visible leaders

A Practical Approach To Stakeholder Management

A white paper | September 2017

visiblethinking

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

A practical approach to Stakeholder Management

Most of us instinctively adapt the way we communicate to take account of the situation we find ourselves in, and the individual we are interacting with.

But, beyond such instincts, are there ways of thinking about this subject that are both more measured and more rigorous?

Put another way, as a leader or as a manager, do we give enough thought to the *range of situations* we are likely to find ourselves in, and the impact this might have on our communications approach?

Do we give enough thought to the *range of individuals* that we interact with, in terms of their communications personality? Could we take a more planned approach? And if we did so, what might such an approach look like and what are its benefits?

There is a great deal of theoretical literature available on the subject of personality types and how they play into communications style. Karl Jung divided the world into types according to four key psychological dimensions. Isabel Myers Briggs developed this thinking further.

It is relatively easy to complete an online test based on such models and from this, to analyse your own communications personality type. These tests tend to place individuals on a spectrum that considers:

- How extrovert or introvert are you?
- How much do you rely on the external world, compared to your own internal imaginings?

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

- How do you process information – primarily rationally or primarily emotionally?
- Do you seek to create a set of rules rather than a set of options?

Tests like these are a useful way to understand yourself better. But, when confronted with a real-life situation and an individual whose Myers Briggs test results you don't happen to know, there are limits to the usefulness of such metrics.

More pragmatic approaches are possible and worth considering. Complex, analytical personality models have their place, of course. There are plenty out there, in the psychological literature. But, in our work with clients, our aim has been to create something that is useful in your everyday working life.

We wanted to create a model that works the way real people work, involving two simple questions. First: what is the nature of the communications situation? And, second: what seems to be the communications personality of the person or people you are interacting with?

The approach involves:

- Stakeholder Mapping
- Situational Analysis
- Communications Personality Review
- Communications Strategy

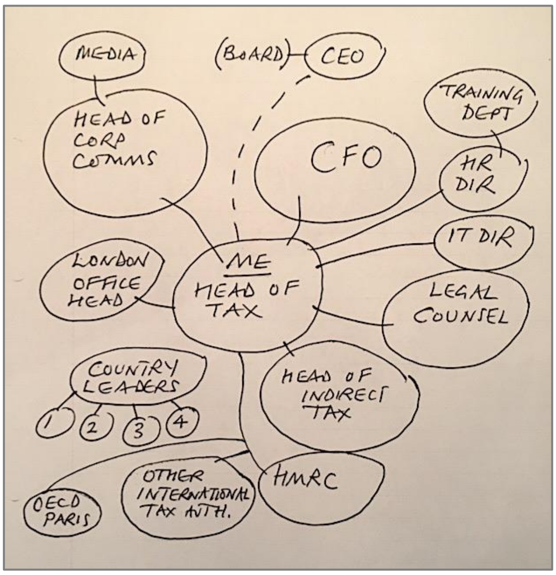
1. Stakeholder Mapping

In this first stage, individuals - literally - draw a map, placing themselves in a circle at the centre, and with their key stakeholders connected to them like orbiting planets.

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

In creating their own unique map, individuals may use colour or size or the placing of the "planet" to rank stakeholders. So, for example, a Global Head of Tax working for a large multinational, might depict their CFO as a large, and very close planet. Whilst they might place the CEO a little further off. And so on:



What matters at this stage is not the precise form of the map; it's about getting leaders and managers to think afresh about who they interact with, and how often, and how they might rank all these different interactions.

For some leaders, drawing such a map is second nature. For others, especially those that don't instinctively think of themselves as communicators, the map can take a little time to build and can be a genuine revelation when complete.

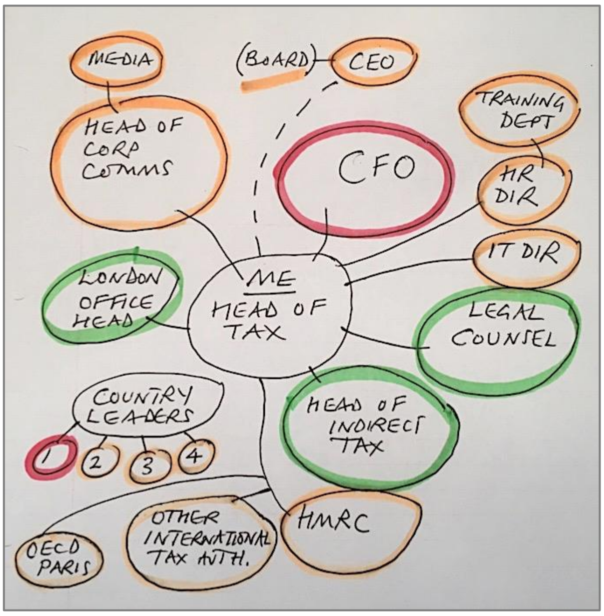
The map is, of course, just the start point. It visualises the communications universe for the individual drafting it. And this is its power.

