# Stakeholder Analysis for Entrepreneurship Development in Fisheries

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Stakeholder analysis is a process of systematically gathering and analyzing qualitative information to determine whose interests should be taken into account when developing and/or implementing a policy or program. Stakeholders in a process are actors either a person or group of person or an organization with a vested interest in the policy or enterprise. Stakeholders are the interested parties who expressed vested interest over the policies or developments. The stakeholders might be varied from international to national or regional. They can be of profit or non-profit making organization, governmental or non governmental institutions, civil society and consumers or users. The stakeholder groups are varied and different based on the purpose and goals of the study. The profile of stakeholders is given in Fig. 1.



**Fig. 1. Stakeholders profile**

Stakeholders feasibility analysis is inevitable for the successful initiation and execution of product or policy or enterprise. It is the process of conformingthe nature of stakeholders towards the product or enterprise development. It is an assessment through which the practicality of the

proposed system or policy can be drawn. It also offers a potential framework for planning and assessing a proposed development including identifying stakeholders. In general, the stakeholders analysis is considered as a procedural compulsion and not conducted in a systematic way. This resulted in failure of the particular enterprise or business at the very inception stage. Feasibility analysis should consider the technical, economical, operational, scheduled and legal requirements of the project/ policy. Stakeholders' feasibility analysis is the process of collecting and analyzing data prior to the new business start-up, and then using knowledge thus gained to formulate the business plan itself (Castrogiovanni, 1996).

**Steps involved in the stakeholders analysis**

The stakeholders analysis comprises of planning, defining, identifying, engaging, managing and executing the process or business. There are eight major steps in the stakeholders analysis process. The analysis process requires lot of time to make it successful. It should follow certain steps to conduct the analysis. The process of the stakeholder analysis is presented in fig.2.
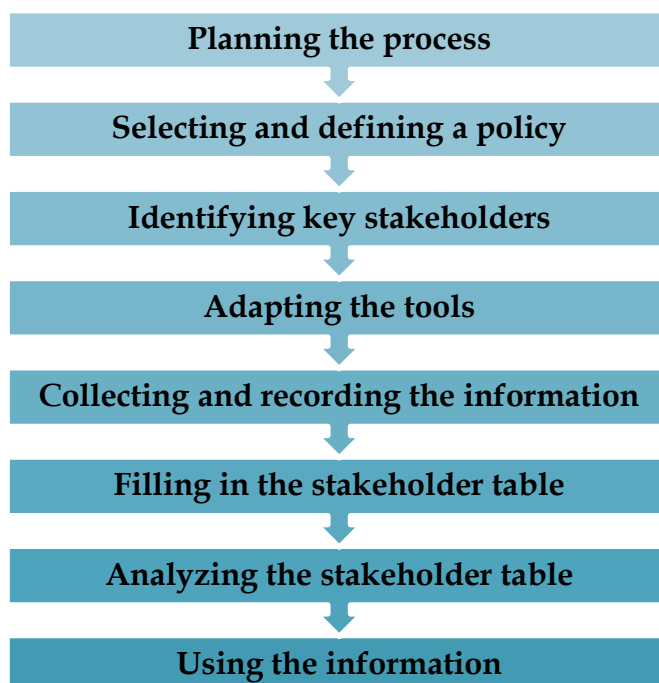
| Planning the process |
| :---: |
| Selecting and defining a policy |
| Identifying key stakeholders |
| Adapting the tools |
| Collecting and recording the information |
| Filling in the stakeholder table |
| Analyzing the stakeholder table |
| Using the information |

