

Stakeholder challenge: Dealing with difficult stakeholders



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1. Introduction

This research project focuses on the psycho-social aspects of project management and specifically on how project managers cope with difficult stakeholders. It utilises three different perspectives on this topic: firstly, it will identify which factors create difficult situations; secondly, how these situations impact on the project; and thirdly, how project managers should effectively deal with the difficult situations they encounter.

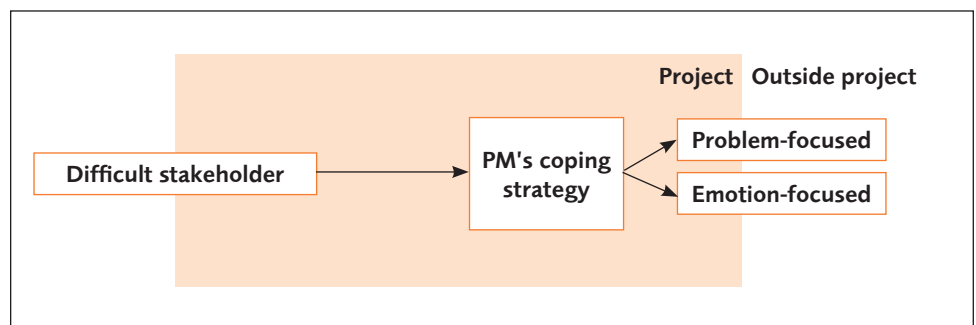


Figure 1. Initial framework

“A stakeholder can be difficult in terms of his/her personality or in terms of creating difficult situations for the project manager”

Right at the beginning of the study an important differentiation was identified: initially it was intended to only focus on strategies for dealing with difficult stakeholders, however it became quickly obvious that a clarification was necessary in this area. A stakeholder may be difficult in terms of his/her personality or in terms of creating difficult situations for the project manager. Hence, the study identified three areas that can typically create difficult situations for a project manager in relation to a difficult stakeholder. These three areas can be found within the boundaries of a project as well as outside, and include:

- Structural environment.
- Social environment.
- Stakeholder personality.

Furthermore, difficult situations always have an impact on the project as well as the project manager, although the impact on the project manager needs to be differentiated in two areas:

- The impact on his/her role.
- The impact on personal wellbeing.

Depending on the impact and personality of the project manager, different coping strategies are adopted:

- Project coping strategies.
- Personal coping strategies.

2. Methodology and participants

The study explores how project managers can deal effectively with difficult situations involving stakeholders. In order to obtain an initial understanding of what project managers define as 'difficult stakeholders' and 'difficult situations' in projects, and how they deal with them, 12 semi-structured face-to-face interviews were conducted. Participants of these interviews were project management professionals from different industries (construction, IT and pharma), with work experience of at least five years within project management.

The interviews lasted between 45 and 60 minutes and were recorded. The audio recordings were transcribed and analysed to identify relevant themes and develop a conceptual framework. The conceptual framework, with themes and sub-themes, was then validated in a focus group where five of the original interviewees participated to confirm whether the framework represented what they intended to explain during the interviews. The focus group lasted 90 minutes and was again recorded, transcribed and analysed. Based on the findings of the focus group, the framework was modified and finalised.

The final validated conceptual framework identifies the causes of difficult situations, as well as the impact on the project and how the project manager can cope with these situations.

“The final validated conceptual framework identifies the causes of difficult situations, as well as the impact on the project”

3. Findings – difficult situations

The study identified three areas that cause difficult situations in projects related to stakeholders, and also some examples of what difficult situations typically look like in a project.

Structural environment

A stakeholder can appear to be difficult because s/he causes a difficult situation due to the structural environment of the project. Reasons for this might include the stakeholder being unknown, the position of the stakeholder within the project structure (power/influence), time pressure on the project, role versus project pressure, divergent goals, external constraints or drivers, history, as well as the cultural environment. Additionally, a lack of representation of the stakeholder, a lack of training or knowledge, or a lack of resources can lead to a stakeholder creating difficult situations.

Social environment

The social environment of a project can create a difficult stakeholder as well. This social environment refers to the building and maintaining of relationships in a project, the different treatment of stakeholders, communication, trust and familiarity, as well as empathy.

