# TOWARDS A STAKEHOLDER METHODOLOGY

## – *Experiences from public eldercare*

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## 1. INTRODUCTION

Most organisations need not only to satisfy its customers but also a number of other stakeholders and interested parties whose wants and expectations are often disparate, in conflict and subject to change. Donnelly (1999), among others discusses the complexity and further indicates a blurred view of customers and a variety of stakeholders to recognise in the public sector. The public eldercare in Sweden is no different. It is facing a rapidly increasing number of patients and also significantly stepped up demands and expectations from patients, relatives and the community; see Social-styrelsen (2005), Hallin & Siverbo (2003) and Sinervo (2000).

The customer concept has been introduced in the health care sector as a replacement for 'patients', but it is still widely debated. Some critics argue that using the term customer decreases the importance of the individual person in care, whereas others think that customer implies that care is something that can be sold as any other product; see Keaney (1999). Indeed, Andersson (2004) claims that there are positive voices believing that the customer concept gives the patient more power and includes more actors than solely the patient, for instance, relatives and the society.

Over time the public eldercare has developed towards business organisations with a more apparent customer focus and increased demands on performance. Nurses in public eldercare have the highest medical profession and the uttermost responsibility, working under national legislation of health care operations. Thereby, the nurses have to fulfil both their obligations and answer to the demands of the patients as well as

their relatives; see Johnsson (2000). This situation leads to conflicts where the satisfaction of one need or demand may be fulfilled on expenses of others (Brunsson, 2003). Adding to the problem is the fact that nurses often work alone in stressful situations where decisions and prioritizations have to be made under strong time pressure. Research also shows that many nurses in public health care often have a feeling of loneliness when making patient assessments and decisions about care and treatment; see Westlund & Larsson (2002). Unclear and contradictory pictures of the actual situation among different nurses and their managers are important problems in today's public eldercare. There is a need for a methodology which could not only bring a uniform picture of the situation in terms of actual stakeholders, but also form a foundation for discussions regarding how to find a balance between conflicting stakeholder interests.

What originally started out as a desire to identify the stakeholders of Swedish public elder care later turned into the development of a tentative methodology for identification of individual stakeholders and stakeholder interests. The aim of this paper is to describe this development and the results and experiences gained during the process.

## 2. THE STAKEHOLDER CONCEPT

As in Garvare & Johansson (2007), stakeholders are posited in the present study as being actors that: (i) provide essential means of support required by an organisation; and (ii) could withdraw their support if their wants or expectations are not met, thus causing the organisation to fail, or inflicting unacceptable levels of damage. Although the definition adopted here does not require a stakeholder to be identified by the organisation to be categorised as such, organisations will behave in such a way as to satisfy the wants and expectations of those it does identify as being its stakeholders. The authors' hypothesis is that these statements are valid also for the individual nurses as they have actors that affect their work and whose interests have to be fulfilled.

The list of stakeholders of a particular organisation or individual employee will vary over time and is dependant on factors that determine the power balance among various parties. In the authors' view 'stakeholders' can be distinguished from other 'interested parties' in that the former have the ability to take action if their needs are not met. In contrast, 'interested parties' are those that have an interest in the organisational activities, output, or outcome, although these parties are not capable of significantly influencing the state of the organisation or its stakeholders. For their needs to be considered, these 'interested parties' need to amplify their influence on stakeholders.

Garvare & Johansson (2007) argue that organisations should satisfy, or preferably exceed, the wants and expectations of its stakeholders. The use of the term wants here is not obvious and other authors have used the term needs instead. However, most organisations may prosper by satisfying the wants and expectations of the customers, which may oppose their actual needs. In public healthcare it might be argued that it is the *needs* of the customer that should be fulfilled first, which sometimes may oppose what the customer actually would want. The term demand is used to describe the lowest acceptable level of performance accepted by the stakeholders.

## 3. METHODOLOGY

A first draft of the stakeholder methodology was developed with the intention to find ways for nurses to identify stakeholders of the public eldercare. The draft was tested by six nurses working in public eldercare in the north of Sweden; see Figure 1.

