Guidelines for stakeholder analysis

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INTRODUCTION

The basis of every success story is good planning and communication. The success rate can be even higher if an implementation process involves stakeholders and gains their support.

The Circular economy concept is becoming more and more recognized. For further development and fostering the implementation of circular economy concept it is crucial to have an overview on all relevant parties with a plan to integrate them into the success of the project GreenCycle.

The first step of stakeholder involvement is stakeholder analysis that requires in-depth consideration and articulation of values and priorities of relevant stakeholders. In practice, stakeholder analysis means to identify all relevant stakeholders and group them accordingly to chosen indicators.

These guidelines are prepared to give a common background in the conduction of stakeholder analysis within the project GreenCycle. Guidelines provide a step by step guidance in the stakeholder identification and characterization process. Alongside, common definitions and methods to be used within the stakeholder evaluation process are presented.

The purpose

The purpose of this stakeholder analysis is to:
- identify all relevant circular economy stakeholders;
- create a basis for stakeholder involvement;
- create a basis for circular economy communication (newsletter).

The Stakeholders

By the definition a stakeholder is any entity or individual with an interest or stake in the project GreenCycle. Stakeholders can be of any form, size and capacity. They can be individuals, organizations, or unorganized groups. The relevant stakeholders within this analysis fall into one or more of the following categories:
- political authority;
- public sector agencies;
- business sector;
- NGOs;
- Interest groups (unions);
- consumer unions.

The stakeholders from the following priority areas should be taken into consideration:
- waste generation and management;
- management of secondary materials;
- low carbon strategies and practices;
- cross-sectoral cooperation;
- transport and building sector.

Geographical scope

This stakeholder analysis focuses on regional and local level.

METHODOLOGY FOR THE CONDUCTION OF STAKEHOLDER ANALYSIS

The first step in the conduction of a stakeholder analysis is stakeholder identification. Different methods on stakeholder identification can be employed. Brainstorming can be used as the first approach in creating an exhaustive list of stakeholders. It is advisable to involve more people in the brainstorming process as it is more likely to miss important stakeholders groups. The following questions can help in the brainstorming identification process:

- Who are the people/groups/institutions that are interested in the project GreenCycle?
- What is their role (polluter, regulator, direct consumer, indirect consumer, etc.)?
- Who are the potential beneficiaries?
- Who might be adversely impacted?
- Who has constraints about the project?
- Who may impact the project?
- Who has the power to influence?

As the number of identified stakeholders can be very high at the very beginning it is advisable to start sort them already at this stage (Table 1).

Table 1: Basic classification of stakeholders

Responsible public authority	Civil society	Private sector
- political authority	- NGOs	- business companies
- public sector agencies	- consumer unions	- Interest groups (unions)
- etc.	- etc.	- etc.

The second step is data collection that can be conducted via interviews, phone calls and public data (internet, etc.). To really understand and plan how to communicate, cooperate and associate with the stakeholders, this step is very important.

When analyzing a stakeholder the first thing to do is to grade a stakeholder by importance (the degree how concerned is by the project), influence and power (the ability to affect the implementation of the project and how). In assessing the characteristics of a stakeholder the following rating scale should be used:
- - 1 - no importance → should not be on the list of stakeholders of the project GreenCycle,
- - 2 - low importance → stakeholder could be important for the project GreenCycle in special conditions;
- - 3 - medium importance → stakeholder is important for the overall topic of circular economy, but so much for the implementation of the project GreenCycle;
- - 4 - high importance → stakeholder is important for the implementation of the project GreenCycle;
- - 5 - very important → stakeholder is very important for the implementation of the project GreenCycle.

The simplest way to develop qualitative information about stakeholders is to list the main characteristic.

Table 2: Example on listing characteristics of a stakeholder

Responsible public authorities:	Importance:	Influence and power
1. Office for economic activity, Municipality of Maribor	*Grade: 5*	Grade:5
	Comment: - it is the duty and interest of the office to develop better conditions to strengthen the economic sector.	*Comment: - responsible for encouragement of economic sector in the Municipality.*

The next step in characterization of a stakeholder is to assess their interest which is especially important for project communication. Stakeholders have very different interests in respect to circular economy and project Greencycle. In defining an interest of a stakeholder the following questions can be used as guidance:
- What are the stakeholder expectations of the project GreenCycle?
- What are the stakeholder benefits recognized in project GreenCycle?
- Are there any resources that the stakeholder wish (or not) to commit to the project?
- What other interests does a stakeholder have which my conflict with the project?
- How a stakeholder in consideration regard other stakeholders?

To list the interest of a stakeholder means to add the relevant information (Table 3).

Table 3: Example on listing the characteristics of a stakeholder

Responsible public authorities:	Importance:	Influence and power	Interests/positive impacts	Concerns/negative aspects
1. Office for economic activity, Municipality of Maribor	*Grade: 5*	Grade:5	- can contribute to the success of the project through legislation adaptation on circular economy; - can realis governmental support to the project.	- low human resources to devote the development of circular economy concept; - limited financial capacity.
	Comment: - it is the duty and interest of the office to develop better conditions to strengthen the economic sector.	*Comment: - responsible for encouragement of economic sector in the Municipality; - high power – local authority*		

An important part of stakeholder characterization is also defying the desired involvement of a stakeholder in the project. For better implementation of the project GreenCycle it is important to know if a stakeholder wants to be:

- informed about the results of the project and implementation process;
- consulted on the specific steps of the project implementation process;
- would like to contribute to the project implementation and success and how (becoming a partner);
- other.

DOCUMENTATION OF STAKEHOLDERS

Every relevant stakeholder for the project GreenCycle should be listed and documented with all of the above characteristics in an Excel template (Annex 1).

The template is designed in a way to enable collection of the basic data on stakeholders and grouping them into main groups (public authority, civil society and private sector). Every main group is than divided into sub-groups.

When filling out the template, please use the above guidelines and examples. It is important to list your stakeholders by relevance for the project GreenCycle (on the top of the list are the stakeholders with the highest grade in importance, followed by lower ranked stakeholders). In practice this means that every sub-group of stakeholders starts with the most important stakeholders.

According to your needs and identified stakeholders groups not covered by the template, please adjust the template according to your needs.

BASIC QUALITY REQUIREMENTS FOR THE CONDUCTION OF STAKEHOLDER ANALYSIS

- Every PP city should identify and document at **least 15 stakeholders in total from at least 3 different stakeholder sub-groups**.
- For the documentation of stakeholders the **Excel template** should be used (Annex 1).
- The documentation of one stakeholder should be done with at least **70 words** (font: Calibri; font size: 11). When documenting please use **full sentences and proper punctuation marks.** When listing please use **bullets and marks**. Do not forget to **use spell-check**.

SOURCE OF INFORMATION

1 Stakeholder Analysis;
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2 Stakeholder Analysis; http://www.sswm.info/category/planning-process-
tools/exploring#Stakeholder%20Analysis; February 2017
3 Stakeholder Analysis; https://www.mindtools.com/pages/article/newPPM_07.htm,
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4 Stakeholder Analysis Guidelines;
http://www.who.int/workforcealliance/knowledge/toolkit/33.pdf; February 2017
5 Growth within a circular economy vision for a competitive Europe;
https://www.mckinsey.de/files/growth_within_report_circular_economy_in_europe.pdf;
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