that due to a poorly coordinated stakeholder identification process, some key stakeholders were not identified and consequently, their interests and potential influences were not included in the project planning. The project kick-off meeting was held with the exclusion of these key stakeholders.

The stakeholders not properly identified in this project were the internal departments of the SWC. Though the line manager for the user department was identified as a stakeholder, the section operations manager and technicians were not identified even though these are the people who work daily on the flow meters. The quality department and the mechanical department were not identified as stakeholders even though most work will require their involvement. Stakeholders who have not been identified cannot be analysed and engaged hence this omission affects the entire stakeholder management plan and consequently, the project management plan and project execution.

3.3 Stakeholder Analysis- The bulk flow meter project

Stakeholder analysis is a method of stakeholder identification, gathering data and generating knowledge concerning their stake, interests, roles, influences and relationships and effectively integrating them in the bulk flow meter project (Lelea et al 2014: 1; Brugha, Varvasovszky 2000: 239).

An in-depth stakeholder analysis helps to reduce the risks associated with uncertainties by adding to the knowledge base of the entire project as stakeholders may contribute vital information, indicate exclusions and errors and introduce different perspectives to the project (Bijlsma, Bots, Wolters and Hoekstra 2011: 4). The new information gathered will be used to develop effective stakeholder management strategies and the stakeholders' input will be vital in the formulating of the project scope.

It should be noted that stakeholder analysis is only as good and effective as the data generated and if risks of stakeholder exclusions exist, then it is worthwhile to spend as much time and resources as is necessary to mitigate these risks.

The SWC's bulk flow meter replacement project is one project where stakeholder exclusions were a result of an assumptive approach to stakeholder analysis. The SWC is an organization with various departments, differing in interests, opinions and approaches. It would, therefore, be unwise for the project manager to view the organization as a single stakeholder group as in this case study. It was this view that informed the decision to delegate stakeholder identification to the SWC's project engineer as the assumption was that the project engineer would know the 'ins and outs' of the organization better. This may be true; however, it is incumbent upon the project manager to ensure that all necessary steps are taken to identify all possible stakeholders.

Stakeholder analysis for the identified stakeholders in the bulk flow meter replacement project was carried out by analysing stakeholder influence and importance to the project. Fig 1 below summarises the analysis.

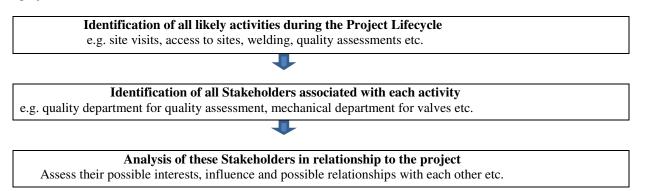
Low		Influence High
Importance	Suppliers Home Owners Communities	Line Manager (SWC – User Section) Municipality
nce	Contractor Health and Safety Practitioner	Project Engineer (Consultant)
	Site Manager	Project Engineer(SWC)
T	Operations Manager + Team (User Section) Other Departments	Project Sponsor (Capex, SWC) Project Manager(Consultant)

High

Source: Authors

Fig 1: Stakeholder analysis

A participatory approach involving the project manager and the project team would have been more effective as this would have given the project manager in-depth knowledge about the organization's structures and culture. Different departments would have been identified and meetings with these departments arranged to allow the project manager gain some valuable knowledge and information on the likely influences and roles of these departments on the project.



Engagement of the Stakeholders		
e.g. meetings with individual departments, communicate with each identified stakeholder etc.		

Integration of the Stakeholders into the Project

Include the gathered data in the project plan etc.

Fig 2: Shows the steps a participatory approach to stakeholder analysis would have followed to ensure that all stakeholders are identified and integrated into the project.

3.4 Powers and Influence of the Excluded Stakeholders

Table 2: Power, influence or importance of the stakeholders not formally identified for the bulk flow meter replacement project.

Stakeholder	Influence	Importance	
Mechanical	Low	High – This department will be responsible for, among other tasks:	
Department		- Access to water sites	
		- Opening and closing of valves during shutdowns	
Quality Section	Low	High – This section deals with:	
		- Assessing the quality of equipment brought in by contractors and	
		approve for installation.	
		- Ensure that the replacement equipment meet standards.	
Operations Manager	Low	High – Take consultant to the various sites and explain what needs to be done.	
and Team		- Check to see if flow meters to be installed meet the SWC standards.	
(End User Group)		- Ensure installations are done to specifications.	

It can be seen from Table 2 that, though these stakeholders had limited influence, the importance of their contribution to the success of the project was significant.

3.5 Effects of Internal Department Stakeholders on Project Scope, Implementation and Cost

Any project that fails to identify all the key stakeholders at the onset faces uncertainties and with them comes risks likely to delay the project, escalate costs or cause the project to fail. Misunderstandings, conflicts, scope changes and delays will result as these stakeholders emerge to exert their power and influence at later stages of the project.

Stakeholder exclusions and /or limited participation often lead to withdrawal, feeling discouraged, loss of interest in the project (Mundau, Tanga 2016: 726) and this may lead to resistance from those excluded who may feel the need to exert their power and presence.

This was evident in the bulk flow meter project as these comments from some excluded stakeholders may reflect:

Mr A is an Operations Manager in the Electrical Department within the SOC. In relation to the project, when faced with the prospect of aiding the consultants in the project execution remarked: "we were never informed of this project so whether it fails or not does not concern us, in fact, we should just let them fail by themselves".

