**Stakeholders - revision questions**

(45 marks; 45 minutes)

1 What is meant by a 'stakeholder'? **(2)**

2 Distinguish between internal and external stakeholders. **(3)**

3 Some people believe that an increasing number of firms are now trying to meet their social responsibilities. Explain why this may be the case. **(4)**

4 Outline two responsibilities a firm may have to:

a) its employees**(4)**

b) its customers**(4)**

c) the local community. **(4)**

5 Explain how a firm could damage its profits in the pursuit of meeting its shareholder responsibilities. **(4)**

6 Explain why a firm’s profit may fall by meeting its stakeholder responsibilities. **(4)**

7 Some managers reject the idea of stakeholding. They believe that a company's duty is purely to its shareholders. Outline two points in favour and two points against this opinion. **(8)**

8 What factors are likely to determine whether a firm accepts its responsibilities to a particular stakeholder group? (4)

9 Explain why a company in the public eye such as Next pic might find it difficult to pursue the shareholder concept. **(4)**