

Unit 2
Coursework
People and
Business

The business I have decided to study for my unit 2 coursework is Marks & Spencer. I will be studying the human resource part of the business. I chose Marks and Spencer because it is a very large business and will be able to answer the questions that I require. Marks and Spencer is a European retailer. They sell clothes, food and home products. They have an excellent website and offer many other services like travel and car insurance, & more card and savings and investments.



Section A – Who are the stakeholders in Marks & Spencer and what is the role and importance of each type of stakeholder?

- 1 Customers
- 2 Employees
- 3 Owners and shareholders
- 4 Local community
- 5 Government
- 6 Suppliers
- 7 Local Businesses
- 8 Financiers
- 9 Pressure Groups

First of all a stakeholder is any person or organisation which has an interest in a business. Lots of people are stakeholders in lots of businesses.

Customers are quite a large group of stakeholders and are one of the main parts to Marks & Spencer's success. Customers are very important because they are the people that buy Marks and Spencer's products and help them to continue making substantial amounts of money. This is what makes them stakeholders within the business. Customers would contact the business. This could be for a number of reasons. One reason a customer may contact Marks & Spencer is because the product they have bought is faulty or has broken. Other issues that may concern employees are the opening times, the attitude of staff and the service given. Another reason may be to find out the opening and closing times of the business. Customers cannot change the business individually but they can

as a group. If Marks & Spencer's issued a questionnaire for the customers to complete the results may push the board of directors to make certain changes.

Employees are a very important group of stakeholders. Without them there would be nobody to help run the business. There are also many different levels of employee's as well. Some are also more important than others. Some employees can have the important decision of having to decide whether or not to build a new shop in London where as some employees can have the easy job of putting frozen meals in a freezer. Issues which may concern the employees are the way Marks & Spencer treat their staff, rates of pay and job security. Employees would also contact the business. One reason they may contact the company is to call in sick.

Owners and shareholders are another group of stakeholders. These are the people that invest their own money into the business in hope that they will get more money back and make a profit. The owners are the people that make most of the important decisions and have the power to do anything in the business. The Chief Executive of Marks & Spencer is currently Stuart Rose and he has the most important role in the management of the business. The Chairman of Marks & Spencer is Lord Burns. As the chairman of such a large company he ensures the running of the board and communication between all shareholders. The people with the highest authority would be the owners but just below that there are the board of directors. Therefore the owners and board of directors have the most influence within the group of stakeholders as they have the authority and the power to do what they choose and no one else can argue with them.

The local community are also stakeholders within the business of Marks & Spencer. Decisions that certain Marks & Spencer stores may make could affect the local community around the store. For example if Marks & Spencer in Truro decided to have a massive sale with all items reduced there would be a lot more traffic around the store trying to get into the car park. Local residents may find it takes longer to get out of their house or face the noise of a lot more cars going past. The local community as stakeholders would not really have much influence within the business of Marks & Spencer but they still matter. The local community may contact their local stores, this may be to complain. Also if the local community were to have a serious problem with Marks & Spencer they could pressurise the local council into taking action against the problem.

Another type of stakeholder in Marks & Spencer is the government. As the government's policy is to have a strong UK economy they are stakeholders in all businesses. The government are also interested in the business for political reasons. They want Marks & Spencer to succeed so then they make more profit. The more profit Marks & Spencer make the more tax the government get. Also Marks & Spencer employ lots of people therefore it saves the government a lot of money as they do not have to pay benefits for these people. They also receive tax of these employees' wages. As Marks & Spencer make the government a lot

of money the government has a bigger amount of money to spend on other projects like hospitals and schools. This will then win the government more votes. The government also have a lot of power over the way Marks & Spencer run their business. They can stop a larger business like Marks & Spencer from selling dangerous products and make sure they treat there staff right. They do this by making things illegal. They also set standards like safety and environmental. The government are quite important stakeholders within the business but are not as important as customers and employees.

