

Climate and Disaster Risk Finance (DRF):
A Learning Program Designed for Bangladesh

DAY 1: FOUNDATIONAL DAY

Session 4: Role of Stakeholders (internal and external)

Effective Stakeholder Engagement & Communication

Disaster Risk Financing
& Insurance Program



Global Shield
Financing Facility



Objectives



Identify key stakeholders



Understand what **motivates** them



Learn how to most effectively **engage** them

What are stakeholders?



“Anyone who has a stake in the project” or
“Anyone who can make, or break, your project”

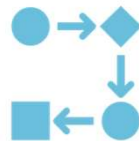
- Stakeholders are both **people** (e.g. minister, colleague, politician, citizens) and **organizations** (e.g. ministry, parliament, local government agency, insurance company, media)
- Stakeholders can be **internal** (have major impact on design or and implementation) and **external** (advise, facilitate, or will be impacted, even though not directly participate)

What is stakeholder mapping?

Stakeholder mapping is a process of **listing all the stakeholders** of your project to give a **visual representation** of all the people who can influence your project and how they are connected.



Listing all
stakeholders of
your project



Building a strategic
engagement plan



Creating a
communications
plan

Why is Stakeholder Mapping Important?

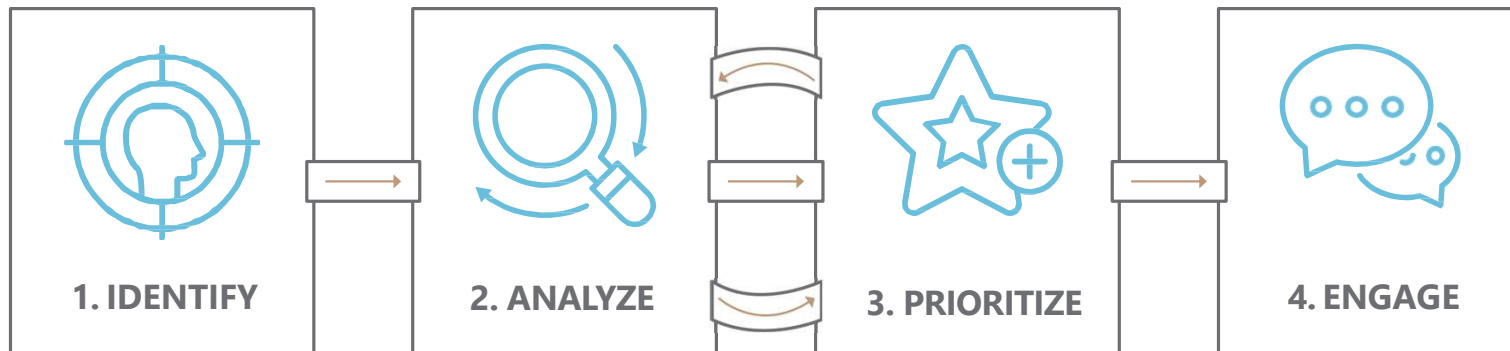


Stakeholder engagement is a **project management tool** with many benefits, and **mapping is a key part of this engagement.**

By involving individuals, groups, and organizations who will be affected by your project ahead of time, you can **ensure that the project is demand driven.**
People who are engaged are much **more likely to engage positively.**

Key steps to map your stakeholders

Stakeholder mapping involves **identifying, analyzing and prioritizing** the people and departments with a stake in your project.



Step 1: Identify your Stakeholders

01

Who are the **people that influence** if and how a DRF program can be implemented?



02

How are you **connected to** them?



03

What is **their understanding of** DRF?

Examples of Stakeholders

Internal Government Stakeholders



Cabinet and Parliament



Colleagues from within your ministry and other government ministries



Financial regulator



Insurance Regulator

External Non-Government Stakeholders



Development organizations



Donors



Risk modeling companies



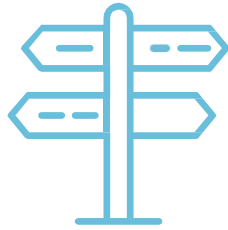
Finance Parties

(Insurers, Banks and Capital Provider)

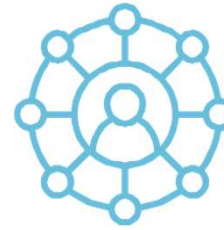


Taxpayers and beneficiaries

Step 2: Analyze your Stakeholders











Interest:
What is important
to them?











