

1.4 STAKEHOLDERS

CHAPTER 4

THE LEARNING OUTCOMES ARE-

- ❑ INTERNAL STAKEHOLDERS
- ❑ EXTERNAL STAKEHOLDERS
- ❑ CONFLICT BETWEEN STAKEHOLDERS

STAKEHOLDERS

- ❑ A STAKEHOLDER IS ANY INDIVIDUAL OR GROUP THAT AFFECTS AN ORGANISATION WITH A DIRECT INTEREST OR INVOLVEMENT IN THE OPERATIONS AND PERFORMANCE OF A BUSINESS. HENCE, STAKEHOLDERS ARE IMPACTED BY THE ACTIVITIES OF THE ORGANISATION.

STAKEHOLDERS ARE OFTEN CLASSIFIED AS:

- ❑ INTERNAL STAKEHOLDERS ARE THE MEMBERS OF THE ORGANISATION NAMELY MANAGERS & DIRECTORS, EMPLOYEES AND SHAREHOLDERS(OWNERS) OF THE BUSINESS
- ❑ EXTERNAL ARE INDIVIDUALS OR ORGANIZATIONS THAT ARE NOT THE PART OF THE BUSINESS BUT HAVE DIRECT INTEREST IN ITS ACTIVITIES AND PERFORMANCE SUCH AS CUSTOMERS, SUPPLIERS, COMPETITORS, GOVERNMENT, PRESSURE GROUPS LOCAL COMMUNITY.

DIFFERENT TYPES OF STAKEHOLDERS

INTERNAL

Employees

Managers &
Directors

Shareholders

EXTERNAL

Suppliers

Financiers

Pressure groups

Competitors

Government

CONFLICT BETWEEN STAKEHOLDERS' INTERESTS

Employers
and
Employees

Employees
and
Shareholders

Shareholders
and
Managers

Customers
and
Shareholders

Customers
and
Suppliers

Pressure
groups and
Employees