Another group of stakeholders in Marks & Spencer are the suppliers. They are important as they are the people who supply Marks & Spencer with there products that they go on to sell. With out the suppliers Marks & Spencer would have nothing to sell. Both Marks & Spencer and their suppliers want each other to do well otherwise they would both lose out. As Marks & Spencer are such a large company the suppliers would take great care in providing Marks & Spencer with their products. This is because due to the size of the Company Marks & Spencer will put a lot of business in their direction therefore they are making more money. This makes Marks & Spencer a powerful buyer. Also if the suppliers do not meet Marks & Spencer's demands then there would be many different suppliers that would be happy to supply Marks & Spencer with their products.

A different group of stakeholders in Marks & Spencer are the local businesses. In the case of Marks & Spencer's in Truro local businesses would be Wipeout, Tony Pryce, HMV and Birthdays. They can produce more potential customers for Marks & Spencer. This is because if someone would like to go and buy a CD in HMV afterwards they may decide to go in Marks & Spencer because they are right by it. However if Marks & Spencer is situated next to a smaller retail outlets then Marks & Spencer will be providing more potential customers for them. Smaller businesses can benefit a lot from being next to large stores such as Marks & Spencer.

Financiers are yet another type of stakeholders in Marks & Spencer. A financier is someone or an organisation that puts money into the business. If a grant is provided to Marks & Spencer checks will be carried out to ensure the money is being used as agreed. If a loan is provided to the company though the business must honour it repayment commitments. Some organisations will only provide money if in return they can have shares in the business or some kind of influence on how the business is run. Financier's importance in a business all depends on the business. If you are quite a small business a financier could be vital to the businesses survival but if you are a very large business with plenty of money financiers would be less vital. As Marks & Spencer are a large and successful company they do not need to rely on financiers that much in order to keep the business going.

The last group of stakeholders in Marks & Spencer are pressure groups. A

Pressure groups are an organised group whose main aim is to influence more powerful people in the world like the government and large businesses. The size of these groups can range from very small to a group with millions of supporters. An example of a large pressure group is "Confederation of British Industry" that represents 150,000 businesses. In contrast a small pressure group is someone like "Central Area Leighton Residents Association" who represent 300 areas in Leighton Spa. One pressure group named CASPIAN which stands for Consumers Against Supermarket Privacy Invasion and Numbering has protested against Marks & Spencer. The group is run by an American graduate student with deep religious convictions and has taken on many large corporations and done well. The reason CASPIAN protested against Marks & Spencer was because they believe they have gone too far with new technology for tracking their products.

I am now going to create a kind of league table to rate the importance in my opinion of each type of stakeholder. Number 1 being of the highest importance and number 9 being of the lowest importance to Marks & Spencer.

- No.1 – Customers
- No.2 – Suppliers
- No.3 – Owners and Shareholders
- No.4 – Employees
- No.5 – Government
- No.6 – Local community
- No.7 – Local businesses
- No.8 – Financiers
- No.9 – Pressure groups

I have rated pressure groups at number nine because they do not have any influence in the day to day running of Marks & Spencer. Marks & Spencer's could also easily operate without them and they do not really make any real impact within the business. The only time that pressure groups can cause problems for Marks & Spencer is when they begin to operate at a National level in the press.

I rated financiers at number eight because I feel they are less important than the other groups of stakeholders. I think that sometimes they could be important but Marks & Spencer's are a large business and do not necessarily rely on them as much as a smaller business would. I rated financiers higher than pressure groups though because I feel that some times they could be of importance such as when the company may be going through hard times and may need financiers for buying and getting stock.

I placed local businesses at number seven. This is because they have no particular influence within Marks & Spencer and they can not control in any way how the business is run. Marks & Spencer also do not rely on nearby businesses for their survival. I think that Marks & Spencer would still be a leading business

without local businesses to help bring in extra customers.

At number six I chose the local community. I think that they are not one of the more important stakeholders for the same reasons that I think local businesses are one of the least important stakeholders. Marks & Spencer do not rely on the local community and would still be a successful business without them.