**Fig. 2. Steps in the stakeholders analysis**

**Stakeholder analysis models (SAM)**

Stakeholder analysis is based on various attributes. The attributes used in thestakeholder analysis models are power-interest, power-influence, influence-impact, priority-impact, power-legitimacy-urgency. These attributes are the clue for deriving the strategies towards addressing

the concerns and constraints.  A common approach is to map the interest and power or influence of each stakeholder group on a quadrant, Stakeholders interest and attitude determines the success and failure of any enterprise. Hence, it is often treated predominant to examine the feasibility of stakeholders' during early stages of enterprise development. The prominent models used in the stakeholder analysis are,

i.      Power-Interest grid (level of authority and level of concern)
ii.     Power-Influence grid (level of authority and active involvement)
iii.    Influence-Impact grid (active involvement and ability to effect changes)
iv.     Priority-impact grid (Level of importance and ability to effect changes)
v.      Salience model (Power-Legitimacy-Urgency)

### i. Power – Interest grid

In this model, the stakeholders analysis is carried out using the two attributes viz., power and interest. The stakeholders with high power and high influence are the key players. The one with low power and interest are considered least important.
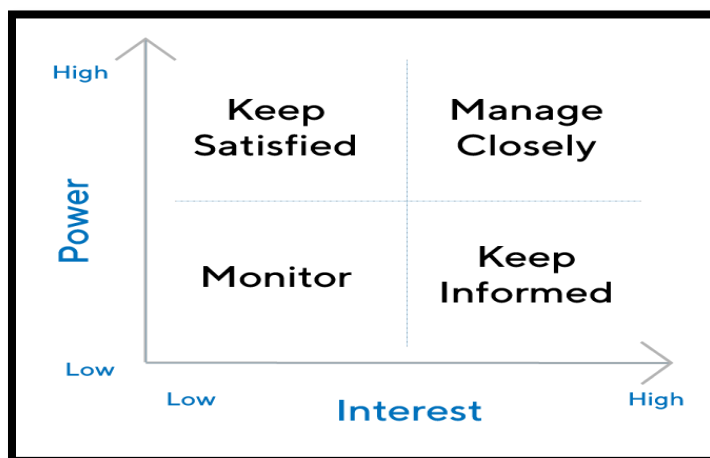


**Fig 3. Power – Interest grid**

### ii. Power-Influence grid

In this model, the stakeholders were classified based on power and influence.
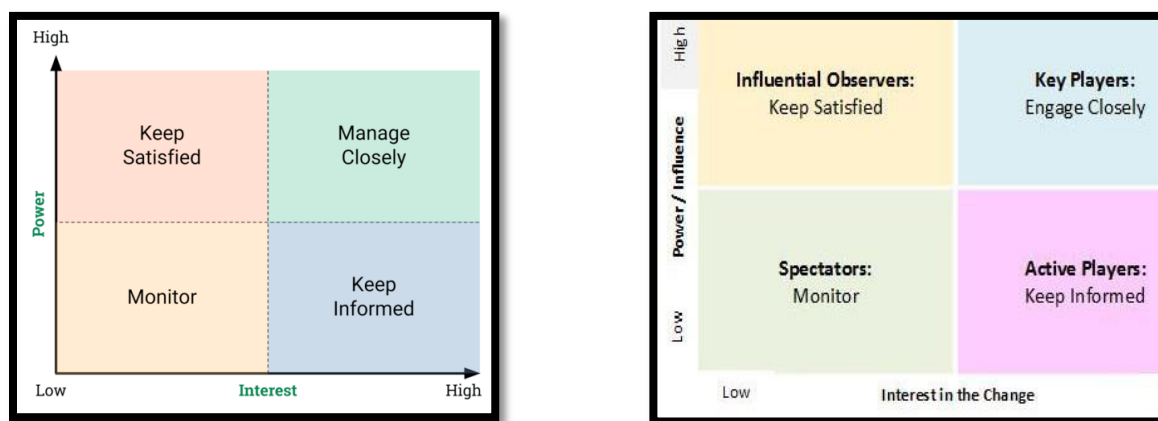
**Fig 4. Power – Influence grid**

Like, the power-interest grid, this model also uses the same characteristic for categorizing the stakeholders. Based on the level of interest/ influence and power, the stakeholders are classified into key players, active players, observers and spectators.