Influence:
What could they contribute
to enable your work on
DRF?

Examples: Mapping Internal Stakeholders

	Regional trade/ policy bodies	Politicians	Ministry of Finance	Other ministries & DRM functions
Interest	 <p>Country's prosperity; regional stability</p>	 <p>Decision-making; benefiting citizens</p>	 <p>Appropriate/ cost-efficient use of funds/ budgets</p>	 <p>Reconstruction; resilience</p>
Influence	 <p>Provide resources, regional engagement, and legitimacy</p>	 <p>Provide legitimacy, accountability, decision-making power</p>	 <p>Make a financial commitment, use resources effectively</p>	 <p>Offer trust, decision-making expertise, on-the-ground knowledge</p>

Examples: Mapping Non-Government External Stakeholders

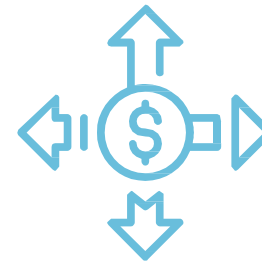
	Development organizations	Donors	Risk Modeling Companies	Finance Parties
Interest	 <p>Country's prosperity; financial and physical resilience</p>	 <p>Improve post-disaster outcomes, protect people, reduce poverty</p>	 <p>Access to quality data; proprietary knowledge; sale of their product</p>	 <p>Market penetration & growth at a risk-reflective price</p>
Influence	 <p>Provide resources, DRF know-how, experience</p>	 <p>Raise awareness and provide start-up & operational funds</p>	 <p>Identify risk; measure exposure; establish pricing</p>	 <p>Provide capital; provide risk transfer and risk management expertise</p>

Step 3: Stakeholder Prioritization

The most efficient way to prioritize stakeholders is to consider how they are positioned across two factors:

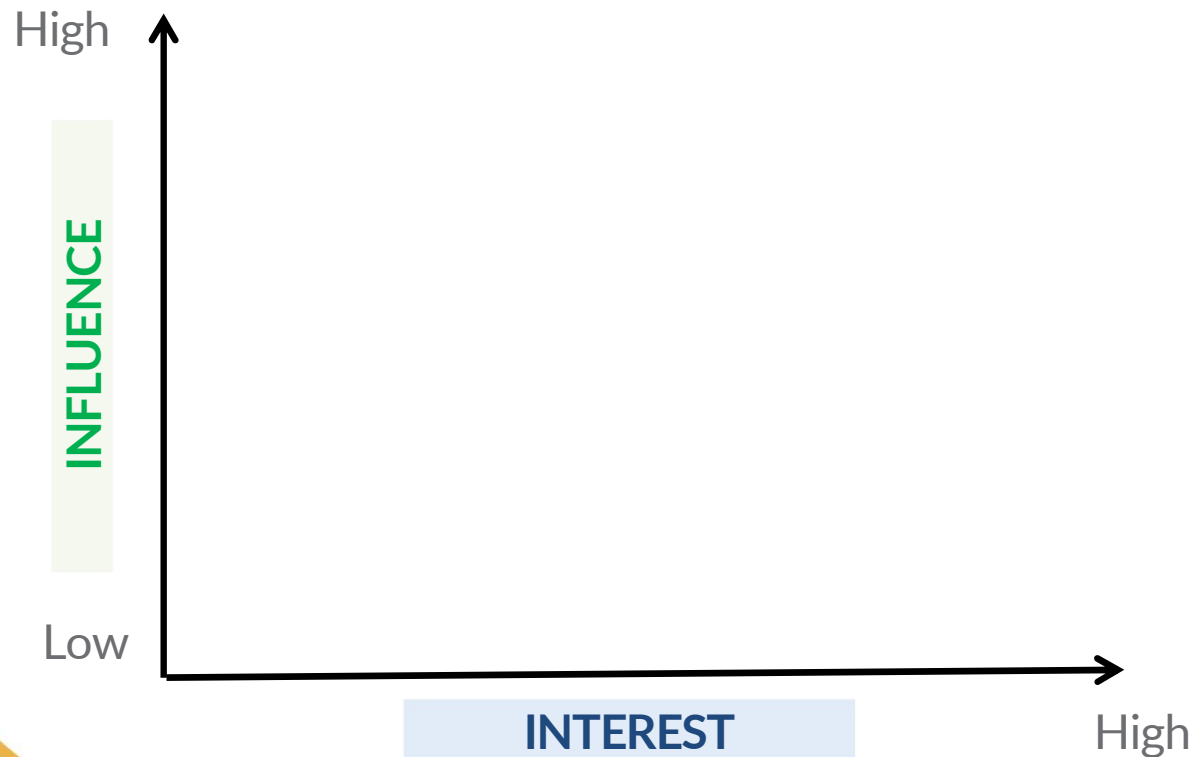


Interest
How invested are they towards achieving the outcomes?