Indeed, the nurses were asked to use the draft as a specific part of more general individual interviews performed in a study in the Swedish public eldercare[1]. When testing the first draft each nurse was encouraged to use an illustration, similar to a "sun", and to think of itself as in the middle of a network. Thereafter he/she was asked about who had demands, wants and expectations on him/her and the answers were noted on the sunbeams. The results generated from this test were analysed and served as a base for further development of the methodology into a second draft. In addition, theoretical considerations and the authors' experiences of observing the nurses using Draft 1 served as input for reformulation of the question posed in the illustration.
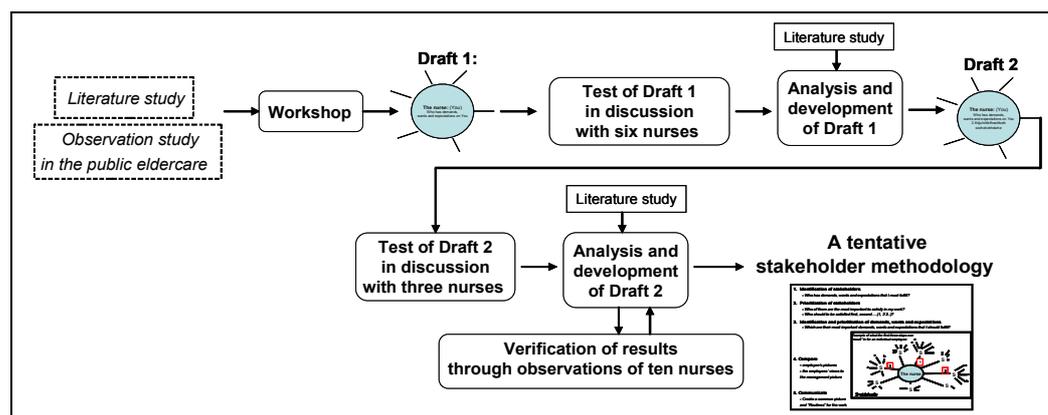


**Figure 1**  An outline of the research process. A first draft of the methodology was formulated by the authors in a workshop. Thereafter, the development included tests, reformulations and verification of different drafts into a tentative stakeholder methodology.

Draft 2 was also tested, this time with three nurses working in the same organization as the former six. The three nurses were encouraged to use the draft to identify stakeholders, demands, wants and expectations as well as making a prioritization among these. As in the first test, this was performed as parts of more general interviews.

After the results of this test had been analysed they were verified through an observation study. Ten nurses were observed when working day, evening or night turn, and notes were taken about the relationships observed in the nurses' work in order to identify potential stakeholders. Moreover, demands, wants and expectations of the studied actors were noted. The results were then compared to the identification and prioritizations made by the nurses when testing Draft 2. Lastly, the experiences and results together with further theoretical considerations were used to develop the tentative stakeholder methodology.

## 4. DEVELOPING A METHODOLOGY FOR STAKEHOLDER IDENTIFICATION IN PUBLIC ELDERCARE

### Test and development of Draft 1

In the test of the first draft, 20 different actors were identified as stakeholders by at least one of the six nurses. All nurses identified the patient's relatives, doctors and

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[1] The study is a part of a project in which IT companies, university researchers, care and nursing staff cooperate to develop technology and work methods that can create added value and benefit both patients and staff in the public eldercare.

colleagues as their stakeholders, whereas five of them identified the pharmacy, health care centres and the hospital; see Figure 2. Only two nurses mentioned the patient as a stakeholder.
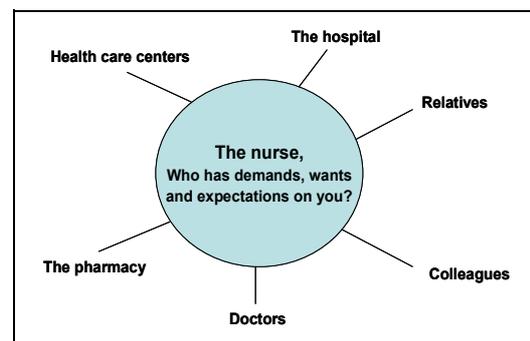


**Figure 2**  An example of the illustration and the actors that were most commonly mentioned as stakeholders by the six nurses.

However, even though some stakeholders were mentioned by all nurses in the test the individual results were slightly diverging, possibly indicating different views regarding which actors they should respond to in their work. Another interpretation could be that the question posed in the illustration was perceived differently by the six nurses. Indeed, the results show that the identification with the aid of the first draft of the methodology seems to result in almost all the nurses also identifying actors such as medical staff and pharmacies, which they cooperate with, as stakeholders.