### iii. Influence- Impact grid

This model explains the relationship between influence and impact of the stakeholders. The stakeholders are classified based on the level of importance ranged between high and low. The grid is as similar to the previous two models.
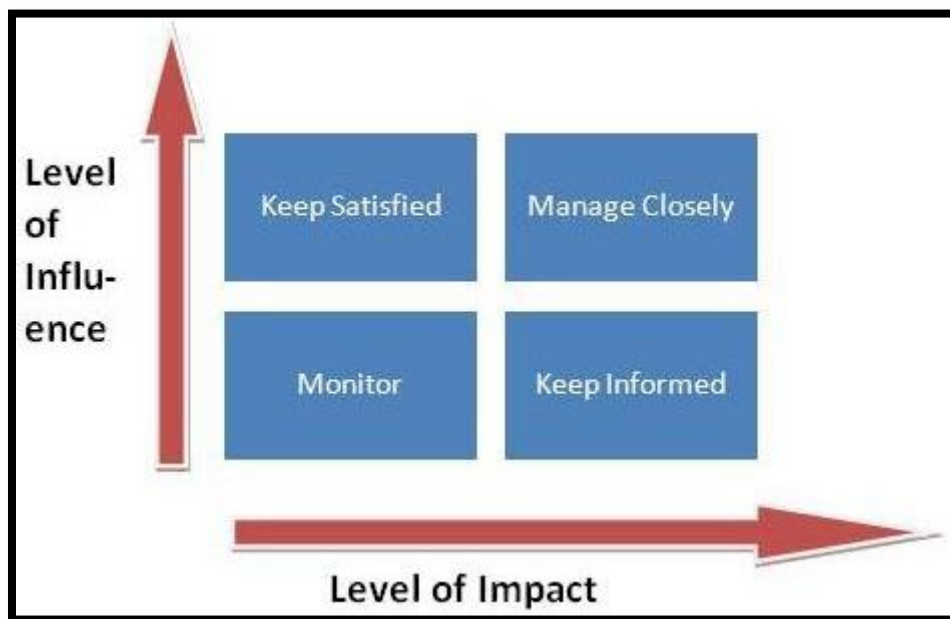


**Fig 5. Influence – Impact grid**

The above three models are explained by the mendolow framework using the three attributes of power, interest and influence. According to Mendelow,power, interest and influence are defined as follows.

- **Power:** Power is the stakeholder's ability to influence objectives
- **Interest:**Interest is how much the stakeholders care
- **Influence:**Influence is the product of power and interest i.e., Power x Interest

## iv. Priority-Impact model

Priority is the combination of impact and urgency**.** This model is significant in analyzing the stakeholders in connection with the policy reform. The stakeholderslevel of priority and impact on the implementation determines the success of policy. Based on the level of priority and impact the stakeholders are grouped into promoters, defenders, latents and apathetic (Table. 1).

- **Promoters:** Stakeholders who attach a high priority to the reform policy a priority and whose actions can have an impact on the implementation of the policy.
- **Defenders:** Stakeholders who attach a high priority to the reform policy but whose actions cannot have an impact on the implementation of the policy.

**Table 1.Stakeholders position in Priority-Impact model**

| Stakeholder classification | Priority | Impact | Position |
|---|---|---|---|
| Promoters | High | High | High – High |
| Defenders | High | low | High – Low |
| Latents | Low | High | Low – High |
| Apathetics | Low | Low | Low – Low |

- **Latents:** Stakeholders whose actions can affect the implementation of the reform policy but who attach a low priority to this policy.
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- **Apathetics:** Stakeholders whose actions cannot affect the implementation of the reform policy and who attach a low priority to this policy.

The above four models are based on the two dimensional attributes towards analyzing the stakeholders analysis.