I decided to put the government at number five. I think they are an important stakeholder but not as important as others. The government do not have huge amount of control over how the business is run but do have some. They can enforce laws on the company but they do not have any impact on different areas like how a shop is set out. Marks & Spencer still have to pay tax to the government despite this. Marks & Spencer do not rely on the government and do not really gain anything from their relationship within the company.

At number four we are getting to the more important groups of stakeholders and employees. Employees are very important to a large business like Marks & Spencer with thousands of employees. In an average store of Marks & Spencer's they would employ roughly 100 people, this number would go up at busy times such as Christmas. They help operate the numerous stores and have interest in certain areas within the business. However they do not really have a big impact on how the business is run but they do have opportunities to express their feelings to people higher up than themselves.

At number three I chose the owners and shareholders. They are the people who finance everything and for that are very important to Marks & Spencer. However a large board of directors could not make as much money as they do without the other important groups of stakeholders. They have a very large voice in the business and make very important decisions to how the business is run.

I placed the suppliers at number two in my league table. My main reason for this is that without these companies Marks & Spencer would have nothing to sell in their shops. Therefore they would be unable to make no money. Suppliers do not really have any say on how Marks & Spencer should be run but are still very important. If Marks & Spencer have good suppliers with quality products which are reliable and on time then this helps make Marks & Spencer a better store.

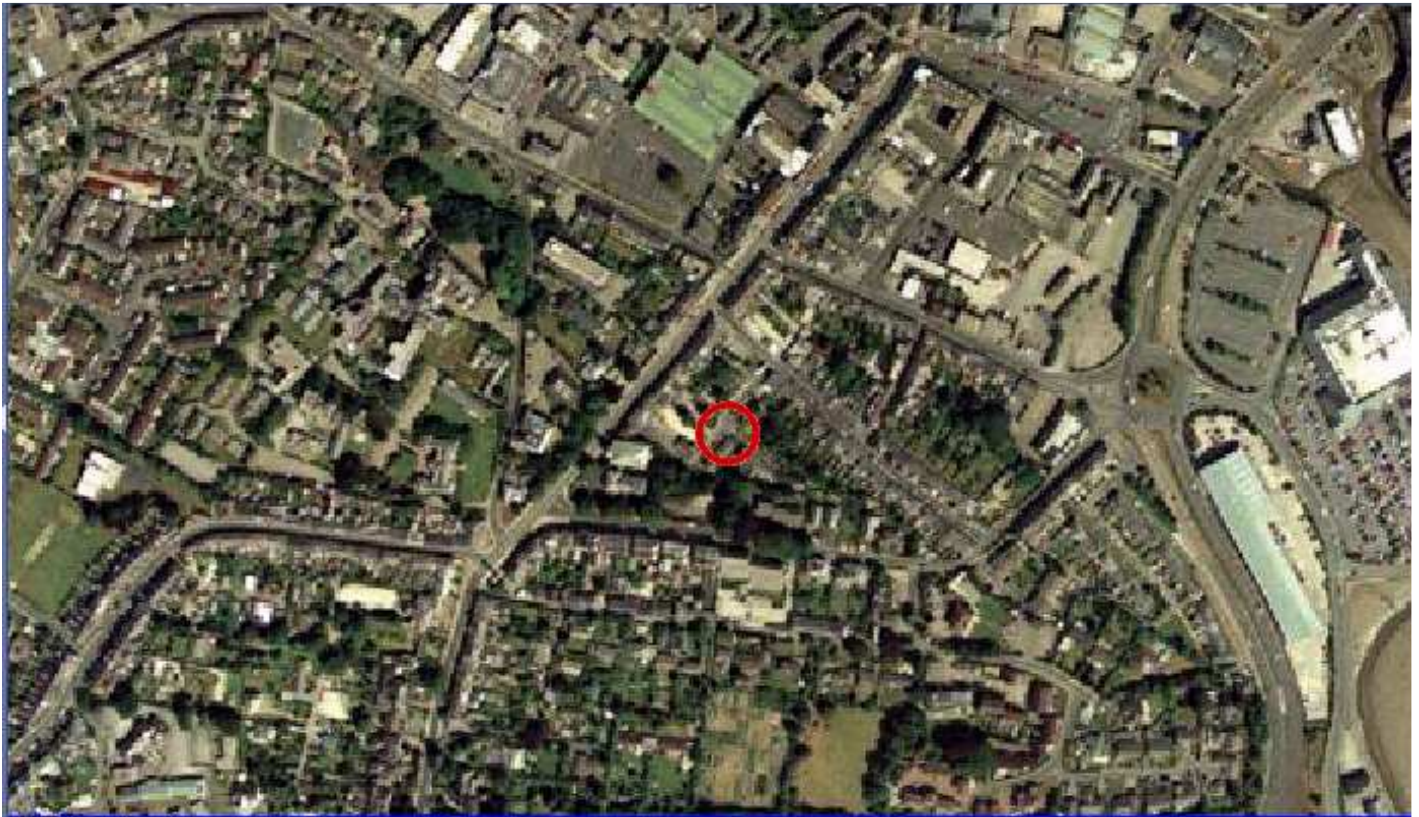
Lastly the most important group of stakeholders at number one are the customers. I feel they are the most important group as without customers Marks & Spencer would be nothing and the whole reason Marks & Spencer operate is to provide the customers with quality products. Most of the things Marks & Spencer do are done with the customers in mind such as how the store is layout to all the adverts that appear on national television and countless amounts of magazines and newspapers.

