Case study **10.2** *Merger of two hospitals: stakeholder mapping*

Developing the merger case presented in Case study 10.1, imagine that your initial vision for the new HR function is one where:

- There will be a core group of HR professionals working on strategic HR issues. Most day-to-day operational matters will be devolved to line managers. The HR department will only work on operational issues where there are clear benefits from providing a centralized service. These benefits could be cost savings or service quality.
- Training and development will be moved from nursing to HR, but some delivery – especially the day-to-day aspects of work-based training – will be based in operational departments.
- The HR function will be restructured. Instead of the two existing departments (based in the former hospitals), each providing a full range of services, work will be reallocated into two broad portfolios

and will be managed on a new hospital-wide basis. You (the new HR director) will manage one of these portfolios and the other will be managed by one of the heads of the two former HR departments.

- You want to co-locate most staff on a single site but you feel this might be easier to achieve if everybody moved to a new location on one of the existing sites in order to avoid the feeling that one of the former departments has been 'taken over' by the other. However, you also feel it is necessary for HR to have a 'presence' on each site but you feel that on one of the sites this should be limited to a small number of staff who will work alongside line managers as advisers.

Before you begin to test out this vision with others or start to develop a plan to move from the current situation to your vision for the HR function, think about the others who may have a stake in the change and how they might react using Change tool 10.1.


The stakeholder grid is a useful tool that can be used to identify stakeholders in terms to their power and predisposition to support or oppose the change (Change tool 10.1).

Change tool **10.1** *Stakeholder grid*

Locate all the stakeholders who can affect or might be affected by the outcome of the change onto the stakeholder grid below.

Positive attitude
towards the change

Low power | High power

Negative attitude
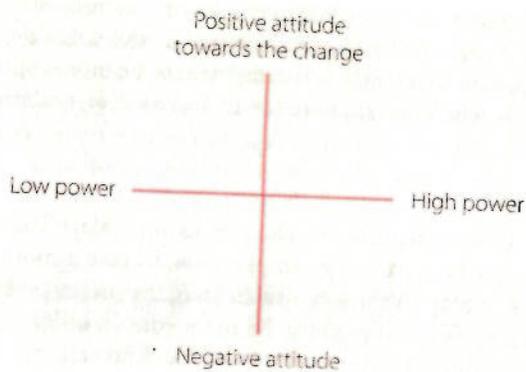
Influencing stakeholders to support the change

The second part of the process described by Grundy (1998) involves the change manager acting in ways that will ensure maximum support for the change. This might involve:

1 *Winning the support of those who oppose the change and have the power to influence the outcome:* Changing powerful blockers into sponsors might be achieved by providing them with information that could persuade them to be more supportive, involving them in the change process in order to give them more control over the outcome, or bargaining with them to win their support.

   Listening to why they oppose the change and indicating a willingness to at least consider revising the change plan can be an effective way of winning their support. Sometimes, change managers are so concerned with being right that they lose sight of their original goal. Ford and Ford (2009) argue that stubbornly pushing things through without even trying to understand the blockers' viewpoint can waste a valuable opportunity to engage the sceptics.

2 *Increasing the influence of already supportive stakeholders:* This might be achieved, for example, by working to secure their appointment to decision-making groups that regulate matters related to the proposed change.

3 *Reducing the influence of powerful blockers:* This might be achieved in a number of ways. For example, managers can challenge the arguments blockers use to oppose the change. They can also take steps to marginalize them from the decision-making process by working to ensure that they are not members of the committee or group that has to sanction the change, or transferring them to another part of the organization.

4 *Building a coalition of supportive stakeholders who will be prepared to work together to support the change:* This might involve communicating an inspiring vision that highlights mutual benefits and encourages independent groups of stakeholders to align themselves with the change manager's purpose.
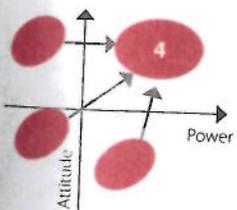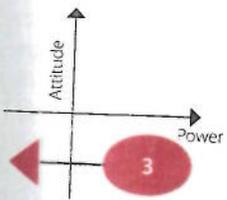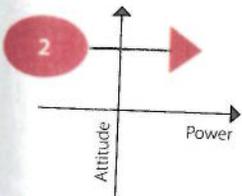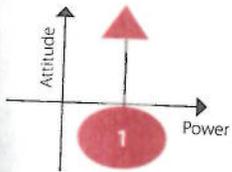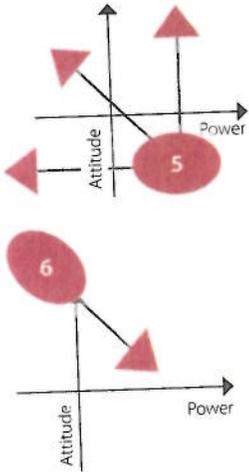
5 *Fragmenting existing coalitions who are antagonistic towards the change.* This might involve picking off key players in the coalition and providing them with information that could persuade them to be more supportive, or bargaining with them to win their support (as in 1 above) or undermining their case (as in 3 above).

6 *Bringing new sponsors or champions into play:* This could involve persuading 'players' who have not been proactive to take a more active part in influencing events. It may also involve publicizing the proposed change within the company or in the wider community, via the media, in order to seek support from powerful individuals or groups who may be unknown to the change manager. However, this kind of intervention is not without risk because it could also attract the attention of unknown others who may be opposed to the change.

Another possibility that the change manager might consider is reformulating the change in a way that will make it more acceptable to a wider range of stakeholders.

Case study 10.3 *Merger of two hospitals: managing stakeholder relationships*

1 Review the stakeholder map you produced in Change tool 10.1 and indicate how you would attend to the concerns of stakeholders. Which stakeholders would you:

- *address proactively:* do a great deal to address their concerns? Indicate with a 'P' on your stakeholder map.
- *accommodate:* take a less active approach to dealing with their concerns? Indicate with an 'A' on your stakeholder map.

- *ignore:* do the legal minimum or refuse to address their concerns? Indicate with an 'I' on your stakeholder map.

Reflect on how the project might unfold and consider whether any stakeholders you decided to ignore might become more important at a later date.

2 What steps would you take to increase support or reduce opposition for your proposed way of managing the merger?

An important point to remember is that as a change project unfolds and circumstances change, the identity of key stakeholders may also change. This can have implications for how you decide to manage stakeholder relationships over the short term because some stakeholders who may be unimportant today could become much more important in the future. If they feel that their interests have been disregarded in the past, they may be reluctant to support the change manager in the future.

Managing relationships between stakeholders

There is evidence suggesting that the way one set of stakeholders is managed can affect how other stakeholders will react to a change. For example, the way redundancies are managed can impact the commitment and motivation of survivors. There is a widely held view that if leavers are seen to be treated badly, this will adversely affect the motivation and commitment of those who have kept their jobs.