

# RESPONDING TO THE VARIOUS BUSINESS STAKEHOLDERS

Understanding Canadian Business  
7<sup>th</sup> Edition

# STAKEHOLDERS

Stakeholders are not



**Stakeholders** are all the people who stand to gain or lose by the policies and activities of a business.

# STAKEHOLDERS IN CANADIAN BUSINESSES

- ◉ Financial Institutions
- ◉ Investors
- ◉ Customers
- ◉ Surrounding Community
- ◉ Environmentalists
- ◉ Dealers (Retailers)

- ◉ Employees
- ◉ Government
- ◉ Suppliers

Note: Often the needs of the firm's various stakeholders will conflict. Can you think of an example?

# BALANCING THE NEEDS OF THE STAKEHOLDERS

- ◉ Sometimes the need to stay competitive may call for off shoring jobs to other countries.
- ◉ **Off shoring** - sourcing part of the purchased inputs outside of the country.
- ◉ Another way to balance the needs is using outsourcing.
- ◉ **Outsourcing** - assigning various functions, such as accounting, production, security, maintenance, and legal work to outside organizations. Eg Cirque du Soleil -IT CGI company

# USING BUSINESS PRINCIPLES IN NON-PROFIT ORGANIZATIONS

- ◉ What is a non-profit organization?
- ◉ It is an organization whose goals do not include making a personal profit for its owners or organization. Eg Canadian Blood Services
- ◉ They do strive for financial gains, but are used to meet the stated social or educational goals of the organization rather than profit.

# SOCIAL ENTREPRENEURS

- ◉ Are people who use business principles to start and manage non-profit organizations and help countries with their social issues.
- ◉ Eg Ebay's first president Jeff Skoll left Ebay to focus on philanthropic activities
- ◉ Non-profit organizations need some of the same business skills such as info management, leadership, marketing and financial management.

# WHO ARE / WERE THE STAKEHOLDERS IN THESE COMPANIES?

- ◉ Arbec Opening
- ◉ Zeller's Closing
- ◉ Northumberland CO-OP
- ◉ Payroll