

Unit 2-Strand A

A shareholder is an individual or organization that is interested in or can influence a business. Coca cola has many stake holders. Stakeholders range from Employees of Coca cola to the Government to the public who is just interested in having a stock of coca cola.

Tesco Stakeholders consist:

- 1. Pressure Groups*
- 2. Customers*
- 3. Suppliers*
- 4. Employees*
- 5. Stakeholder*
- 6. Government.*

Customers are people who buy/purchase products from a business. An example of a customer is

- 1. a school child buying Lunch From Dinner Hall*
- 2. Owners of games consoles buying new games that come out.*

Customers of Tesco are people that buy products from Tesco. They major concern is to be able to buy the goods/services they want at a reasonable price. One of their main interests is the parking facilities in Tesco. Parking is an important feature for a big supermarket t like Tesco 's, they have to range their parking from normal parking, to disabled parking to parking for people with children.

Tesco 's employees are the people that work for Tesco 's. Their main concern as an employee is the wage of the job. Employees get attracted to a job mainly by the salary which is getting offered. More the salary which is offered, the better employee Tesco 's will attract.

The local communities are people that live and work near to one of their supermarkets. They are really interested in the new buildings being built in there are.

The changes which might affect the area are:

- 1. new motorways*
- 2. new buildings*
- 3. cutting down forests*

These changes might result in more noise, traffic on motorways and more air pollution which will increase the speed of global warming. There are a few ways in which local communities fight against new developments in there area. These are:

- 1. Making Objections known in the press*
- 2. lobbying local MPs*
- 3. Protesting Where these developments are taking place.*

Supplier is an organization or an individual that sells products and services to another individual or a organization. Suppliers expect regular orders and payments from customers.

An example of a supplier is a farmer, or a manufacturing company (e.g. Ford or BMW).

The Supplier of Tesco 's is all the company 's which supply Tesco with the products that they sell. An example of this is coca cola; Tesco sells the Coca cola Brand cokes. So coca cola is a supplier of Tesco. Coca cola are interested that Tesco order regularly from their company, so they can estimate the amount of money coming into the business.

All PLC have shareholder. Shareholders are people of the public that own a certain percentage of a company.

Tesco's shareholders are the individuals that own shares in the business. The main interest of a shareholder for Tesco's is the growth of the company. If Tesco is growing gradually this means that in the near future the company will be making a high profit. This will attract more individuals to purchase a stock of Tesco's.

Pressure groups are organizations that are created to apply pressure to company's to try and influence the way that it operates. The main concerns to day for a pressure group range from pollution to employee welfare. The pressure groups include organizations like the employee unions. Employee unions can put a company like Tesco under pressure by arranging an employees strike.

In Tesco's case, pressure groups are interested in the pollution Tesco produces by manufacturing some of their products, if the pollution rate is high for Tesco's then the pressure groups will have to act in a serious manor and think of a way to persuade Tesco to lower their pollution rate.

A government of a country is a certain members of parliament who are elected in a democratic state, who run the country.

The main jobs of a government is to keep people safe from danger and to create jobs by giving developments grants and loans to businesses in region with high unemployment. A way in which a government could keep their people protected is to pass laws to give them rights. The government also applies to Tesco; they protect employees by passing employment laws to give the workers a right. So The Government are interested in Tesco's because of the rights of consumers and employees, they need to make sure that Tesco are treating there employees correctly, from paying them at least minimum wage to having a safe working environment.

Stakeholders

In my view, the government has the most influence on a company like Tesco. The government runs the country (in this case England) and they decide the laws in which individuals and businesses have to comply within. They provide a legal framework in which Tesco have to comply into like employee rights, pollution limits and health and safety for all their workers. If Tesco do not follow these guidelines and fit into the laws of the government, they could be easily shut down. Because of these reasons, Tesco must follow the laws of the government, which makes it them the most important stakeholder. The things in which the government doesn't influence are the type of customers that Tesco wants to attract. This can be decided by Tesco and the government can't affect them, the government also operates how much dividends is paid to Tesco's shareholders, they do this by taxing the profits businesses make. The government can edit the rates in which they tax the income/ profit being received by an individual or a company, in this case Tesco. Without following the laws of the government Tesco wouldn't be able to exist and sell their products to their customers.

