

**Misalignment in Stakeholder and Project Management**

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### Misalignment in Stakeholder and Project Management

Projects take place because people, hereafter referred to as the stakeholders, want something done. A successful project is one which gets that something done in a way that meets or exceeds the expectations of these stakeholders (A. Watt, 2014, p. 43). That sounds simple enough, but in large or complex projects, stakeholders can vary widely in their goals and expectations, so meeting their expectations can be a complex and contradictory task. Successful project management in situations like these requires successful stakeholder management, without which, projects may fail by being pulled apart by varying stakeholder interests.

"Stakeholders are individuals who either care about or have a vested interest in your project. They are the people who are actively involved with the work of the project or have something to either gain or lose as a result of the project" (Watt, 2014, p. 43). For a project to be successful it needs clear, achievable goals, and for these to exist alignment needs to exist in stakeholder objectives. "Alignment is the conscious choice to pull in the same direction - with clarity, trust, and mutual accountability" (Liane Davey, 2019, p. 78). When stakeholder alignment does not exist, and especially when the misalignment reaches the level where stakeholder goals run counter to each other, projects tend to fail. In *A Case Study of Project and Stakeholder Management Failures: Lessons Learned* (Sutterfield, J.S., Friday-Stroud, S.S., & Shivers-Blackwell, S.L., 2006), the co-authors discuss the failure of a DOD project to build amphibious heavy-lift vehicle from the standpoint of stakeholder theory.

There are several lessons that can be learned from this case study that could be applicable to solidarity economy projects, beginning with the complexity of the project management task, and the need to pay proper attention to stakeholder management if the project is likely to succeed. "Project management within the United States Department of Defense (DOD) has been described as one of the world's most complicated processes" (Sutterfield et al, p. 26). "The management of various project stakeholders from above and below the project manager can either positively or detrimentally impact large-scale projects within any organization" (Sutterfield et al, p. 26). The focus on stakeholder management was particularly illuminating. As the authors state, "[b]ased on their perceived stakes in the project, stakeholders behave in ways which they feel will help them accomplish their project objectives, which may be congruent or incongruent with the project manager's project mission, vision, and/or objectives" (Sutterfield et al, p. 27). A project manager who is unaware of these varying stakeholder agendas will be unable to get the project participants to align their activities enough to make the project succeed.

In addition to not putting in the required effort to meet project goals within project deadline, stakeholders can sometimes have hidden agendas which actually put them in opposition to the project. In this case study, a new program executive officer (PEO) was inserted into the project hierarchy by changes in the project management structure after the project had started. It only became apparent after the project was eventually cancelled that the PEO was opposed to its completion (Sutterfield et al, pp. 28-9). The authors also note how in this project the deputy project manager believed in a streamlined acquisition approach that was in conflict with the approach favored by functional

managers and workers on the project (Sutterfield et al, pp. 29). Conflicts like these can lead to delays and cost overruns, putting the project in jeopardy. Both things occurred in this case study. Due to delays in getting the required operational capability (ROC) document completed, the Interim Progress Review (IPR), which depended on it, was in turn delayed. In the end, the request for proposal (RFP) was released almost a year late, and it contained contractor bids ranging from \$175 million to \$225 million for a project which had only been budgeted and approved for \$50 million (Sutterfield et al, p. 30).

This case study did not even address another stakeholder issue that can affect publicly funded projects like this - political stakeholders. DOD allocations vary widely by state, with the top state, Virginia, getting approximately \$7300 per capita in 2023, while Wyoming received a paltry \$260 (USAspending.gov, 2023). Political interests in each of these states are thus directly high level stakeholders in DOD procurements, since where projects are developed directly impacts their constituents.

The solidarity economy may have governance structures radically different from that of the DOD, given that it is a place "where communities govern themselves through participatory democracy, cooperative and public ownership, and a culture of solidarity and respect for the earth" (New Economy Coalition, n.d.) rather than a top-down command driven bureaucracy whose aim is fighting wars, but it is likewise a place where were a large, potentially complex mix of stakeholders come together around a common project. Proper attention to stakeholder management will thus be equally important for successful solidarity economy projects, which will require more effective stakeholder management than was evident in the failed project discussed in this case study.

## References

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