

## MASTER

### Stakeholder management, when project communication is at stake an introduction of stakeholder management at Vanderlande Industries

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# **STAKEHOLDER MANAGEMENT, WHEN PROJECT COMMUNICATION IS AT STAKE**

*An introduction of stakeholder management at Vanderlande Industries*

*-Abstract and summary-*

**NIET  
UITLEENBAAR**

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## **ABSTRACT**

At this moment Vanderlande Industries has not recorded exactly for what kind of projects, which agreed working methods, tools and resources should be used. This report discusses an inventory of the agreed working methods and tools used for project control. Based on this inventory eight 'bottlenecks' can be found. The topic stakeholder management is chosen; a structural method for stakeholder management is introduced and an implementation plan is written.

## SUMMARY

### Problem situation

Vanderlande Industries (VI) is a project driven organisation. A couple of years ago they started recording all procedures for project management in the organisation. Because there are a lot of rules, everyone uses more or less the procedures, but everyone relies most of the time on his experience. There was a feeling at VI, that there are different kinds of projects, but there is only one kind of methods, that should be used for all projects.

The initial assignment was therefore formulated as follows:

*Which agreed working methods, tools and resources does Vanderlande Industries have with regard to project control? What is missing, and when (depending on the kind of project) should they choose for what combination of agreed working methods, tools and resources?*

At the end of the analysis a time-constrained milestone was agreed to determine the continuation, because the inventory still was not finished. It is decided not to go on with the inventory of resources.

**Table 1: Structure of the table**

PHASE	Tasks	Agreed working methods				Tools			
		Procedure	Instruction	Guideline	Template	Input	Library	Toolkit	Output
Time									
Money									
Quality									
Organisation									
Information									
Communication									
	General								

The results of the inventory must be recorded in a structural overview, see table 1. The tasks are defined by both the conceptual model and the official VI procedures. Except for giving an overview of what VI has and what they miss, the kind of projects must be examined to show *when* to use *what* agreed working methods and tools. Ten project characteristics are defined that influence the project control.

From the analysis, the following eight bottlenecks with regard to project control are derived:

1. The hand-over to the service department
2. The requirements of internal milestones
3. The influence of project characteristics on project control
4. Risk management
5. Quality control
6. Organisation control
7. Information control
8. Communication control

By means of four criteria (the most important one is the opinion of employees at VI) is decided to go on with the topic communication and more specific stakeholder management.

**1. When to determine project stakeholders?**

In general stakeholder management is useful at the start of a project to judge the situation and furthermore if something changes. It is decided to record three points for an update of the stakeholder report (see also figure 1)

**Sales stage**

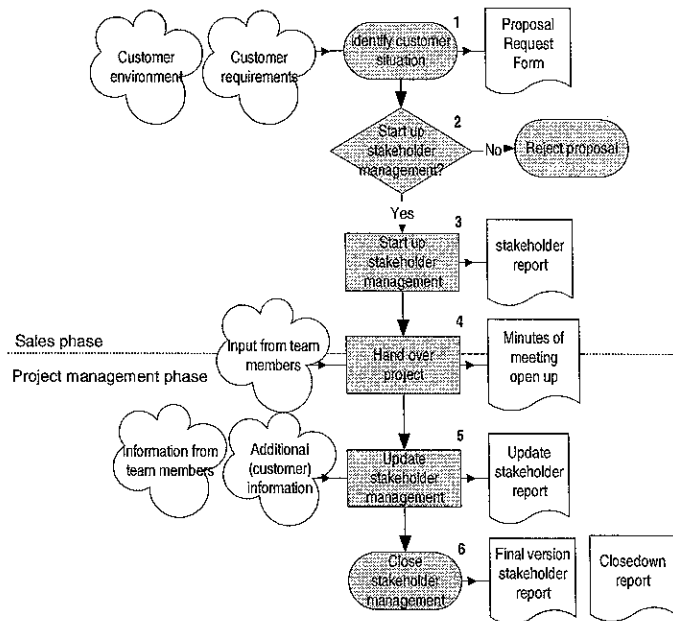
The area manager is responsible

- The area manager has to start filling in the report. Together with the project manager the diagram should be completed. (*Stakeholder report 1*)
- The project manager and the area manager decide together what to present to the project team and think about possible strategies/ actions that can anticipate the determined situation.

**Project management stage**

The project manager is responsible

- During the open up meeting an overview of the stakeholders is an item on the agenda and the project manager will ask for feedback
- The project manager updates the report at the same moment as the installation plan is written (*Stakeholder report 2*)
- The diagram should be updated before the closedown meeting. (*stakeholder report 3*)
- Stakeholder management must be an essential part of the evaluation and it is important that the area manager attends this closedown meeting



**Figure 1: Process of stakeholder management at VI**

**2. What kind of information is needed?**

The necessary information that is useful for VI can be put in a diagram (see table 2). Here the columns are mentioned and shortly explained.

- The STAKEHOLDER, defined as specific as possible
- The SEGMENT a stakeholder belongs to
- The DEGREE OF INTEREST seen from the stakeholders' point of view and a DESCRIPTION
- The CONTRIBUTION needed for the project and a DESCRIPTION
- The DRIVE / MOTIVE of the stakeholder for his contribution to the project
- The PERSONAL EXPERIENCE one had with the stakeholder.

**3. How to present and acquire the information?**

An overview can be made out of the diagram by means of a stakeholder position chart, see figure 2. In the position chart one can also record the most important personal relations by means of a line between stakeholders. In general the information can be determined by means of logical thinking, or 'deduced' with certain intelligence.

**4. How to act on the results?**

From the chart, one can generally define three risk / opportunity areas: (Bos, 1998)

- Important stakeholders with a negative/ neutral attitude
- Important stakeholders with a positive attitude
- Bad relationships between important stakeholders

The project manager should determine if some kind of action / change is appropriate. He is responsible for determining those actions or the strategy, and he must monitor if it is executed.

- A pilot project needs to be started and evaluated to see if the method is really useful for VI
- Most important is that the pilot project shows that the people who must work with it find it a helpful method
- If the evaluation of the pilot is positive, some possible long-term actions can be defined

#### *Recommendations*

With regard to the analysis 2 'bottlenecks' are very interesting to work on:

- VI should develop support for the general problem of *the influence of project characteristics on project control* and it should be kept in mind to work out
- At VI there is the idea that the *risk management* can be better. They feel they need a more structural method for it. It is important to find out what VI provides about risk management and what is used and what is not used and why.

With regard to the pilot projects the following topics are very important:

- *Initiating*; exact appointments are made to introduce the method in a clear way
- *Communicating*; the design must be communicated to project managers, area managers and other team members
- *Evaluating*; the evaluation of the pilot is very important, because the results can motivate others to use the method
- *Formalising*; to make sure the method will be used, even over a certain period of time, it must be formalised

In general the following recommendations can be given:

- VI needs to put effort in the development of the tool, the tool should be made more user-friendly
- It is important to pay some extra attention to stakeholder management during the sales phase.
- VI must think about their strategy in general. In the current way of working the strategic choice '*change from a project to a customer focus*' is a contradiction of earn money when the customer has problems with his stakeholders.
- Based on this issue more attention can be paid to the definition of specific actions