The geographical location of Marks and Spencer's stakeholders:

Local businesses around Marks and Spencer are stakeholders in the business because if Marks & Spencer's close down they may lose customers. This is because less people would go past there shops they may also be affected by some decisions Marks & Spencer make.

There are other stakeholders of M + S that are not shown on these maps. This is because they are not in close proximity of the business; some examples of these stakeholders are the government and suppliers.

Garras Wharf car park owned by Carrick district council are stakeholders in Marks & Spencer's because the business can affect the amount of customers the car park gets.



Residential areas close to Marks & Spencer are stakeholders in the business because they are affected by the traffic and pollution Marks & Spencer's may cause.

Tescos are a stakeholder in Marks & Spencer because they both sell similar products. This means that the two businesses are in direct competition to sell their own products.

Section B – What are the customer service arrangements in Marks & Spencer and how does the organisation ensure its customers are protected by the law?

Contacting Marks & Spencer's

There are many ways in which you can contact Marks & Spencer. You can contact each store individually. This means that you can contact your local store or you can contact a store in which you went in once when you were on holiday. There is also a separate phone line for customer services and is the same throughout England. On the website Marks & Spencer give you a registered office address and phone number. There is also a space on the Marks & Spencer website where you can e-mail the company on a number of issues. This shows you the headings that you are given on the website:

If you wish to contact us please help us to deal with your enquiry quickly by selecting the nature of your enquiry below:

Shopping Online

- [Technical Problems](#)
- [Orders](#)
- [Delivery](#)
- [Products](#)
- [Furniture](#)
- [Electronics Technical Support](#)
- [Gift Registry](#)
- [M&S Money](#)
- [Other Online Enquiries](#)

Shopping Instore

- [Food Enquiries](#)
- [Womenswear/ Lingerie](#)
- [Home/ Beauty](#)
- [Menswear](#)
- [Kidswear](#)
- [Other Instore Enquiries](#)

Company Information

- [Recruitment](#)
- [Shareholder Information](#)
- [Students](#)
- [Journalists](#)
- [International Franchise](#)
- [Other Company Enquiries](#)

When this comes up you need to think under what header your issue comes in. I think that this section of the Marks & Spencer website is very helpful for customers. I also think that it is a good idea because it helps Marks & Spencer organise their e-mails ore effectively as well as benefiting the customers. Each section is clearly marked in bold lettering. The first section is “Shopping Online”. I think that they could improve this service further by including fewer categories under each headline to make it easier for the customers to take in.

