**M&L 32 Develop working relationships with stakeholders**

|  |  |  |
| --- | --- | --- |
| **Learning Outcome** | **Assessment Criteria** | **Guidelines and range**  **The candidate provides evidence that they understand:** |
| Understand working relationships with stakeholders | * 1. Analyse stakeholder mapping   techniques | The word ‘analyse’ is chosen to indicate that you should look closely at the parts of stakeholder mapping techniques and examine how they work. Stakeholders are individuals or groups that have an interest in the organisation and may be affected by actions and policies.  Mapping technique examples include a:  Power/Interest Grid for stakeholder Prioritisation  RACI matrix (Responsible, Accountable, Contributing and Informed) which is useful for defining roles |
|  |  | *In this criterion the learner is required to provide evidence that he or she has selected two techniques used in stakeholder mapping and explained how and when they are used.* |
|  | * 1. Explain how influencing skills   and techniques can be used to enhance the relationship with stakeholders | Effective leadership uses influencing skills to add value to relationships with stakeholders. By establishing rapport with others, especially when this happens without any direct or apparent effort, courses of event, actions and behaviours can change in others.  Techniques involved in influencing involve:   * Persuading – using reasoned logic, emphasising the positive aspects * Negotiating – listening, gaining agreement, compromising   These skills are important in many jobs and in particular in marketing, sales, advertising and buying, but also in daily life. |
|  |  | *In this criterion the learner is required to provide evidence that he or she has identified key stakeholders and explained why influencing skills are important when working together to gain effective results. In addition, he or she has selected one technique that has been used in a workplace situation, briefly describing the context and the outcome.* |
|  | 1.3.Explain how expectation  management and conflict  resolution techniques are  applied to stakeholder  management | Expectations have to be managed when unrealistic or impractical requirements are pursued by stakeholders, in order that needs are met. On occasion, conflict resolution techniques also have to be used, one example is by Thomas Kilmann (revised 2008). The theory suggests that the manager follows these key steps:  Use active listening skills to ensure that you hear and understand other’s perceptions   * Gather information * Agree the problem * Brainstorm solutions – be open to new ideas * Negotiate a solution |
| *In this criterion the learner is required to provide evidence that he or she has explained why it is important to manage stakeholder expectations. In addition, he or she has selected a situation which involved stakeholder expectations which could be deemed to be unrealistic and described how the situation was resolved*. |
| * 1. Analyse the advantages   and limitations of different types of stakeholder consultation | Consultation involves the development of productive relationships over the long term. Listening to feedback provides a valuable source of information that can be used to improve project design and outcomes and to help the organisation to identify and control risks.  The two main types of stakeholder consultation are:   * Consultation on specific developments and projects * Ongoing tracking and monitoring of stakeholder perceptions, within the broader operating environment   Benefits can include informed decision making, and potentially a greater chance of successful implementation. Limitations can include the amount of time taken for collection, analysis and reporting of consultation outcomes and the variable levels of expertise or knowledge of the stakeholder groups. |
| In this criterion the learner is required to provide evidence that he or she has described two main types of stakeholder consultation, linking each with a separate workplace example. In each example of stakeholder consultation, he or she has explained in detail the advantages and limitations from the organisational perspective. |
|  | * 1. Evaluate the risks and   potential consequences of inadequate stakeholder consultation | Post, Preston and Sachs (2002) link the interrelationship between an organisation and its stakeholders. In particular in relation to risk and reward, describing the contribution made (voluntarily or involuntarily) by stakeholders and individuals to the wealth creation capacity and activities. However, these potential beneficiaries are also the risk bearers. This theory can also be applied to public services as well as the commercial environment; **wealth** relating to growth and development and **risk** being in the failure of the venture. |
| In this criterion the learner is required to provide evidence that he or she has selected a situation where stakeholder consultation should have taken place. Also, very briefly explained the reasons for choosing the example. In addition, he or she has assessed the risks and likely outcomes if the selected situation had been subject to inadequate stakeholder consultation. |
| 1. Be able to determine the scope for collaboration with stakeholders | 2.1 Identify the stakeholders  with whom relationships  should be developed | Stakeholders are divided into two groups:   * Internal – employees, managers, owners, students, volunteers * External – funders, suppliers, regulators, legislators   They are all influencers of attitudes and beliefs and in 2004, The Information and Consultation of Employees Regulations were established which set out clearly the requirements of corporations to consult with their employees; this being extended in 2008 to Corporations with more than 50 employees.  By using a power/ interest matrix it is possible to map levels of power and interest against levels of communication required, ranging from those requiring high levels of communication and support to those who just need to be informed at intervals. |
| *In this criterion the learner is required to provide evidence that he or she has identified stakeholders and explained why it is important to specifically develop relationships with each group.* |
|  |
|  |
| * 1. Explain the roles, responsibilities, interests and concerns of stakeholders | A constituency or stakeholder represents a homogenous group, where the members hold similar interests within the organisation’s activities. Examples of these ‘constituencies’ or groups could be service users, shareholders, funders, policy makers, employees. Where relevant, groups could also be subdivided e.g. ‘employees’ may divide again into managers and operational staff who may have very different needs and expectations. |
| In this criterion the learner is required to provide evidence that he or she has selected and very briefly introduced a situation which required collaboration with various groups and introduced their roles and responsibilities in relation to the task. In addition, he or she has identified the key stakeholders and stated their interests and concerns. |
