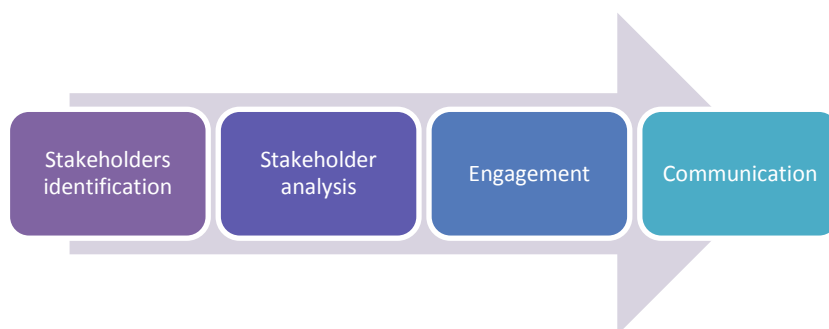


# TEST Tools: Stakeholder Analysis Checklist

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## Stakeholder Analysis

Stakeholder analysis is part of the strategic process to help a company articulate its values, mission, strategy, and commitments in line with the business environment in which the company operates. It is also useful in anticipating and identifying emerging issues, risks, and opportunities related to, among other things, resource scarcity, environmental compliance, local community concerns, value chains' sustainability requirements. This tool illustrates the steps for stakeholder identification, analysis, engagement, and communication.



### Stakeholder identification

This step consists of identifying stakeholders who have a relationship with the company or are important for its operations. These are parties that could influence the company or could be affected by its operations. Stakeholders can be internal or external to the company. Mapping is a way of visually representing the variety of stakeholder relationships which a company has and their relative proximity or strength. The following list of possible stakeholders is designed to assist a company in preparing a list of its important stakeholders:

<ul style="list-style-type: none"><li>• Enterprise owners/ shareholders</li><li>• Enterprise management</li><li>• Employees</li><li>• Customers</li><li>• Suppliers</li><li>• Investors</li><li>• Service providers</li></ul>	<ul style="list-style-type: none"><li>• Financial institutions</li><li>• Insurance companies</li><li>• Business associations</li><li>• National and Local authorities</li><li>• Local communities</li><li>• NGOs</li><li>• University and research institutions</li><li>• Media</li></ul>
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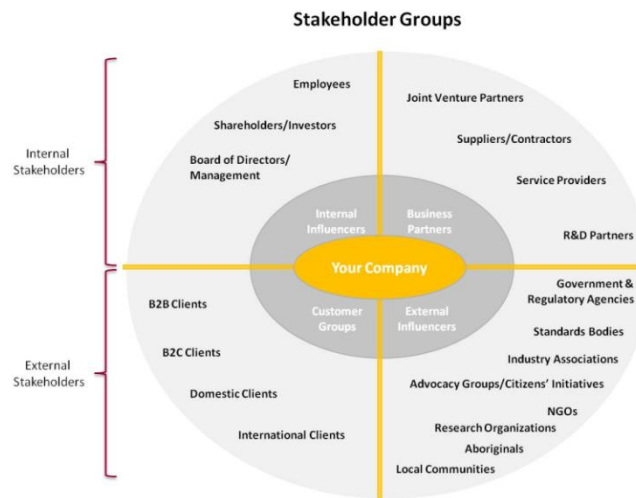
The relative proximity or strength of the stakeholders can be assessed by investigating the following points:

- Who are the stakeholders with a legal relationship with the company?
- Who could be affected by future decisions or activities of the company?
- Who was affected by company decisions or activities in the past?
- Who could assist in mitigating the company's negative impacts?
- Who could be affected by the company's activities in the value chain?

# TEST Tools: Stakeholder Analysis Checklist

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Below is a figure showing an example of a stakeholders mapping



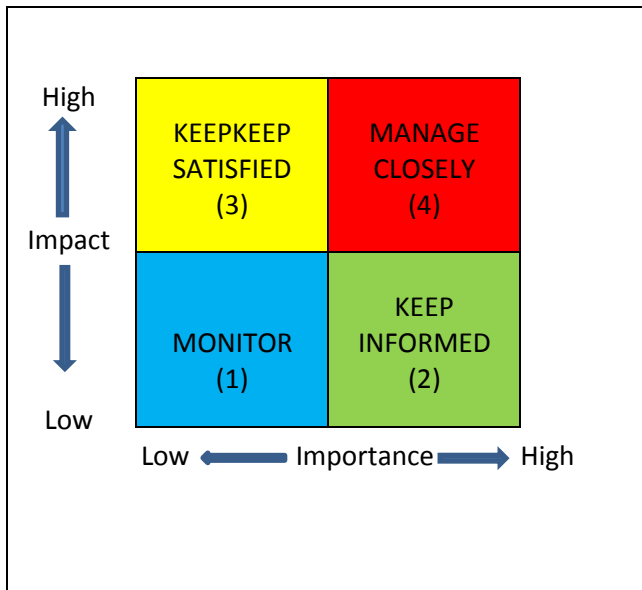
## Stakeholder analysis

Stakeholders can be analysed by evaluating the relevance of their relationship to the company, both in terms of how they can affect and/or how they can be affected by company operations. The relevance of stakeholder relationship to the business can be assessed by:

- ✓ Materiality analysis
- ✓ Stakeholders interview (including external stakeholders)
- ✓ Management interview (only internal stakeholders)

The impact and importance of stakeholders can be visualized in the priority setting diagram below (the number in brackets is the score assigned to each of the four sets of priorities – an explanation of how to assign scores is shown in the rating grid which follows).

