

Engaging stakeholders in a business

Introduction

Cadbury Schweppes is one of the UK's best-known companies. It was formed in 1969 when Cadbury and Schweppes merged. Its products include chocolate, sweets, gum and SOFT drinks. It produces and sells these all around the world. In December 2004 it was voted "Britain's Most Admired Company". The award was voted for by other leading UK based businesses. Part of this success is due to the way the firm looks after its stakeholders.

Stakeholders

A stakeholder is any person or group that is affected in some way by a company's activities. Cadbury Schweppes gives its core aim as "working together to create brands people love". It knows that it works with people and groups and has to try to keep them all pleased.

Its main stakeholders are:

- ▶ **ShareOWNERS.** These want good returns from their shares and a rising share price.
- ▶ **Consumers.** These want quality, taste and value from both old and new products.
- ▶ **Customers.** These are the buyers who sell products to consumers e.g. shops. They want Cadbury Schweppes to be a good partner and to make profits.
- ▶ **Suppliers of goods and services.** These want continued business and profits.
- ▶ **Employees.** These want good terms of employment, wages and opportunities.
- ▶ **Society.** The communities that Cadbury Schweppes works in. This includes government, councils and trades unions. These want the firm to act responsibly and in a moral way. They want it to show respect for communities, environments and people.



Engaging

Cadbury Schweppes needs to engage with its stakeholders. This means it listens to them and responds to their concerns. When it first started 150 years ago, Cadbury Schweppes was very forward looking in how it treated its workers. This background has helped it to keep working with stakeholders. It consults them and listens to their replies.

How?

Cadbury Schweppes consults and listens to each group.

- ▶ **Owners of shares** can speak at the AGM.
- ▶ **Consumers** give feedback and also make enquiries. Cadbury Schweppes carries out market research to find out what people want.
- ▶ **Customers.** Cadbury Schweppes has good contact and is an active partner with shops and buyers.
- ▶ **Suppliers.** There are 40,000 of these. Cadbury Schweppes has regular contact to discuss issues.
- ▶ **Employees.** Managers hold meetings for teams and single workers. Views are asked for in surveys. There is also a website and newsletter.
- ▶ **Society.** Cadbury Schweppes talks to governments in countries where it operates. It also works with international bodies. Employees are encouraged to become involved in community efforts.

Balancing

Cadbury Schweppes must balance interests. For instance, shareholders may want higher returns. However, Cadbury Schweppes has said it will spend 1% of pre-tax profits in the communities where it works.

Conclusion

Cadbury Schweppes knows that all stakeholders should have a voice. It consults and listens to them. As a result, it continues to be a well regarded company