Mr B is a Senior Technician in the department. With regards to the project, he was requested to take the consultants around to various sites for assessments. His response was: "why should we go around showing them what needs to be repaired on our flow meters, it is our job to repair these flow meters. What if it is their way of taking our jobs away and giving it to contractors"?

Mr C is a Manager in the Mechanical department. During a project site meeting where excavation work had commenced, he was asked for his preference as to the location of the flow meter. He responded by saying: "you cannot just start excavating and exposing pipelines, these pipelines belong to us, we are in charge of this site, you must follow the correct procedures before you start any work here".

It goes without saying that involving all stakeholders in decision making and management of the project from the beginning is of high importance (Mundau, Tanga 2016) as this generates interest in, support for and ownership of the project. This will also eliminate the need to change the project scope and duration to accommodate those stakeholders emerging after being excluded.

The stakeholders, whether identified or excluded, all had a stake in the project, had different perspectives and perceptions concerning the project and had an effect on the project. The failure to consider internal departments and their stakeholders introduced a high risk and potential of conflicts among the project players. To reduce this potential for conflicts among project stakeholders, the perceptions of each stakeholder group and the discrepancies between the perceptions had to be thoroughly investigated (Wei et al 2016: 473). However, this is only possible if all stakeholders are identified and analysed, another opportunity missed by the project team to plan for conflict management.

The effects of these exclusions on the project included;

- i. The project scope had to be changed on several occasions to accommodate or appease new players as some new activities were added.
- ii. There was an increase in costs as some exercises had to be redone and added activities consumed human as well as financial resources.
- iii. Scope changes, assessments and lack of interest from some excluded stakeholders resulted in delays on some activities
- iv. The emergence of some stakeholders resulted in conflicts, misunderstandings and disagreements.

Though these effects did not make the project fail, they combined to result in overall project delays and cost escalations.

4. Lessons Learnt

The overall lesson learnt from the bulk flow meter project is that an organization with different departments and sections, irrespective of size, viewing these sections as a single stakeholder. can undermine the efficacy of the project

Every department or section acts as an independent stakeholder due to differences in operations, attitudes, and sociocultural aspects of the organization (Cornachione, Trombetta & Nova 2010). This is especially important in State Owned Entities where most project stakeholder management often excludes or overlooks the role of internal departments and their personnel as key stakeholders due to frequent use of consultant services. These lessons are important for the planning and execution of future projects in the organization

Lesson 1 – Project specifications and End User Groups

There are no two projects that are completely similar, so a 'cut and paste' of project specifications should never be encouraged. The engagement of the end user team in the formulation of the bulk flow meter replacement project would have provided valuable information and feedback concerning flow metering, challenges faced and possible reasons for the present status of the flow meters.

Their exclusion resulted in a generic description of project specifications which left out some vital information. End users usually contribute detailed knowledge about specific aspects to the knowledge base, information gained through years of experience and observation (Bijlsma et al 2011: 4)

Lesson 2 – Stakeholder Identification and Involvement

It is important that the identification of internal project stakeholders within an organization must not be entrusted to an individual, but rather that a diverse group of individuals from both the consultant and client organization, be assembled to identify and prioritise the project stakeholders (Bourne 2006: 14). The organization should be disaggregated? to its individual departments and sections to identify all the stakeholders because the organization cannot be viewed as one stakeholder.

Lesson 3 – Conflict Management

The emergence of stakeholders after the project has commenced will bring with it complications and disagreements which are likely to cause conflict among stakeholders. Failure to manage these conflicts or address the different stakeholders' concerns may lead to project failure (Wei et al 2016: 474); a definite conflict management plan must be put in place. Successful projects are those completed on time and within budget, conflicts cause delays which affect project completion time.

Lesson 4 – Scope Management

The importance of involving all stakeholders' input in formulating project scope was brought to surface in the bulk flow meter replacement project. Stakeholders' input ensure that a comprehensive and inclusive scope statement is developed which minimises the need for scope creep later during the project lifecycle. Furthermore, a good scope change management plan might become ineffective if key stakeholders are not identified and involved early in the project.

Conclusion

Stakeholder analysis plays a vital role in the success or failure of a project as it is central to project planning. This article explored the effect of internal departments, sections and personnel in the projects under organizations which have been viewed as one stakeholder. The article has shown that it is indeed unwise to view any organization, regardless of its size, as a single stakeholder as there may be various stakeholders lurking in its departments and sections. For a comprehensive and inclusive project scope to be developed, a thorough stakeholder identification and engagement process must be conducted to ensure that all necessary input to project scope is extracted from all the relevant stakeholders. Failure to identify and analyse all stakeholders will result in project scope changes, delays and cost escalations, furthermore, it exposes the project to risks of conflict later on during the project lifecycle.

The main objective of this study - to explore the implication of ignoring internal units in a large organization in as it pertains to corporate project management was achieved through observation and engagements with key employees. The scope of the study was limited to one case study of a project under the SOC and this limits the generalisation of the findings. The scope can be expanded in future research by exploring more consultant run projects under different SOEs to give a wider view of the influence of consultants in the behavioural pattern of an organization.

For further studies, we recommend overall exploration of project management in State Owned Entities especially as it has to do with outsourced projects. This study contributes towards edifying policy makers, politicians, and bureaucrats in their decision making when it comes to allocation and management of projects executed under State Owned Entities.

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