Therefore, when formulating the second draft, Draft 2, of the stakeholder methodology, the question included in Draft 1 was reformulated to possibly make the nurses more clearly identify actors having decisive influence. In addition, steps of prioritization among stakeholders and their interests were included in the methodology to also have the nurses identifying the interests of the stakeholders and indicating how different interests might be balanced.

### Test and development of Draft 2
The results from the test of Draft 2 show that the nurses together considered four actors to be the foremost stakeholders to satisfy; patients, relatives, colleagues and the manager of the residential; see Figure 3.

The variation in individual results was still high, but with the use of this second draft actors such as the pharmacy were not identified by the nurses. Accordingly, by answering the questions posed in Draft 2, the nurses seemed to be able to make a distinction between parties who have significant influence and those who do not. By using Draft 2, the patient was the highest prioritized stakeholder by all three nurses, whereas their prioritizations among the others were nearly exactly the same.
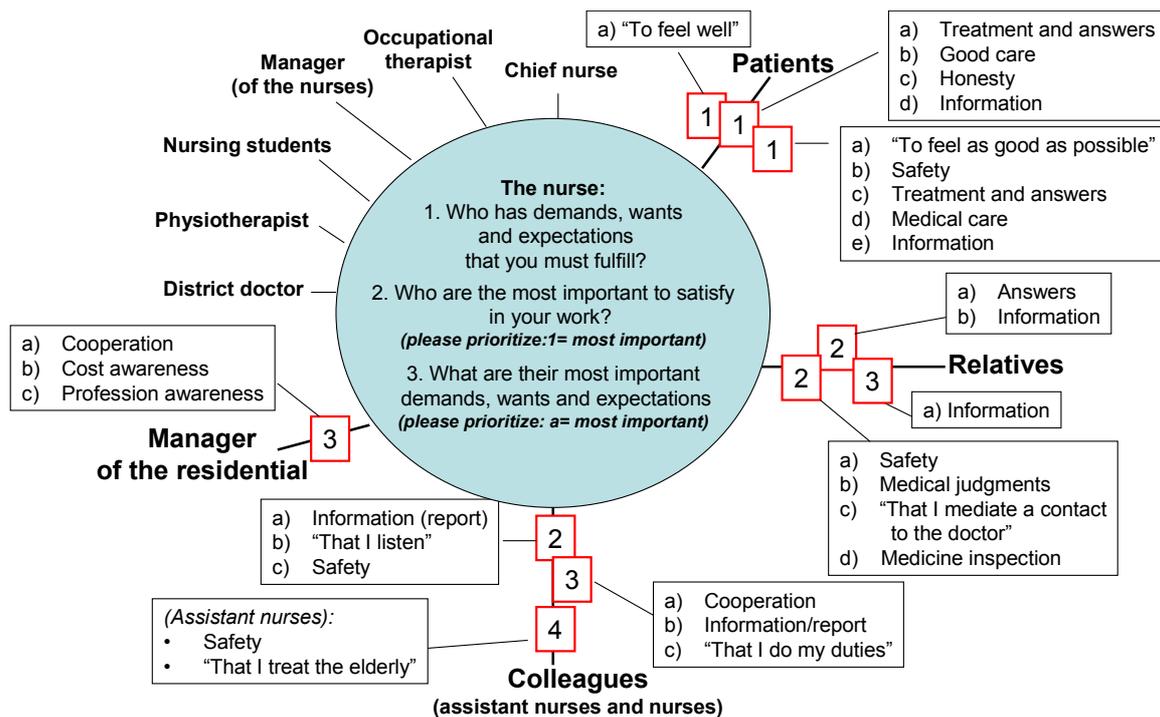
**Figure 3** The figure sums up the individual identifications and prioritizations made by the three nurses. Each of the ten stakeholders was identified by at least one of the three nurses. The figure also presents perceived stakeholder demands, wants and expectations. The nurses' prioritizations among the stakeholders are shown by the numbers and among the stakeholder interests by the lettering.

When identifying the most important demands, wants and expectations of these stakeholders, the views of the three nurses were diverging. They mentioned different demands, wants and expectations and also made diverging prioritizations. These results indicate that nurses in public eldercare do not always have a shared view of who the foremost stakeholders are and how their interests should be balanced. Furthermore, the results confirm that there are many wants and expectations to fulfil and prioritize among for nurses in public eldercare. Indeed, many demands, wants and expectations may be fulfilled simultaneously, for instance, treatment to the patient and information to the relatives. However, in some occasions, the different needs seem to conflict, for instance, a relatives' wish to get in contact with the doctor may oppose to the wish and best solutions for creating wellbeing and safety of the patient.