Stakeholder

The stakeholder him- or herself can also be difficult in their own right in a project. A stakeholder can be perceived to be difficult based on his/her individual personality traits (honesty, arrogance), as well as their role or expectations.

Difficult situation

The difficult situation created by a stakeholder can take on different shapes and forms, depending on its causes. The study identified some common difficult situations, such as project governance, technical expertise, stakeholder identity, the understanding of project goals and deliverables, as well as the meeting of expectations and understanding of project work.

“A stakeholder can be perceived to be difficult based on his/her individual personality traits, as well as their role or his/her expectations”

4. Findings – impact

The study identified that difficult situations have an impact on a project, as well as on the project manager themselves.

Project impact

The project impact of a difficult situation doesn't necessarily need to be negative – some difficult situations might also have a positive impact on the overall project outcome. Difficult situations can have an impact on the traditional iron triangle of time, cost and quality of the project – but they can also have an impact on the goals and scope of the project, key stakeholder satisfaction, organisational learning, as well as staff turnover. In general it needs to be noted that the impact of a difficult situation on the project is usually temporary and does not go on in cycles, however it might be that the areas causing a difficult situation continue to be present in a project, and hence create new difficult situations.

Personal impact

As with the project impact, the personal impact of a difficult situation can be positive or negative on the individual, and it needs to be differentiated whether the difficult situation impacts on the role of the project manager or on his/her wellbeing. In relation to the project manager's role, a difficult situation can impact on professional learning, reputation and weltanschauung,¹ and can even lead to a new role. Regarding the personal wellbeing, a difficult situation caused by a stakeholder can create frustration, unease, resistance, anger, isolation, helplessness, defensiveness, threat, embarrassment and stress, and can also impact on the project manager's home life.

“In general it needs to be noted that the impact of a difficult situation on the project is usually temporary”



¹ Weltanschauung = social context of the individual's perspective or view of life

“Project managers adopt two different coping strategies when they deal with difficult situations created by project stakeholders”

5. Findings – coping strategies

The research identified that project managers adopt two different coping strategies when they deal with difficult situations created by project stakeholders. These are project coping strategies and personal coping strategies.

Project coping strategies

Project managers develop various strategies to cope with a difficult situation in relation to a project. In this context they focus on the project and how the project can best cope with the situation. Project coping strategies include restructuring the project or project team, monitoring and controlling, passing on the role, encouraging stakeholder engagement, seeking external support, focusing on career or individual benefit, as well as developing a plan B.

Personal coping strategies

The personal coping strategies of project managers are focused on the project manager him-/herself instead of the project. They can be problem-focused, which means that the individual attempts to deal with the problem/difficult situation; or emotion-focused, which means they focus on their emotions and how to deal with them. Problem-focused personal coping strategies of project managers in difficult situations include communication, relationship-building and identification of common ground, or simply trying different approaches. These coping strategies take place within the project environment. In contrast to that, the emotion-focused coping strategies – like self-validation, venting, reflecting, sharing, confrontation, patience or the demonstration of personal values – often take place outside the project environment and affect the project manager's personal circumstances as well.

6. Findings – framework

Based on the findings outlined above, a validated framework for *Coping Strategies with Difficult Stakeholders* has been developed. Figure 2 shows how the different categories are related and which relationships are present between the different aspects involved in project managers' coping strategies.

“Figure 2 shows how the different categories are related and which relationships are present between the different aspects involved in project managers' coping strategies”

