1.4 Stakeholders and their conflicting interests: Test Pack

Total Marks

AQA 8132 · Calculator allowed · about 15 minutes

Name: _____ Date: ____ / ____ / _____

Answer ALL questions in the spaces provided. Show your working for any calculation: method marks are available even if your final answer is wrong. Marrow Lane Grocers, used throughout this pack, is a fictional business.

1 Which one of the following best defines a business stakeholder?

- ☐ A) Anyone who owns shares in the business
- ☐ B) Any individual or group with an interest in, or who is affected by, a business's activities
- ☐ C) A customer who has made a complaint
- ☐ D) A business's main competitor

(Total for Question 1 is 1 mark)

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2 Which one of the following best describes the government's interest in a business like Marrow Lane Grocers?

- ☐ A) Collecting corporation tax revenue and ensuring the business complies with the law
- ☐ B) Receiving a share of Marrow Lane Grocers' dividends
- ☐ C) Buying groceries at a discounted price
- ☐ D) Lending Marrow Lane Grocers money to expand

(Total for Question 2 is 1 mark)

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3 Which one of the following is an INTERNAL stakeholder of a business?

- ☐ A) A customer
- ☐ B) A local resident
- ☐ C) An employee
- ☐ D) The government

(Total for Question 3 is 1 mark)

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4 State two ways, other than pay or a bonus, that Marrow Lane Grocers could satisfy the interests of its employees.

(Total for Question 4 is 2 marks)

5 For each stakeholder group below, state their main interest in Marrow Lane Grocers.

(a) Shareholders/owners **(1)**

(b) Employees **(1)**

(c) Suppliers **(1)**

(d) The local community **(1)**

(Total for Question 5 is 4 marks)

6 Explain one way in which the interests of Marrow Lane Grocers' shareholders and its employees could conflict.

(Total for Question 6 is 3 marks)

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Mark scheme · 1.4 Stakeholders and their conflicting interests: Test Pack

Question 1

B cao **B1**

Answer: B

Question 2

A cao **B1**

Answer: A

Question 3

C cao **B1**

Answer: C

Question 4

one acceptable way, e.g. offering job security/permanent contracts **B1**

a second acceptable way, e.g. training and promotion opportunities, or safe/pleasant working conditions **B1**

Answer: Any two, e.g. job security; training and promotion opportunities.

Question 5

(a) profit/return on their investment (e.g. dividends) **B1**

(a) Answer: Profit/return on their investment.

(b) fair pay and job security (or good working conditions) **B1**

(b) Answer: Fair pay and job security.

(c) being paid on time/in full, and receiving reliable, repeat orders **B1**

(c) Answer: Being paid on time and receiving reliable, repeat orders.

(d) local jobs being created, and minimal negative impact, e.g. traffic/noise/environmental impact **B1**

(d) Answer: Local jobs being created, and minimal negative impact such as traffic or noise.

Question 6

identifies the conflict, e.g. shareholders want a larger share of profit paid out as dividends **B1**

develops the point, e.g. this can mean less money is available to increase staff pay or hire extra staff **B1**

links clearly to an outcome, e.g. employees may become demotivated or leave for better-paid jobs elsewhere, which the business must weigh against keeping shareholders satisfied **B1**

Answer: Shareholders wanting a larger dividend can mean less money is available to increase staff pay, which could demotivate employees or cause them to leave, a trade-off the business must manage.

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