Stakeholder Identification

A stakeholder is an individual or group who have an interest or concern in something e.g. an activity or a business.

When undertaking aprocurement exercise it is crucial you ensure that stakeholders are involved to:

- provide their expertise and feedback
- meet and manage their expectations
- hold ongoing two way communications
- gain their buy-in throughout all stages of the process
- support the contract after it has been implemented

For procurement exercises, a User Intelligence Group (UIG) should be created. The UIG is a cross functional team containing key stakeholders.

The UIG will assist you with:

- developing the commodity/service strategy,
- the tender evaluation
- the ongoing activities of contract/supplier management,
- monitoring,
- implementation,
- compliance and
- benefits tracking

This group should have representation from key stakeholders within the participating Organisation(s). Members should include procurement and business/technical/customer representatives.

The National Standards for Community Engagement principles may help when establishing the UIG. These principles are designed to support and inform the process of community engagement and improve outputs.

All UIG's should have a minimum of two members i.e. the Buyer and the end user.

Care and Support Services

Open or close

All UIG’s (with the exception of Care and Support Services) should have a minimum of two members i.e. the Buyer and the end user

Quickfire Guide

Quickfire Guide

UIG Research

You should undertake appropriate research before the first UIG meeting. For example:

- Gain an understanding of the commodity/service market from desktop research e.g. via the internet
- Speak to potential suppliers or industry representatives
- Meet with individual key stakeholders and end-users
- Review historical spend patterns, if appropriate
- Gather information from other public sector contacts, such as Centres of Expertise or peers
- Read previous tenders or commodity/service strategies

This research will help you gain an initial understanding of:

- the commodity/service,
- the Organisation's requirements,
- market conditions
- risks, issues and barriers to success.
- any contracts you may be able to access without the cost, time and risk of developing your own contract.

At this stage, consideration should also be given to the sustainable procurement factors to be built into your process. You can also identify any expert or informed input that will be required e.g. guidance from climate change experts on carbon in the specific supply chain, or input from Economic Development officers regarding employment opportunities.

Stakeholder Mapping

Open or close

The benefits of establishing a UIG are:

- The ability to draw on the cross-functional expertise within the group
- Stakeholder views are considered in the decision making process
- Clear communication channels can be established
- Presents 'one face' to potential suppliers
- Formalises the governance arrangements and identifies the decision makers
- Clarifies roles and responsibilities
- Facilitates the generation of ideas
- Facilitates buy-in and compliance
- Stakeholders working together to understand and overcome any barriers to success
- Embed best practice
- Support the implementation of continuous improvement processes to safeguard the future of public service for future generations
- bring together the ideas and insights of groups to obtain a holistic view.

Stakeholders should work to:

- Embed best practice
- Encourage and sponsor continuous improvement
- Encourage innovation
- Understand and remove any potential barriers to success

Where there are a large number of stakeholders, for example a collaborative contract, it may not be possible to have all stakeholders represented on the UIG.

Stakeholder mapping is a useful tool to help identify who should be represented. This is based upon their likely impact upon the success of the project.

You must also ensure you understand your Organisation's policy or requirements regarding engaging with end users/customers of the commodity or service and whether they should also be involved in the UIG.

Depending on the specifics of the procurement exercise, the Buyer may ask stakeholders the following questions prior to the starting their procurement:

- Have alternatives to procuring been considered and discounted?
- Do you have a budget?
- Is there a robust documented business case supporting this procurement exercise?
- Will this expenditure stand up to public scrutiny?

- Are you aware of opportunities to buy your specific requirement through existing collaborative contracts. If so do you know how to access them?

Stakeholder Map & Degree of Engagement

For the procurement exercise to be effective, it must meet the reasonable expectations of stakeholders and end users.

A clear understanding of stakeholder and end users' views is essential. To obtain this understanding you must have effective stakeholder engagement, taking into account all stakeholder views.

Many stakeholders will be positive and supportive however, it is also important to understand the reasons why stakeholders may not be supportive.

In order to manage this you may wish to consider some of the following:

- Ask your colleagues whether they know of any strong views stakeholders may hold. This will help you gain an understanding of any issues that may arise and reasons for these
- Meet with stakeholders on a 1:1 basis in advance to understand their views and concerns
- Ensure stakeholders are encouraged to contribute fully
- Ensure a good governance structure is in place. This should include identifying and addressing any conflicts of interest

The stakeholder map is a useful tool for the UIG to plan communications to stakeholders who are not UIG members.

You may wish to issue the attached UIG Welcome Pack which covers:

- Roles and Responsibilities,
- Core competencies,
- Business conduct,
- Gifts and hospitality and a
- Stakeholder Declaration of Interest.

A UIG charter should be agreed.

Members of the UIG should not underestimate the amount of time and commitment involved in being a member. Although the UIG may meet only fortnightly or monthly there will be work to be completed in between meetings. Members should come to meetings fully prepared.

A UIG Membership Template an be used to record UIG membership and contact details. Information can be found in the UIG Information and Templates below.

Stakeholders should:

- always be open to new ways of shaping the requirement by asking the market and identifying what the market can supply.
- give consideration to the options for shaping the market,
- encourage the market to develop in such a way that it can meet Organisations' future requirements.
- assess future demand of the commodity/service. This can be based on team knowledge and expertise, and upon information obtained from non-team members.

Engaging the market provides an opportunity to ensure the services provided are at the forefront of those available. Market sounding should also take into account the knowledge held by others buying Organisations, trade bodies and business support Organisations e.g. Federation of Small Businesses and Chambers of Commerce etc.

Care should be taken to uphold the principles of transparency and equal treatment during such discussions. It is strongly recommended that market sounding activity is documented so that, if challenged, there is a record on file of what took place.

Any documents you need are listed below

CSS Selection Criteria Guidance

(file type: docx)

Stakeholder Map Template

(file type: docx)

Declaration of Interest

(file type: docx)

UIG Welcome Pack

(file type: doc)

Example UIG Charter Document

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UIG Charter Template

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