

RESPONDING TO THE VARIOUS BUSINESS STAKEHOLDERS

Understanding Canadian Business
7th 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.

STAKEHOLDERS

- ◉ Arbec Opening
- ◉ Zeller's Closing