

Stakeholders, aims and objectives essay sample

[Business](#), [Management](#)



M1. Explain the points of view of different stakeholders seeking to influence the aims and objectives of two contrasting organisations. A stakeholder is anyone who is interested in the success of an organisation, and often the stakeholders have a large influence on the business's aims and objectives. In this assignment I will be explaining why stakeholders would be interested in a company's aims and objectives and why each stakeholder would be interested in my two chosen organisations joining together. There are many explanations as to why a stakeholder might be interested in a company's aims and objectives, some for financial reasons in order to make a profit and others for employment reasons. Two different stakeholders may often have contrasting interests when relating to the aims and purposes of an organisation. For example owners generally seek high profits and so may be hesitant to see the business pay high wages to staff. A business decision to move production overseas may reduce staff costs. It will therefore benefit owners however work against the interests of existing staff who will lose their jobs.

Customers may also feel negatively towards the aim to move business abroad as they will suffer if they receive a poorer service. Customers want to see good quality products. Owners are the people who fund the organisation and whose main interest is how much profit an organisation is generating. They have a big say in how the aims of the business are decided, but other groups also have an influence over decision making. For example, the directors who manage the day-to-day activities of a company may decide to make higher sales a top priority rather than profits. Not only would this generate profit, but it will create awareness and also produce a higher

demand for the product or service the business offers. I believe the owners of both of my chosen organisations; North Dorset RFC and Nike would both be supportive of the idea of pairing these two businesses together. North Dorset RFC would benefit from the support given by sponsorships. They may receive discounts on sporting equipment from Nike therefore saving the club money and possibly enhancing its facilities. Nike is a renowned sporting brand worldwide and spectators may take notice of this and furthermore create awareness of the rugby club.

Pairing these two organisations together would also be beneficial from the perspective of the owner of Nike due to the fact that if teams at North Dorset RFC are wearing their logo, this will create awareness of Nike to spectators, officials, and other players. An owner's main objective is to make a profit and sponsoring North Dorset RFC may mean they use Nike's services more often and therefore create sales for Nike. Customers are also key stakeholders in any organisation. Businesses that ignore the concerns of customers tend to find themselves losing sales to rivals. This is due to the fact that the business is not providing customers with the products and designs they desire. If a particular company no longer provides the consumer with the products they want, at the prices they are willing to pay along with offering a good customer service, the customer can simply go elsewhere to another business, meaning they have lost a sale and future customers. The pairing of my two chosen organisations will encourage more business within both organisations. For this reason the pairing will be beneficial for both customers of North Dorset RFC and Nike as the more sales and capital each

organisation has, the larger the budget the business will have to expand and enhance products which may suit consumer needs.

Suppliers are extremely important to any organisation as they are relied on by the organisation to supply the correct amount of products on time. There is often a tight bond between a company and its supplier as they may often make regular transactions. Once these bonds are made and organisations use the same supplier regularly, these suppliers can offer discount and special deals out of customer loyalty. The suppliers want the organisation to do well and make a lot of sales so that they keep purchasing products from them therefore the suppliers are making more of a profit. The idea of pairing my two selected organisations may appeal the suppliers due to the fact that this may generate more business between Nike and its suppliers. This will result in more sales and create more of a profit for the suppliers. Within a small organisation, the most important stakeholders alongside the owner are the managers and employees who run the business due to the fact that they tend to be family run businesses where there are few levels of hierarchy. This allows customers and staff to have more of a say when it comes to business decisions.

They are able to give feedback to the directors more easily compared to an employee working in a Nike store. Although Nike does receive feedback from shop floors, it tends to take much longer to reach product development due to the large number of hierarchy which it has to go through first. Workers within both organisations are mostly interested in earning high wages, along with keeping their jobs and being presented with opportunities to be

promoted. For this reason I believe neither set of workers from either of my selected organisations would feel negatively towards the pairing of these two companies as this will not affect their employment. However within a small organisation such as North Dorset RFC more specifically, workers are more involved in the running of the business and therefore want it to do well in order to secure their job. The pairing of these organisations will result in NDRFC receiving a discount on sporting equipment from Nike therefore saving the amount of money within the club, developing the facilities and potentially offering more jobs roles which could mean a chance for internal promotion.

In a large company such as Nike, shareholders are the primary stakeholders as they can vote out directors if they believe they are running the business badly. Shareholders are the people who invest in an organisation and it is their money which is at risk if the business was to lose money. For this reason Shareholders tend to have a large influence on the aims and objectives of a business. If a shareholder strongly disagrees with the organisation's aims and objectives they can easily sell on their shares and stop investing. This will have a negative impact on the organisation due to the fact that they will not have as much capital being introduced in to the business, therefore possibly affecting the functions of the company. The shareholders of Nike are likely to support the pledge due to the fact that sponsoring North Dorset RFC will mean the promotion of Nike.

The aim of this is to attract more customers to by Nike branded profit resulting in Nike having more sales and therefore generating more capital

within the organisation. This will mean the value of shares will increase on the stock market offering shareholder a chance to sell them at a higher price to that of which they bought them, as well as attracting more people to invest due to the success of the business. To conclude, I believe that the majority of stakeholders within Nike and North Dorset RFC would feel positively towards the pairing as it seems to benefit both organisations. Awareness of Nike will grow attracting new customers and North Dorset will save money. In the long run this will offer an opportunity for both organisations to expand and develop.