

# Meeting stakeholder needs



**ASSIGN  
BUSTER**

## **INTRODUCTION**

This assignment sets out to look into different types of organizations paying attention to its stakeholders, and how these organizations set to meet their objectives.

Stakeholders are people with interests in the organization and they include shareholders, customers, employees and investors. These groups of people invest in the organisation with the expectation for a return of some kind of pay or dividends. An organisation will there have to meet the interest of their stakeholders.

Every organisation is formed on a basis of profit making. It therefore means that the organisation has to set objectives that are realistic to its business and employees that can enable them to perform tasks that meet their set objectives, aims, missions, values, and strategies.

As in the case with Mr Parks, the company sets out to look at the objectives of their company in order for its success to continue. This means that this assignment will look into other companies' objectives and offer quality advice to Mr Parks on how he can improve his company and by satisfying its stakeholders as well as making profits and increasing sales.

The report to Mr Parks will finally look in to the responsibilities and strategies employed by organisations to meet their set targets and tasks set out in their business objectives.

## **TASK 1**

### **Three different types of well known organisations**

#### **MARKS AND SPENCER**

Marks and Spencer started way back in 1884 by Michael Marks a refugee who was a Russian born Polish set up his stall at Leeds Kirkgate market. It was set up as a stall with the slogan ‘ Marks Penny bazaar’, ‘ Don’t ask the price,-it’s a penny’. It is also famously known as Marks and Sparks.[1]Michael marks was then joined by Thomas Spencer, as his partner in 1894 and by 1900, as partners, they were running twenty four stalls and twenty shops mainly in the midlands and North England. In 1903, they entered into business as a private company-Marks and Spencer Ltd. At the moment Marks and Spencer has over two thousand shops both in the UK and abroad and in 2009 they celebrated their 125 years in business. Its Marble Arch store in central London is in the Guinness Book of World Records as the store that takes in more revenue per square foot than any other in the world.

#### **BRITISH TELECOM (BT)**

British Telecom descended from the first commercial telecommunications undertaking in the world. The Electric Telegraph Company Incorporated in 1846. In 1977, the Carter Report recommended a separation to two main services which led to the British Telecom. This finding led to the renaming of the Post Office Telecommunications as the British Telecom (BT) in 1980.[2]

#### **TESCO**

In 1914, after the war, a war veteran by the names of Jack Cohen began selling groceries in the market of London’s East End. Jack Cohen was joined

in the business by a tea supplier known as T. E. Stockwell. This brought about the putting together of the name Tesco with Tes from T E Stockwell and Co from Cohen, hence Tesco.[3]

The brand name of Tesco first appeared on packets of tea in the 1920's when the store offering self service was introduced in the United States. When Tesco proved a success in the US, Mr. Cohen opened the first two stores also offering self service in the United Kingdom at St. Albans in 1948. This saw the expansion of the business from stores to supermarkets by the early 1960's. Tesco then became a familiar name selling household goods and clothing.

From then on Tesco expanded into petrol stations, and also entered international markets in Eastern European-Poland, Hungary, Slovakia and Czech Republic. Tesco also expanded to Thailand, Taiwan and South Korea.

- The organisations' stakeholders

An organisation's stakeholders are their employees, customers, suppliers, shareholders, investors, local communities, local and national government and pressure groups.

- Marks and Spencer's stakeholders

Marks and Spencer's stakeholders are their employees, customers, shareholders and investors, suppliers, local communities, the government, and pressure groups.

- The employees:

Marks and Spencer has over 10, 000 employees nationally and internationally. Their employees come from different backgrounds and intellect. Employees generally will require fair treatment, secure jobs, benefits, good pay from the company. They also want protection from the company in terms of security from customers who might abuse them as part of their human rights.

- The customers and consumers:

Customers are the ones who buy or purchase goods and services while consumers are the end users of the products. Both these two groups are relevant to Marks and Spencer as a company because they want high quality products, wide range and variety of products and choices to make at affordable prices and good service from their employees.

- The government:

The local and national government is in charge making sure that Marks and Spencer creates more jobs for its citizens and also pays their taxes to the government. They also help set laws and regulations that govern trading and how a company should act and deal with people. They ensure that the company adheres to strict laws set up like Company's acts, health and safety regulations, trading legally and revenue and customs.