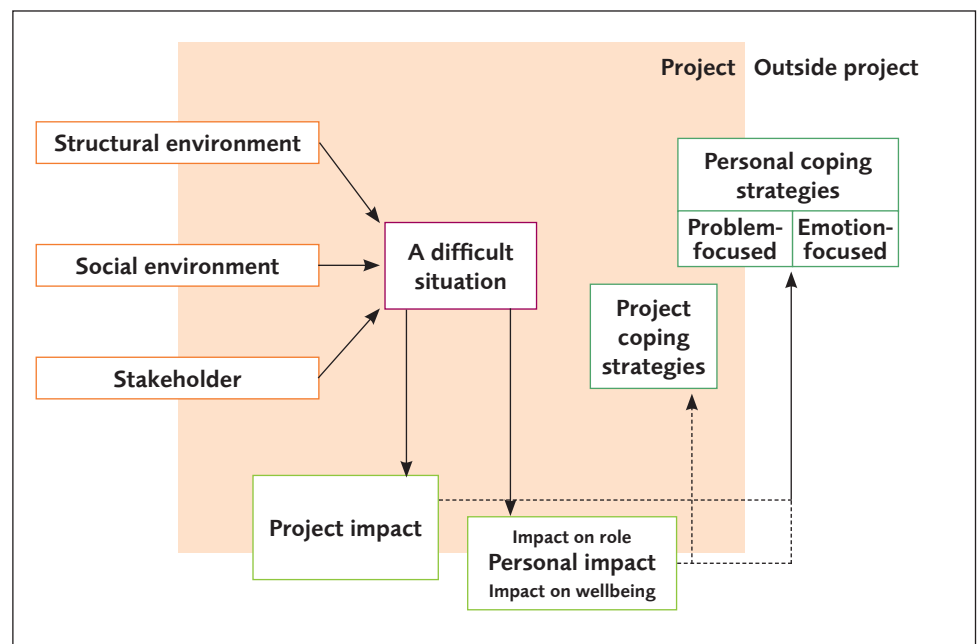


Figure 2. Final validated framework for *Coping Strategies with Difficult Stakeholders*

7. Conclusion

Anecdotal evidence and a limited amount of literature suggest that project managers encounter difficulties with some of the people they engage with during projects. They can encounter apathy, mild resistance or outright hostility, all of which cause varying degrees of discomfort and stress to the project manager. This needs overcoming for the engagement to be effective. The research project has identified the causes and impact of these difficulties as well as strategies for how to cope with them effectively.

Stakeholders can be difficult in two different ways: they can be difficult regarding their personality, or they can create a difficult situation due to the social or structural environment of the project. Project managers need to be aware of this differentiation and should be able to identify the cause and motivation of the difficulty in order to address it appropriately.

The difficult situation can have a two-fold impact. On the one hand it can impact on various aspects of the project, for example time, cost and quality, organisational learning and stakeholder satisfaction. On the other hand it can also have a personal impact on the project manager. This may be on his/her role (professional learning, reputation, etc) or on his/her wellbeing (frustration, anger, isolation, etc).

“Project managers develop coping strategies over time in order to deal with difficult situations and overcome the impact on the project as well as on themselves”

Project managers develop various coping strategies over time in order to deal with these difficult situations and overcome the impact on the project as well as on themselves. Project coping strategies refer to strategies within the project like restructure, or monitoring and control, whereas personal coping strategies refer to the personality of the project manager. Personal coping strategies can be problem- or emotion-focused, and commonly used strategies are communication, self-validation, reflecting or sharing.

“Try to understand why a stakeholder is being difficult in your project and what the origin of the difficulty”

8. Recommendations

Based on the exploratory research undertaken, some recommendations for project management practitioners are as follows:

1. Try to understand why a stakeholder is being difficult in your project and what the origin of the difficulty is, i.e. the social or structural project environment or the stakeholder personality.
2. Evaluate the impact of the difficult situation on the project as well as on yourself in terms of your role and personal wellbeing.
3. If the difficult situation has an impact on the project: identify and adopt measures to limit the negative impact.
4. If the difficult situation has an impact on you, be aware of the different dimensions of impact, i.e. on your role and personal wellbeing. Then use problem- and/or emotion-focused measures to reduce the negative impact.

9. Areas for further research

The research undertaken as part of this project is an exploratory qualitative study. Further research is needed to improve the understanding of how project managers cope with difficult situations. Some areas of further research are suggested below:

“Further research is needed to improve the understanding of how project managers cope with difficult situations”

■ Relationship between difficult situation, impact and coping strategy

This would include the relationship between the origin of the difficult situation, its impact and the subsequently chosen coping strategy. It needs to be explored in more detail in order to refine the recommendations.

■ Personality traits of project managers

It is necessary to explore how the different personality traits of project managers impact their choice of coping strategy in order to provide further guidelines for practitioners.

■ Personal coping strategies

It is recommended to undertake an in-depth study of the different personal coping strategies adopted in projects in order to identify patterns and develop more sophisticated recommendations.

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