Most of us don't spend our time thinking about such things. We fill our diary, we prepare for meetings and leave it at that. But, by standing back - as a map like this forces us to do - we get a far better handle on the range and variety of communications tasks that face us.

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

A map like this can also be used to look at the dynamics at play in individual stakeholder relationships. In this example, a traffic light system has been used:



Green signals that the *last interaction* with the individual in question was highly positive and productive. Orange signals that the *last interaction* was "OK" or neutral. Red signals that the *last interaction* was not good, and that some bad feeling and negativity may still be around, compromising the relationship.

"People find this simple tool really useful," says Colin Hatfield. "Green is good news. Orange signals that more could be done to warm a relationship up, but also that there is no urgency. But red is what really matters. If your map highlights that a close, important stakeholder has hit red status, you really do need to think about how best to improve this."

In this (fictitious) example, a Global Head of Tax drawing their own map highlights that the *last time* they interacted with their CFO, the outcome was not good. They have also flagged the same for an individual Country Leader. The map highlights that the CFO relationship must be attended to urgently. Based on their own map,

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

our Global Head of Tax is clearly flagging that this is a key relationship, that it matters, and that it is not in good shape.

They've flagged a similar concern as regards the relationship with a Country Leader. However, the map tells us that, although this relationship needs managing, it is not as crucial as the one with the CFO.

The picture tells a thousand words," says Martin Newman. "An exercise like this can be invaluable. It really forces us to think about all our stakeholders, and about where to focus our efforts to improve relationships in future."

Overall, this mapping process forces us to face up to the real relationship challenges that shape our role and our working life. It forces us to consider how we might need to adapt our communications strategies for *different* situations and *different* individuals.

2. Situational Analysis

The Stakeholder Map serves as a snapshot of an individual leader's communications universe. In stage two, we zoom in to consider just one stakeholder, and one (ideally real, upcoming) interaction.

Martin Newman explains: "For example, we might be working with the Global Head of IT. They might have an upcoming presentation to the CEO looking, say, at the historical quality of IT systems, with a view to future investment. At that point in time, that *one* stakeholder and that *one* meeting is what matters most to that individual. So by using this top-of-mind situation it can be a way of explaining how a measured and rigorous approach to stakeholder management might work more generally".

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

Colin Hatfield stresses this point: "It is important to recognize that leaders have real everyday challenges, so this approach is driven by understanding their needs. It's as non-theoretical as possible."

In reality, situational analysis involves answering a very simple question, which anybody preparing for a meeting will be familiar with. That question is: *what sort of meeting is it likely to be?*

This is then broken down into four sub-questions:

What kind of interaction?

1. What kind of meeting is this? What outcome am I seeking?
2. Is this topic a priority for this stakeholder or not?
3. Is the interaction likely to be "uphill" (challenging) or "downhill" (warm and supportive)?
4. Does the stakeholder easily trust me on this topic, or will I have to work hard to win their trust?

By exploring and answering these questions in advance, we are able to frame the interaction and its potential challenges.

"You can see how these four questions feed into communications strategies and tactics," says Colin Hatfield. "The first question is key. Are you there to deliver information only? Or are you there to persuade someone of something? Are you there to lay out options? Are you checking out your thinking, and seeking input? Are you consulting? Or are you asking for help to solve a problem, working through things together? Being crystal clear on this first question is vital, as it will help you focus on the shape of the meeting in advance."

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

Martin Newman highlights the importance of properly considering the other questions as you plan and structure a meeting or a series of communications:

"If something isn't a priority for the other party, you might need to flag brevity. And deliver it. If you know the interaction will be challenging, you'll need to give more thought to the likely prejudices and objections in the room.

"It's no good telling yourself that the other side just doesn't get it, or care enough, or like you very much. The onus is on you to win them round. And of course the question about trust is enormous. As writers such as Judith Glazer have highlighted: the way that people behave when they trust each other is fundamentally different from the way they behave when they don't".

3. Communications Personality Review

With the broad shape of the situation clarified, we move on to consider the Communications Personality of the individual we plan to interact with.

As we've highlighted, most people don't send you their personality test results in advance of an interaction. Given this, we have to rely on what we have observed personally. "We're not saying this is 100% scientific," says Martin Newman. "But, what we *are* saying is that some personality analysis, in advance, is considerably better than none."

Martin went on to say that there is a simple approach that people can use to help analyse Communications Personality, involving six everyday questions that anyone can answer. These are:

visible leaders

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

What kind of person?	
Question	Implications
1. Formal or informal?	Impacts on the messaging (especially the "set-up" messaging), the choice of medium and the tone and nuancing used.
2. Patient and generous with their time or easily time-pressed?	Impacts on structure, style, duration and choice of media.
3. Big picture or detail?	Will impact on messaging, structure, pace and tone. Choice of medium also key. As in: a predominantly visual presentation may work better than a long report.
4. Do they like frankness or nuanced indirectness?	Impacts on messaging, style, tone and choice of medium (e.g. it may be less risky to be frank when speaking, rather than when writing).
5. Instinctive or logical?	Will impact on messaging, structure of the argument, tone and media used.
6. Volatile or generally calm?	Impacts on messaging, tone and media. e.g. some media (such as email) can provoke stronger reactions than others, such as a chat over a coffee.