| * 1. Evaluate business areas that would benefit from collaboration with stakeholders | Businesses are organised in a variety of ways according to their sector, core business and focus. However, there is usually a ‘customer facing’ section which helps to identify trends and emerging challenges which are, or will in the future, impact the organisation. ‘Customers’ can be defined in many ways and can include e.g. major suppliers and legislative bodies. Listening to stakeholder concerns and feedback is a valuable source of information, which when used wisely can form the basis for future collaboration (working more closely) and partnerships at any level in the organisation. |
| In this criterion the learner is required to provide evidence that he or she has selected two examples of business areas which would benefit from collaboration with stakeholders. In addition, he or she has explained why each example has been chosen and listed some of the key benefits for both the stakeholder and \*the organisation  \*Note, that where the stakeholder group is internal, learners are asked to identify the specific benefits for each party. |
| 2.4 Evaluate the scope for and  limitations of collaborating with  different types of stakeholder | The word ‘scope’ is selected to enable the organisation to define and establish realistic and meaningful size of groups that can be represented. This mainly relates to consultation, obtaining feedback, undertaking analysis and reporting for the purpose of minimizing or avoiding risk, improving product and service design and delivery, quality of outputs and longer term effective working relationships. |
| In this criterion the learner is required to provide evidence that he or she has considered the stakeholder groups available and stated the criteria which have made collaboration achievable and successful, in terms of positive outcomes. In addition, he or she has explained key limitations of collaborating with different types of stakeholder using specific examples. |
| 1. Be able to develop productive working relationships with stakeholders | 3.1 Create a climate of mutual  trust and respect by behaving  openly and honestly | Regular consultation can provide greater satisfaction levels from stakeholders. Behaving openly and honestly recognises the important contribution stakeholders at all levels can make to future changes, which will directly or indirectly affect them.  The word ‘climate’ when used in the context of the organisation, links well with agreeing priorities, supporting others, building capacity and sharing values. |
| In this criterion the learner is required to provide evidence that he or she has started to build a productive working relationship with a stakeholder using examples of how mutual trust and respect has been encouraged. In addition, he or she has described, very briefly, a different situation where open and honest behaviour was an integral part of working with a stakeholder and the outcomes achieved. |
|  | * 1. Take account of the advice provided by stakeholders | Specific stakeholder group perception over time provides the organisation with invaluable information; examples could be on planned developments, implementation plans or product detail and quality. The information can feedback and inform competitive positioning and help to define best practice. |
| In this criterion the learner is required to provide evidence that he or she has consulted with stakeholders and summarised one aspect of the information which has proved to be useful. In addition, he or she has explained why this particular feedback analysis has shown to be considered as having provided ‘good advice’ to the organisation. |
|  | * 1. Minimise the potential for   friction and conflict amongst  stakeholders | Stakeholders can have different perceptions about levels of risk, equity and fairness, or for example the engagement process and this is often linked to how well the potential benefits are perceived by all parties. When consultation time is limited, or one group’s needs are seen to override another group’s requirements, conflict situations can arise.  The potential for friction can be reduced by ensuring that contact and communication is provided at an appropriate level for each identified group, that  information is shared openly and decision making is followed by enactment. |
| In this criterion the learner is required to provide evidence that he or she has described a work based situation where the potential for friction and conflict was evident. In addition, he or she has explained why it was important to minimise the potential for conflict and friction in the selected example and very briefly identified the key steps taken, linked to successful outcomes. |
| 1. Be able to evaluate relationships with stakeholders | 4.1 Monitor relationships and  developments with  stakeholders | ‘Monitoring’ enables an ongoing awareness of the state of events and allows for early recognition of any changes which require early intervention. Good practice indicates that ‘records’ are kept of salient points in communication where actions are agreed, follow -up sessions are conducted and progress is noted. Perception can change quickly and it is only by regular feedback that situations can be kept on track. |
| *In this criterion the learner is required to provide evidence that he or she has selected a method of monitoring developments with stakeholders, stating why the particular method has been chosen. In addition, he or she has monitored relationships with two stakeholders over a limited time period, appropriate to the sector and nature of work, indicating key developments and their significance.* |
|  | 4.2 Address changes that may  have an effect on stakeholder  relationships | Early intervention suggests that as soon as an emerging situation is identified which is likely to bring about changes to established and /or agreed plans, action is taken to ensure that stakeholder relationships are not compromised. Examples could be in contacting key contacts in other organisations and providing updated information, offering new courses of action or bringing people together for early discussions and exchanging information for mutually agreed decisions. |
| In this criterion the learner is required to provide evidence that he or she has explained what could have happened if changes to situations were not addressed, by using a specific example and evaluating possible and actual consequences of inaction. |
|  | 4.3 Recommend improvements  based on analyses of the  effectiveness of stakeholder  relationships | Effectiveness is used a measure of quality outcomes which can be quantified through feedback and general levels of staff and customer satisfaction. The impact of effective stakeholder relationships may be long term and far reaching. |
| In this criterion the learner is required to provide evidence that he or she has used information which has been collated and analysed in regard to the effectiveness of at least two stakeholder relationships. In addition, he or she has suggested one improvement for each of the two selected stakeholder relationships explaining the rationale for each. |