- The suppliers:

Suppliers are generally other companies that provide the company with the products they need to trade. Suppliers can be either locally, nationally and internationally depending on the products that they course. Marks and

Spencer have their suppliers globally. Suppliers generally want secure contracts and fair prices for their products and services to the company.

- Shareholders/investors:

These are a group of people who have invested in the company in terms of buying shares and injecting money in the business during tough times. They make their money back when the company grows and makes profit.

Shareholders want growth and profits in the company as this is the only way they are sure to make back the money they have invested in the company in terms of how many shares they have bought. They also make investments in the company which help to save the company during times of economic down turns in order to avoid losses.

- Local communities:

These are communities around where Marks and Spencer stores are located. They are people that live around the store location. The local communities want jobs, good shopping choices as well as modernisation of the area by the company. They can determine whether a store should be situated in that area or not depending on their preferences. They can also uphold or tarnish the reputation of the business.

- Pressure groups:

These are groups of people who are concerned about the environment and how it is looked after by companies. They are also concerned about fair treatment for the people involved in the manufacture of the products the company sells. They want M&S to listen and be ethical in their trading.

- Report on the organisation's objectives and how they are met by the organisations

The company's objectives are their vision, mission, aims, and values, strategic and operational (tactical) objectives.

## **BT's stakeholders**

BT has very many stakeholders who are very important to them. They maintain a good relationship with all their stakeholders and tend to meet their needs. Their stakeholders include their employees, suppliers, customers, local communities, government, financiers, pressure groups, competitors and owners (shareholders).

- Employees:

BT offers their employees good communication and feedback and also the opportunities for them to express their views and opinions freely on issues at local, divisional and company levels through employee satisfaction surveys.

- Customers:

Due to the wide range of customers that they have, BT has focussed relentlessly on their customers to find out what BT can do for them. This helps BT to retain their current customers as well as attract new customers to their business.

- Suppliers:

BT has put in place a supplier relationship management system to ensure that they have a good and effective two-way system communication with

their suppliers. This helps to ease consultation process and influence their policies to their suppliers.

- Government:

BT has strict communication with the government both at local and national level in order to provide better customer service to all. They also follow the laws and regulations set by the government governing their operation and provision of service to their customers.

- Shareholders (owners):

BT has effective communication systems with their shareholders and owners that is very essential to their business. The relationship is more positive, beneficial and very successful. They ensure that they engage with their shareholders in different and numerous ways that is beneficial to their company growth and expansion.

## **Tesco's stakeholders**

Tesco's main aim is to care about doing the right thing. The passion for their stakeholders runs across the business and offers them a great advantage.

Their stakeholders are the customers, employees, suppliers, investors, and the local government.

- Customers:

Tesco has customer question time where their staffs hear customer views on how they being served in the stores and their roles in the community. They make it their aim to listen to their customers and acting on their concerns.

- Staff members:



Staff members are allowed to give their feedback on surveys, question time session. Tesco has a staff forum process that focuses on the needs of their staff and how well they can look after their staff so that they are happy with their work and in return offer good quality service to their customers.

- Investors/shareholders:

Tesco has set up their Investor Relations team whose main duty and responsibility is to meet regularly with their investors and shareholders and analysts from different financial institutions that invest in their business and represent their shareholders. They always provide them with feedback on how the business is growing and sales increasing and how the business is doing in general.

- Suppliers:

Tesco's core value of 'treat people the way they like to be treated' has helped the company apply firmly to their suppliers and their relationship has been built strongly on the way they treat and communicate with all their suppliers locally, nationally and globally.

- Non-governmental organisations:

Due to issues of concern that arises in the nation, Tesco meets regularly with both the government and non-governmental organisations to raise issues that concern how the business is affecting the economy and where possible provide necessary solutions.

## **Marks and Spencer's objectives**

Marks and Spencer's objectives are growth and development, profit maximisation, mission statement, climate change, raw materials, raw materials, waste, Plan A (recycling), and fair partner.