### v. Salience model

Salience model is a systematic model used in determination of stakeholders towards managing them effectively. According to the Salience model, non-stakeholders are those who are not holding any attribute at the particular point of time.
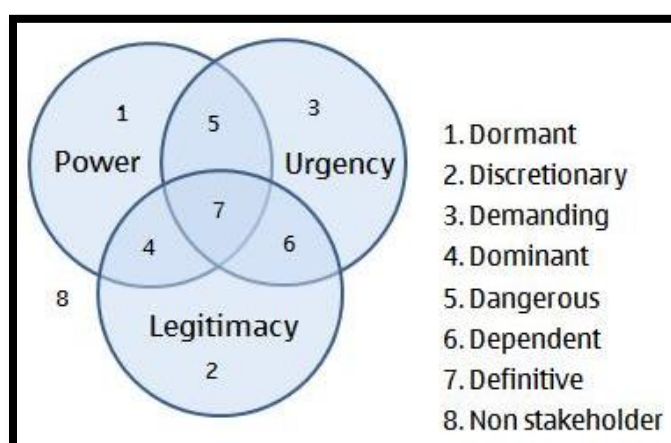


**Fig. 6.Classification of stakeholders – Salience model**

Power is the 'extent of which one can gain access through coercive and normative means'. Legitimacy is that 'action is desirable within the prevailing social system' and Urgency extents 'the degree of which the stakeholders require attention'. The stakeholders holding any one of the attributes are determined as dormant (power only), discretionary (legitimacy only) and demanding (urgency only). There were classified as latent stakeholders. Similarly, stakeholders holding any two of the attributes were classified as dominant (power and legitimacy), dangerous (power and urgency) and dependent (legitimacy and urgency). These three stakeholders were categorized into broad category called expectant stakeholders.

The stakeholders who are holding all the three attributes and influence the business start up are classified as definitive stakeholders. Those who are not holding any attributes are known as disinterested stakeholders. The stakeholders' determination matrix shows the degree of interest of stakeholders and their capacity to support the fish based enterprise at the selected locality in the long run (Table 2).

Table 2.

| STATUS | POWER | LEGITIMACY | URGENCY | TYPOLOGY |
|---|---|---|---|---|
| **Latent Stakeholders** | ■ | | | Dormant stakeholder |
| | | ■ | | Discretionary stakeholder |
| | | | ■ | Demanding stakeholder |

| Expectant Stakeholders | | | | Dominant stakeholder |
|---|---|---|---|---|
| | | | | Dangerous stakeholder |
| | | | | Dependent stakeholder |
| Definitive Stakeholders | | | | Definitive stakeholder |
| | | | | Definitive stakeholder |
| | | | | Definitive stakeholder |
| | | | | Definitive stakeholder |

## Goals of Stakeholder Analysis

The main goals are to maintain or increase power of stakeholders through building coalitions, and providing information and resources, convert opposition into support through negotiations, information and/or coalition building, including offering tradeoffs and also to offset or counter powerful and not so powerful opponents. Some of the stakeholders and their positions may change over the course of negotiations and analyses. Hence, these should remain an ongoing process allowing for policy design to adjust as more is known about the political reality.

## Policies on stakeholders analysis

Policies towards stakeholders analysis should consider the following approaches for ensuring effective stakeholder management.

- Stakeholders' feasibility analysis should be conducted at the pre-business stage or early stage of development (Early starting up)
- The analysis should be conducted in a systematic manner (Systematic approach)
- It should involve all sort of stakeholders based on the nature of activities (Multi stakeholders approach)
- It should focus on participatory mode of stakeholders involvement in decision making (Participatory approach)
- It should serve the purpose involving the historical, geopolitical and social-cultural aspects of the particular region (Integrated approach)
- It should not be happened as a procedure formalities rather to be problem solving (Problem solving)
- It should serve the common purpose and common goals of society but not on individual motives (Public policy orientation)

Stakeholders analysis is the starting point and strategic decision making tool for any of the research or enterprise development which requires maximum attention since planning with the involvement of all the stakeholders effectively.

## References

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