"This can seem like a lot of questions to consider in relation to a single interaction," admits Colin Hatfield. "But, if you think about it, the effect is cumulative. If you are presenting a budget to a Finance Director who is - let's say - formal, not very patient, detail-focused, direct, logical and a little volatile, the shape of what you need to deliver becomes pretty clear as you work through the questions.

"You'll want to set a clear agenda in advance, supply a pre-read, prepare yourself for detailed questions, and think extra hard about the issues that might prove emotional and tricky to navigate. It's not rocket science. It just means standing back for a minute or two, and making sure that you've genuinely taken account of the Communications Personality you are about to deal with." This approach also prevents us from becoming complacent as presenters and communicators.

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

As Martin Newman says: "When it comes to communications style and approach, one size most definitely does *not* fit all. In fact, sometimes, one of the problems with well-trained, confident presenters is that they can slip into believing that they've found a winning style and that they should stick to that approach in all situations."

Colin Hatfield enlarges upon this critical point: "At the heart of effective stakeholder management is an acceptance that authenticity is not about communicating *in exactly the same style* all the time, in all situations. It's what diplomats have known since time immemorial. There are different ways to be yourself, and, crucially, different ways to be effective."

Finally, and crucially, there's another key factor to consider when it comes to analysing the Communications Personality of the stakeholder in question. That key factor is you, and your Communications Personality. Any interaction involves two people and therefore the collision of two Communications Personalities in a single space.

This is worth thinking through carefully, and honestly. If you are naturally informal, you'll need to make an extra effort with formal types. If you enjoy detail, you may need to turn that instinct down when interacting with those who prefer the Big Picture. If you are naturally frank, you'll need to be especially cautious around those who are not. If you are super-logical, you can't assume that others will buy into your criteria for decision-making.

And, if you know you can be emotional or volatile, you'll need to think harder than others about how best to avoid this trait surfacing in sensitive meetings.

"This is an immensely subtle subject," says Colin Hatfield. "And we have to be careful that people don't think there are a set of rules here. But, giving some thought as to how the *other person* would like you to behave and how the *other person* would like the meeting to be structured is time well spent.

"To take just one example: some people like the Big Picture punch-line first, followed by the evidence. Some like the opposite. As in: a measured, rational build

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

to a set of recommendations. In addition, we know that this varies by culture, as well as by individual. So there is plenty to think about when it comes to the impact of Communications Personality on stakeholder interactions."

5. Communications strategy

In this brief paper, we won't attempt to cover this vast topic in detail. But, suffice to say, that with the previous analysis in place, communications strategy is significantly affected. In six main ways, leading to six key questions:

- **The choice of medium and occasion:** given the situational analysis, and the Communications Personality of the individual involved, what is **the best way** to communicate what has to be communicated? A quick coffee? A long email? An offsite presentation?
- **The level of interaction:** what feels appropriate? Should the interaction be 50/50? Or is it fine if you do most of the talking? How much "tell" should there be? And how much time should be left for questions and discussion? This is a vital dimension of communications planning. Yet it is often overlooked in the rush to be ready to deliver.
- **Structuring messages:** bearing in mind the above, how shall we lay out our argument? What are the key ingredients of our case, our debate or our proposal?
- **Frequency and duration:** how often should we be communicating with this individual or group of stakeholders? And how much of their time should we be asking for? Should we communicate at length and in depth but infrequently? Or should we reassure with regular, bite-sized updates? What,

London
Audley House
13 Palace Street
SW1E 5HX

Tel: +44 (0)20 7931 8327
Mob: +44 (0)7785 261 173

in short, is the shape of the communications relationship we are seeking to build, over the long term?

- **Striking the right tone:** bearing in mind the situational analysis and the communications personality in play, what tone is likely to be most effective? This is not about posing as someone else to suit the occasion, but – rather – about knowing how to nuance your delivery, whilst remaining authentic.
- **Owning and personalising the message:** how can you make the message feel like a message that you care about, and that you are personally invested in? How can you build trust, based on your own personality, integrity and values? This is a huge topic in its own right, but crucial to effective stakeholder engagement.

A brief glance over the bullets above highlights just how much there is to effective stakeholder management.

Colin Hatfield stresses: "We know this is a very complex subject area. It's incredibly personal and subjective. It involves a range of variables, which – frankly – can't be measured. It's about judgment. But, for us, that is the point. Good judgment involves taking the time to think things through."

Martin Newman adds: "Even the most intelligent and intuitive of us all sometimes needs to slow down and analyse the situation they are about to immerse themselves in.

"In a way, everything we are saying can be reduced to a cliché. And that cliché is that, when it comes to successful stakeholder management, preparation pays off."