- Growth and development:

M&S main objective is to growth and make profits. They have done this by improving on their staff service styles through training of staff to provide excellent customer service. They also worked hard towards ensuring that the company grows and as well as make profits.

- Mission statement:

Their mission statement is broken down in three parts with vision, mission and values.

- Vision – To be the standard against which others are measured
- Mission – To make aspirational quality accessible to all
- Values – Quality value, service, innovation and trust.

This mission statement has been kept since the begging of the company and M&S has worked hard to keep up to these standards. M&S is now well known for their quality, values, service, innovation and trust to all their stakeholders.

- Climate change:

Marks and Spencer wants to become carbon neutral by 2014 in order to reduce their carbon foot prints and also help customers and suppliers cut their carbon emissions too. They are doing this by using vehicles that are low

in carbon emission and also working together with the government on how to preserve the nation and educate them on climate change.

- Raw materials:

They are ensuring that their raw materials from forest, fishing come from sources that sustainable and preserve the environment. This means that all their products are environmentally sourced and protected and that the environment is preserved for the future generation.

- Waste:

Marks and Spencer plans to stop sending their wastes to landfills and to ensure that customers do not throw away any of their products away. Most of their products are also either packaged in recycled packing or are packages that are recyclable.

- Fair partner:

Through fair trading, M&S wants to improve the lives of hundreds and thousands of people in their supply chain and local communities. Their plan is to trade fairly and in a way that benefits everyone.

- Healthy eating:

M&S has always had good food standards and helped customers and employees to live a healthier lifestyle. They have introduced the 'Count on Us' range which provides healthier option of food that is low in calories and fats and helps to maintain a good body system. This gives their customers and employees the option of choosing what meals to have.

## **British Telecom's objectives**

- Network:

BT has future-proof, intelligent and flexible network to enable the company deliver communication services to meet their customers' demands both for now and in the future.

- Vision:

BT has a clear vision of where they want to be and are working towards that goal. Specific steps and measures have been put in place to achieve this vision. Their vision will set them in the direction they are to go and help them to achieve their target goals and plans.

- Customer network:

The customer network has been designed to deliver to customers a world class experience from the beginning to the end. It is there to deliver simple BT operations and increase efficiency. The network will allow them to launch new services to the market faster than normal and it will help empower their customers to control and have choices that are flexible. This will help enhance customer experience in the company.

- Cost:

BT also hopes to reduce their cost base gradually in order for all customers to afford their products and services. This will increase their clientele and offer new customers incentives to better products and services from the company hence trust in BT.

## **Tesco's objectives**

- Provide goods and services:

Tesco aims to provide goods that are cheap and affordable to customers. This has led to a rise in their profits and has seen the business move forward even during tough times. They have provided services to their customers that are excellent and hence, customers have always come back for more.

- Carbon emission:

Tesco has endeavoured to reduce their carbon emissions by reducing on the type of transportation used as well as building new buildings that have low emission systems and are friendly to the environment.

- Growth:

Tesco aims to grow its business and increase the numbers of stores. They aim to continue to be number one in retail in the UK through efficiency and provision of better services and products to their customers.

- Maximise sales:

Tesco's objective of maximising sales is through providing enough products that are affordable to the consumers and increasing and bringing new products to the market. All their prices are priced at an affordable cost for all their customers.

- Maximise profits:

Their main aim is to maximise profits in their store. They sell products that customers want and can increase their sales volume and offer products that attract their customers to them.

- Outshine competitors:

Tesco has always wanted to outshine their competitors. They are doing this by competing through lower prices, better products, excellent services and efficiency across all their stores.

## **Task 2**

The organisations' responsibilities and the strategies employed to meet them

Organisation responsibilities and roles set out by the company to achieve their targets. These are often reviewed to ensure that the company is on track. These include corporate governance, business ethics, environmental responsibilities, health and safety and discrimination.

### **Health and safety:**

Organisations have the responsibility of making sure that their employees and visitors are safe within their premises. They are meant to state all regulations governing their time within the company and what to do in case of an emergency. They are required to provide a system that lets them know who has entered and left the premise as this will help them during any evacuations.