*Verification of results*
In order to verify the results of Draft 2, the daily work of ten nurses' were studied. In total, around 15 actors that could be classified as stakeholders were identified, for instance, patients, relatives, different health care professions, managers, the local government and other actors in the society which had also been identified by the nurses; see Table 1. All these actors had their specific demands, wants and expectations. Moreover, many of them had the possibility to withdraw their support if their wants or expectations were not met, thus causing the nurse or the eldercare unacceptable levels of damage. Accordingly, the observations confirmed the results from the identification made by the three nurses using Draft 2. No further stakeholders were found, but many different interests were identified because of the stakeholders' diverging demands, wants and expectations in the different situations observed. Conflicts between interests were also observed. For instance, in a stressful situation one of the

nurses spoke out; *"Now, what I as a nurse think is best for the patient is against the wants of the relatives. Everyone can't be satisfied every time and actually, the law and regulations control my work.*

**Table I**   The stakeholders and interests that were most frequently observed in the daily work of the ten nurses. A cross in the table indicates that the stakeholder and its demand, want or expectation was observed in the daily work of several of the nurses.

| Stakeholders demands, wants & expectations | Patients | Colleagues /nurses | Assistant nurses | Manager of residential | Relatives | Doctors | Manager (the nurse's) |
|---|---|---|---|---|---|---|---|
| Well-being | x | | | | | | |
| Safety | x | | x | | x | | |
| Information | x | x | x | x | x | x | |
| Contact with doctor | x | | | x | x | | |
| Answers | x | | | | x | | |
| Treatment | x | | | x | | | |
| Medical advices | x | | | | x | x | |
| Good care | x | | | x | | | x |
| Honesty | x | | | | x | | |
| Documentation | | x | x | | | | |
| Confidence | x | | | | x | | |
| Supervision | | | x | | | | |
| Cooperation | | x | x | x | | | x |

### Towards a tentative stakeholder methodology
After having tested the two drafts and observed the nurses, our view is that nurses often face problems in their daily work due to conflicting stakeholder demands, wants and expectations. Further, many nurses work alone and therefore have few opportunities to discuss their problems with colleagues. Not least, the nurses in this study seemed to have somewhat differing views of the stakeholders and how to balance stakeholder interests. It is likely that not only do nurses have differing views, but their views may also differ compared to their managers'. This emphasises the necessity to bring forward discussions towards a consensus between nurses and managers regarding who the foremost stakeholders are and how different interests should be balanced.

Accordingly, to stimulate the creation of a common view on how nurses should work in public eldercare, two steps were added to the methodology; see Figure 4. The steps 'compare' and 'communicate' were included as to make the nurses as a group come together and discuss their views and problems and to promote communication in which also managers share their views in comparison to the nurses'. However, these last two steps have not yet been tested in practice.
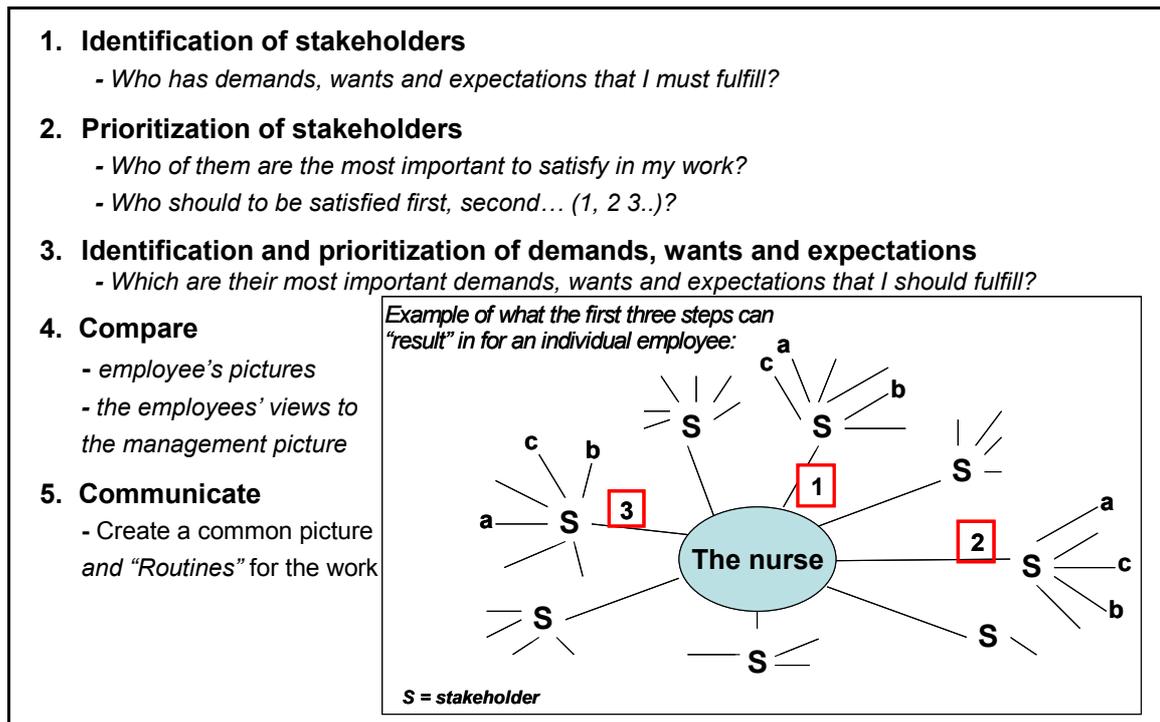
**1. Identification of stakeholders**
   - *Who has demands, wants and expectations that I must fulfill?*