Customers in my opinion are the second most important stakeholders. Customers of a business are what keeps the company running, and brings the profits. Without the customers Tesco wouldn't be able to run, as they wouldn't be able to get the funds to keep the business running to pay for the costs and make profit. Customers are an important to Tesco's. Tesco's have to listen to the views and needs of the customer, and provide their needs, by doing this Tesco's will be attracting more customers which means they will be making more money, and would be able to pay their dividends higher amount of money. Customers are looking to buy what they need for a reasonable cheap price. By providing quality for a cheap price, Tesco's would be able to get more customers and the customers would be happy. This means that customers would be one less stakeholder that they would have to worry about.

The local communities are other important stakeholders for Tesco's. The local community and Tesco need to get along; if they don't them can both cause each other harm. For example, if Tesco builds factory's in a local area this can cause rise of pollution in the area, which means the residents will be breathing harmful

chemicals. However, if this happens the local residents could organize a strike in front of the factory and this would put Tesco under a lot of pressure and this might reach the newspapers. This would mean that a bad image would be created about Tesco all across the country, which would affect the amount of customers of Tesco's. To sum up, if the local communities are not happy, they could vastly affect Tesco's business. However the local communities do not affect the amount of tax that Tesco has to pay for their profit.

Employees are one of the main priority's for Tesco's that they want to keep happy. Employees are the people who work for Tesco's. They range from lorry drivers to cleaners in the actual shop. By treating the employees fairly, this means they would be able to produce better work for Tesco's. Keeping the workers happy means that they would like good salaries, ambition that they will get a pay rise. Workers also look into getting reasonable days of paid holidays and flexible working hours. Tesco is under pressure, because they need to have better salary and holidays than other supermarkets, so the better employees go to Tesco's. This needs to be investigated by the manager of the staff, and they will need to set about the same working standards as ASDA, Sainsbury's and Marks&Spencers. Without keeping the employees happy, they could organize a strike. This would cost Tesco a lot of money, as they wouldn't be able to operate for a certain amount of time as they wouldn't have the staff to complete the day to day jobs.

A Supplier Is a Company or an individual, who supply a business or an individual with large quantity of products. For example of one of the supplier for a supermarket like Tesco, is the coca cola company. They provide Tesco with the large amounts of their products such as coke and diet coke.

The suppliers of Tesco's are also one of the biggest stakeholders. This is because without getting supplied Tesco wouldn't be able to complete their purpose and sell the products to the customers. I reckon the employees of Tesco's are more important than suppliers because they are the one that create the friendly and safe working environment. The employees are the main thing that attracts customers, and the customers are what brings money to the shareholders. The reason suppliers are influential is because they need to plan delivery times and offers before hand. Without planning this, Tesco wont be able to continue the same working hours as their usual days because they wont have the products which they need to sell to their customers delivered from their supplier. Suppliers are also interested in the regular orders and payments made by Tesco's to them, if everything is on time and is on track then they will have a good relationship with the supplier. This is justified because this means the demand for products by the customers will always be fulfilled because Tesco's will be receiving their shipments from the supplier on time.

Shareholders are one of the least important stakeholders. Tesco is a PLC, thus it doesn't have one owner and it is owned by the public. Share holders are the public that own a certain percentage of Tesco's. This means that the profit which is made by Tesco's and isn't retained within the company it will be divided by the amount of the percentage a certain shareholder owns of Tesco's. Shareholders of large PLC companies are usually visionary and they must also be quite wealthy, and should be ready to risk the amount they have invested as the company might go downhill and the price of their percentages might decrease.

Shareholders only influence Tesco's because they own Tesco's, but the main decisions that have to be made are made by the shareholders who own the large amount of Tesco's. This is explained because a shareholder can at anytime sell their share. This is justified because if Tesco don't give out a good dividend, the shareholders can withdraw and sell their share and buy a share in a competing company to Tesco such as ASDA thus this keeps Tesco under pressure to always work at a high standard.