### **Environmental responsibilities:**

Within these three organisations, they all have a responsibility of taking good care of the environment. Marks and Spencer has put forward a Plan A system where they ensure that the company does not waste a lot of products and use more recyclable packaging. Tesco has strict policy on carbon emission

and reducing their foot prints. BT has a system of encouraging their staff members to work from home to reduce their footprints to work.

**Discrimination:**

Marks and Spencer, Tesco and BT are all against discrimination to their employees whether within or outside the company. This law has helped all these companies to provide better services to their employees and openly accept all people in to their company. They are all against race discrimination and disability discrimination. Generally, discrimination within these three organisations has a serious consequence that leads to dismissal.

**Business ethics:**

This is a code of conduct which an organisation adheres to when dealing with the outside world like their customers, consumers, employees, shareholders, owners and competitors. Marks and Spencer, Tesco and BT all have code of ethics within their companies that has helped them provide better services to the world.

**Corporate governance:**

This is a manner in which rights and responsibilities are shared within a company by managers, owners and shareholders. It helps provide a structure for all the governing bodies to share responsibilities based on their rights and privileges. Corporate governance helps to form the principles governing the organisations and this has been adopted by Marks and Spencer, BT and Tesco.

**Company strategies**

The main strategies for Marks and Spencer, Tesco and BT are to be successful retailers, grow their business, be strong food retailers for, develop new retailing services and support the community.

**Successful retailers:**

Marks and Spencer, Tesco and BT are all companies that strive to be successful in all their business dealing. They strive to make profit and be the best. They have done this by attracting new customers through excellent service and better products that meets the demand of all customers. Their products are also affordable for all customers.

**Business growth:**

Every company has its main objective as business growth. As seen in the case of the above three organisations, their main strategy is to grow their businesses and expand and increase their shops to become the biggest and the best in retail. They have opened new stores, and departments to deal with different aspects of the organisation.

**Develop new services:**

Developing new services is also another strategy being fulfilled by the three chosen organisations. They provide services to customers that are satisfactory and bring about fulfilment to the customers. This has made the customers come back to them all the time. They have done this through staff training, new technology systems for better efficiency.

**Community support:**

Every business has to support the community that surrounds them. They are meant to provide them with development and incentives like job creating,



community support help. In the case of the above organisations, they have all been supportive to their community through development of local communities and providing services and finance for community services.

This has attracted the community to their businesses.

The report on how Mr. Parks must meet its organisation's objectives

As in the case Milky Bits Ltd, Mr. Parks need to look at the company's strategies in order to meet its business objectives. These strategies should include how they plan to be successful, how to grow their business, how to introduce new products and how to help the communities around.

**To grow business:**

Mr. Parks must be specific in what the business does. He must set specific tasks and aims for the company. They must stick to their objectives set and follow through to make the organisation successful. They should aim the company at what the business is meant to do and be very specific in order to meet their objectives.

**Be measureable:**

Milky Bits Ltd must set measureable objectives to meet their targets. Have measureable objectives means that Mr. Parks can assign responsibilities correctly to each staff member to meet their tasks and delivering correctly.

**Agreed objectives:**

Mr. Parks need to set objectives that are agreed by all those who are concerned in achieving the company's objectives. Being able to agree means that everyone will work together to meet the objectives of the company. All employees must be involved in the decision making process.

**Realistic:**

Mr. Parks need to set challenging objectives that can be achieved. They should have the resources to achieve them. Being realistic with what they have means they can proportion enough resources to each department to meet their objectives and avoid wastage.

**Time:**

The timing of the business must be specific. Mr. Parks must asset a time limit when the objective should be achieved. This must be realistic depending on how big the objective is. Have a time limit means that everyone will work according to the specified time period to meet their targets.

**CONCLUSION**

Having looked in to the different types of organisations and their objectives, it is imperative to note that the success of an organisation is very much dependant on the objectives set by that company. Objectives clearly stated will help the organisation to meet its targets and work towards the goal already set out. Having a clearly set out objectives means that the organisation has something to look into in order to meet its demand and make profits.

Organisations also need clear and defined responsibilities and strategies for each department to function properly. These will help steer the people involved in the right direction.