**2. Prioritization of stakeholders**
   - *Who of them are the most important to satisfy in my work?*
   - *Who should to be satisfied first, second… (1, 2 3..)?*

**3. Identification and prioritization of demands, wants and expectations**
   - *Which are their most important demands, wants and expectations that I should fulfill?*

**4. Compare**
   - *employee's pictures*
   - *the employees' views to the management picture*

**5. Communicate**
   - Create a common picture and *"Routines"* for the work

*Example of what the first three steps can "result" in for an individual employee:*

The nurse

S = stakeholder

**Figure 4**  The expanded stakeholder model, resulting from use of Draft 2.

## 5. CONCLUSIONS AND DISCUSSION

This paper presents the development of a tentative stakeholder methodology in public eldercare. The methodology includes identification of stakeholders and their demands, wants and expectations on an individual employee level. It is suggested that results obtained from use of this methodology should be employed to fuel group discussions within the organization.

Results from the practical application of two drafts and verifications through observations in public eldercare show that nurses respond to a number of stakeholders' interests simultaneously. Moreover, nurses face conflicts when the satisfaction of one interest has to be fulfilled on behalf of another. This confirms the thoughts of Socialstyrelsen (2005), Hallin & Siverbo (2003), Brunsson (2003) and Sinervo (2000). For nurses, it is not enough to only consider demands, wants and expectations of their patients. Accordingly, our contention is that the stakeholder concept may contribute to explain the nurses' situation. The methodology developed might be used to identify stakeholders and their interests. As for the stakeholder definition, this study indicates that it might also be suitable to identify stakeholders on an individual employee level.

Indeed, to increase the understanding of stakeholder interests in public eldercare and how nurses might act to balance these interests and make prioritizations, forums should be created where the different views of employees and managers could meet. A common picture and understanding of why everyone has to act in a certain way might help nurses' decisionmaking and their prioritizing among stakeholders' interests. Indeed, since application of the methodology in the organization provides for involvement and discussions around problems as well as clarification of expectations and what should be valued in the organization, it may also improve

nurses work situation. Such conditions are argued to positively affect the work satisfaction (Hackman & Oldham, 1976). Indeed, the methodology could also facilitate management operations and strategies for how, on an organisational level, to find a balance between different stakeholder interests.

The last steps of the proposed stakeholder methodology should be tested in practice and further assessments and development of the methodology is necessary. Moreover, an evaluation should take in the nurses' and their managers' experiences of using the methodology. It would also be interesting to investigate if the identified wants and expectations of the stakeholders correspond to their actual wants and expectations.

When concluding the development process so far, our view is that the largest benefit of the proposed methodology is that it may be used for group discussions in public eldercare, or other organizations, as a means for managers and employees to discuss and learn from each other while creating a common view of their stakeholders. This in turn, may provide the basis for new strategies and activities in the organization as a whole.

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