Influence
Is their power to influence the project significant or relatively limited?

Stakeholder Influence Matrix (Power-Interest Grid)



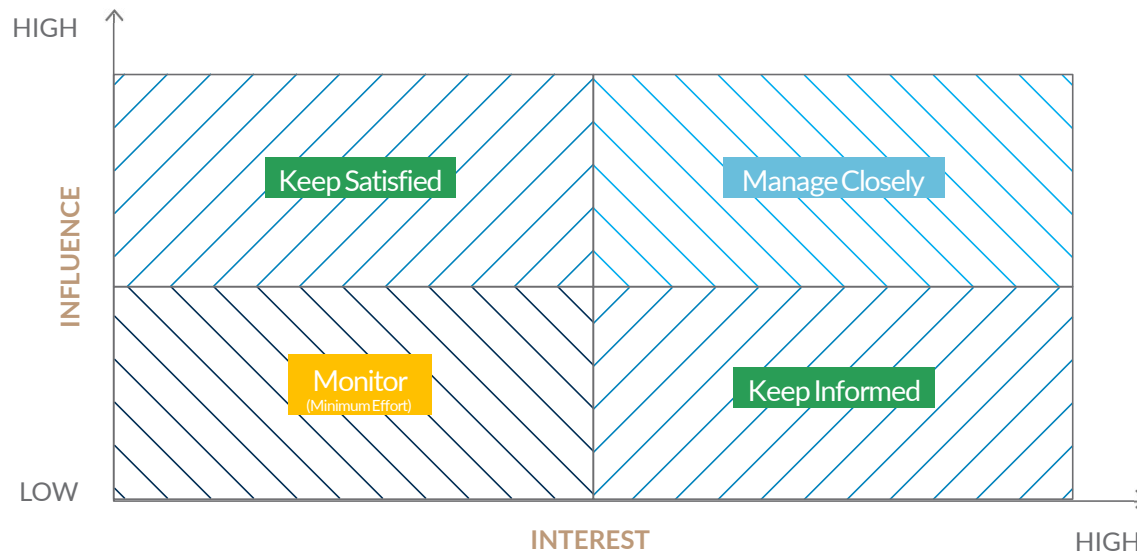
POWER/INFLUENCE

Ability to:

- Influence decisions
- Allocate resources
- Affect project's directions

INTEREST

- How much stakeholders care about outcome
- How much they want to be involved



*Adapted from Mendelow, A.L. (1981).
 'Environmental Scanning - The Impact of the Stakeholder Concept,'
 ICIS 1981 Proceedings, 20.*

The four quadrants of the matrix break down as follows:

I. High Influence, High Interest
 (Manage Closely):
 You must prioritize engaging with these stakeholders as much as possible

II. High Influence, Less Interest (Keep Satisfied):
 Put enough effort in to keep these stakeholders satisfied and informed, but be strategic about your communication

III. Low Influence, High Interest
 (Keep Informed):
 Communicate regularly with these stakeholders, as they will be influential in the successful ongoing delivery of the project

IV. Low Influence, Less Interest
 (Monitor):
 Minimum effort is required with these stakeholders, and they can be informed as part of general briefings that you prepare for others as required

5 tips to engage your stakeholders

05

Provide Value

People like to feel they have a voice within the group.

04

Build Lasting Relationships

Strong relationships translate to better collaboration.

03

Engage rather than 'manage'

Why “stakeholder engagement” and not “stakeholder management”?

02

Consult, early and often

Early and regular consultation (where possible) helps to ensure that the final project is demand-driven and enjoys the support of most of the stakeholders.



01

Communicate

The best way to engage and influence stakeholders is to communicate well. It is crucial to understand the people you will be working with, their mindsets, and the best way to effectively garner their support. Not everyone responds to the same style of communication.

Thank you!



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