Marks & Spencer’s main aim when it comes to customer service is to always put their customers first. Secondly Marks & Spencer also always want to exceed their customer’s expectations. This means that they like to meet the customer’s expectations and go one further.

In a company like Marks & Spencer there is always going to be complaints, whether they are about the staff or the food they were served in a Marks & Spencer café. Marks & Spencer always like to try and deal with any complaints within the store. However this cannot always be possible and some things have to go to the head office to be dealt with and products get sent away to the manufacturers. If there is a complaint about the food served in one of the cafes Marks & Spencer’s always try their best to sort it out. For example if somebody claimed they got food poisoning from Marks & Spencer’s food then Marks & Spencer would have the product sent off for testing to find out if this is the case. Marks & Spencer’s also have a book where you write in any complaints and the outcome of the complaint. A member of staff in Marks & Spencer will monitor this book to make sure that everything is dealt with properly and to make sure there are no areas in which there have been a rising amount of complaints in. If there appeared to be a rising amount of complaints in a certain area then the section manager would be informed so that they can investigate the situation further. All faulty products will be assessed in store and then sent back to the manufacturers if needs be. The same procedure would be followed with food. If there were to be a rising amount of complaints about a member of staff then the complaints will be assessed and if they are true then a course of discipline will be followed. This may be just a written warning or an instant dismissal depending on the issue.

Another issue in which Marks & Spencer have to have a certain policy on is the returning of goods. Marks & Spencer, like many other large retailers, need to ensure they have a clear policy for returning goods so that fewer problems occur when customers come to complain. In Marks & Spencer all goods can be returned within 90 days, no matter what the reason. However faulty goods can be returned whenever. It is a very clear system and seems to work perfectly well for Marks & Spencer.

Marks & Spencer are always making sure that their staff are trained on consumer rights in law. If any new laws are introduced then Marks & Spencer's will ensure that their staff learn and understand it or be sent on a course to learn it. This will always then keep Marks & Spencer's up to date.

Many businesses rely on feedback from their customers to help improve and make their business better. There are number of ways in which you can get this feedback from customers. Marks & Spencer's often issue questionnaires to get feedback from their customers. When all these questionnaires are collected in then they will be analysed by the in store manager. After going through the results the manager would then decide what actions need to be taken to improve the company and if there is any rising issues that need to be dealt with. In Marks & Spencer there is no kind of suggestion scheme for improving customer service but Marks & Spencer's are always willing to listen to anybody's ideas and take into account any valid points that may be made. Marks & Spencer's are always making sure their staff have training on anything necessary and believe because of this the staff are very helpful and know everything needed. The staff are highly trained in their specific areas and are therefore very knowledgeable.

Marks & Spencer consider their customer service to be very good. They know this because all sale targets are met and they receive many letters from customers complimenting them on how friendly members of staff were to them on their visit to Marks & Spencer. However Marks & Spencer are always looking for ways to improve their customer service and take any suggestions seriously.

One of Marks & Spencer's latest ideas was to send each and every person who worked for Marks & Spencer's to a Mary Gober seminar. Mary Gober is considered to be the most dynamic force in customer service culture development today. She has given many teams like Marks & Spencer's innovative strategies, heightened motivation and dramatically improved customer satisfaction. It is courses like these in which Marks & Spencer's are always looking out for to ensure that they can have an all round excellent customer service.

In my opinion the customer service at Marks & Spencer is very good because everything is extremely clear and easy to understand. Marks & Spencer could improve the customer service by making it clearer on the internet and in store as where you can go to receive help and get information. Also a survey should

come up on the website so customers can give feedback to Marks & Spencer. From this feedback Marks & Spencer could then continue to make the website and company better.