# TEST Tools: Stakeholder Analysis Checklist



Rating grid	
score	Impact/challenges (internal/external) for the company
4	Key player – priority stakeholder
3	Important stakeholder to be kept satisfied
2	Important stakeholder to be kept informed and consulted
1	Not such an important stakeholder, requiring minimal effort

In the table below is provided an example of an analysis of stakeholders' needs and expectations, with scores assigned.

# TEST Tools: Stakeholder Analysis Checklist

## Analysis of stakeholders' needs and expectations - example

Stakeholders	Needs/Expectations	Level of importance of the stakeholder (scale 1 to 4*)	Relevance of stakeholder relationship to the business (for consideration as priority)
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>· Maximum profit per share</li> <li>· Participative management</li> <li>· Organization reactivity to an evolving environment</li> <li>· Commitment of management</li> <li>· Industrial safety (preservation of the installations)</li> </ul>	3	<ul style="list-style-type: none"> <li>· Maximum profit per share</li> <li>· Commitment of management</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>· Decent working conditions (salary, career management, working environment...)</li> <li>· Job stability and enterprise sustainability</li> <li>· Occupational health and safety conditions</li> </ul>	3	<ul style="list-style-type: none"> <li>· Decent working conditions (salary, career management, working environment...)</li> <li>· Job stability and enterprise sustainability</li> <li>· Occupational health and safety conditions</li> </ul>
<b>Clients</b>	<ul style="list-style-type: none"> <li>· Creativity</li> <li>· Compliance with expected quality and good price</li> <li>· Quick reactivity to innovation</li> <li>· Confidence in the organization of the production system</li> <li>· Attention for clients needs</li> <li>· Product safety</li> </ul>	4	<ul style="list-style-type: none"> <li>· Compliance with expected quality</li> <li>· Quick reactivity to innovation</li> <li>· Confidence in the organization of the production system</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>· Partnership in the mid-run with clients</li> <li>· Occupational health and safety of sub-contractors' staff</li> </ul>	2	<ul style="list-style-type: none"> <li>· Partnership in the mid-run with clients</li> </ul>
<b>Society (public, government, media, ...)</b>	<ul style="list-style-type: none"> <li>· Good public image</li> <li>· Social responsibility (solidarity, job creation)</li> <li>· Environmental protection</li> <li>· Safety of the population</li> <li>· Compliance with legal requirements</li> <li>· Transparency and communication</li> </ul>	3	<ul style="list-style-type: none"> <li>· Good public image</li> <li>· Social responsibility (solidarity, job creation)</li> <li>· Environmental protection</li> <li>· Safety of the population</li> </ul>

\* described in rating grid

# TEST Tools: Stakeholder Analysis Checklist

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## **Stakeholder engagement**

Engagement is about entering into an open and transparent dialogue with priority stakeholders, to understand their expectations, assess the level of commitment each stakeholder is ready to offer, and define the role (advisory/participatory) that is most appropriate for addressing the key issues of concern to that stakeholder. Engagement modalities will differ on a case-by-case basis and might involve holding a round table, sending out questionnaires or surveys, holding meeting with key persons, etc.

## **Communication with stakeholders**

Once the previous steps have been completed, it will be important to establish a formal procedure for communication with all the priority stakeholders, using different tools such as newsletters, code of conduct, sustainability reports, intranet, seminars, etc. The modes of communication will normally be quite different depending on whether the stakeholders is internal or external.

# TEST Tools: Stakeholder Analysis Checklist

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## Checklist for stakeholder analysis

<b>Stakeholder identification</b>
<ul style="list-style-type: none"><li>- Who are the stakeholders with a legal relationship to the company?</li><li>- Who might be affected by the company's future decisions or activities?</li><li>- Who was affected by the company's decisions or activities in the past?</li><li>- Who could assist in mitigating the company's negative impacts?</li><li>- Who in the company's value chain(s) could be affected by the company's decisions or activities?</li></ul>
<b>Stakeholders analysis</b>
<ul style="list-style-type: none"><li>- Who does this stakeholder represent? Is it an internal or external stakeholder?</li><li>- What are the stakeholder's major concerns as far as the company is concerned?</li><li>- How could/do the company's decisions and activities impact on these major concerns?</li><li>- What potential consequences or impacts might this stakeholder have on the company's decisions and activities?</li></ul>
<b>Stakeholder engagement</b>
<ul style="list-style-type: none"><li>- Are the interests/concerns of the stakeholder in line with sustainable development objectives?</li><li>- Are stakeholder interests/concerns aligned with the company's goals and strategy? Do they represent a strategic risk or an opportunity? How can any possible risks be converted into opportunities?</li><li>- How could the stakeholder's interests/concerns be better recognized by the company?</li><li>- What are the stakeholder's expectations of the company? What are its key concerns about the company?</li><li>- What commitment is the stakeholder prepared to give?</li><li>- What is the best role for the stakeholder to have (advisory/participatory) to address the expectations and/or key concerns?</li></ul>
<b>Stakeholder communication</b>
<ul style="list-style-type: none"><li>- Is the stakeholder well informed?</li><li>- What is the best communication modality with the stakeholder?</li></ul>