

Engaging stakeholders in a business



Introduction

Cadbury Schweppes is one of the UK's best-known companies. It was formed in 1969 by a merger. It is a major public limited company (plc) selling chocolate, sweets, gum and soft beverages around the world. In December 2004, in a survey of major UK-based business leaders, it was voted "Britain's Most Admired Company" by other leading UK businesses. Part of this success is due to Cadbury Schweppes regard for its stakeholders.

Stakeholders

A stakeholder is any individual or group that is affected in some way by a company's activities. Cadbury Schweppes knows that it has to balance its stakeholder interests. In being committed to its core purpose of "working together to create brands people love" it recognises that it does not operate in isolation and works at its commitment to each of its stakeholders. Its main stakeholders are:

- ▶ ShareOWNERS who want good dividends and a rising share price.
- ▶ Consumers who want quality, taste and value for money with both existing and new products.
- ▶ Customers are the buyers such as shops and supermarkets who sell products to consumers. They want Cadbury Schweppes to be a good partner. They also want their profits.
- ▶ Suppliers of goods and services and other partners of Cadbury Schweppes. These want continued business and their own profits.
- ▶ Employees want good terms and conditions of employment and good wages and opportunities.
- ▶ Society refers to the communities in which Cadbury Schweppes operates. Bodies include government, trades unions and international bodies. They want Cadbury Schweppes to act responsibly and ethically with respect for communities, environments and people.

Engaging stakeholders

Stakeholders want to be listened to and responded to. Cadbury Schweppes policy comes from when it was first established with forward looking attitudes towards workers and their welfare. The company continues to work with stakeholders by consulting and listening.

How?

Each stakeholder can have open and regular discussions with the company. For example:

- ▶ Shareholders can speak at the AGM.
- ▶ Consumers give feedback and make consumer enquiries. Cadbury Schweppes also carries out market research.
- ▶ Customers have ongoing discussions and an active partnership.
- ▶ Cadbury Schweppes 40,000 suppliers have regular contact and discussions.
- ▶ Employees – managers hold individual and team meetings. There are also employee surveys, a website and a newsletter.
- ▶ Society – Cadbury Schweppes talks to governments in countries where it operates as well as international bodies like the World Health Organisation. Employees are encouraged to become involved in community efforts.

Balancing

Cadbury Schweppes has to balance the various wants. For example, shareholders may want more dividends – however, Cadbury Schweppes is committed to giving 1% of its pre-tax profits to aid the communities where it works.

Conclusion

Cadbury Schweppes continues to have a good reputation through listening to and engaging with its stakeholders.

