**STAKEHOLDERS**

Stakeholders are those who have an interest in the company, who may be affected by the firm, and who may have an impact on the company. Stakeholders have an impact on your quality decisions. A customer may expect the highest level of quality, but an investor may encourage you to save money by cutting costs. Suppliers profit more by selling you high-quality things, whereas you may save enough money by buying a lower-quality product to pay your loan.

**TYPES OF STAKEHOLDERS**

Stakeholders wield a great deal of power, and they can even decide whether a project should be undertaken. Businesses must prioritize their requirements due to the amount of power a stakeholder possesses. Let's have a look at the two categories of stakeholders in a company:

1. **EXTERNAL STAKEHOLDERS**

Individuals or groups outside of a business or project who can affect or be affected by the business or project are known as external stakeholders. External stakeholders, because they are frequently the end users and consumers, are arguably the most influential on the long-term success of a firm or project. 1. 1Chart, bubble chart

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External stakeholders are not affiliated with a company or initiative. They are the customers, distributors, governments, suppliers, communities, bank and creditors.

* **Customers**

Customers are the most crucial external stakeholders to consider. These are the folks who will consume the company's final products or employ its services. They thus determine whether a business succeeds or fails, despite not being involved in its day-to-day operations.

* **Suppliers**

External stakeholders include suppliers and vendors. Their reputation is built on the quality of items or production materials they provide to their client organizations. They must provide adequate quality materials, deliver them on time, and match the needed quantity to be retained.

* **Government**

In all businesses, the government is an external stakeholder. It is, in reality, one of the most important stakeholders because it collects taxes from these businesses in the form of corporate income tax and income tax from the company's employees.

* **Society**

As a result, the government's stake in businesses is reflected in taxes and GDP. It encourages businesses to develop and generate jobs, and in some cases, it even offers tax breaks to businesses in certain industries.

* **Bank**

Customers, vendors, and banks are all external stakeholders who participate in corporate activities as collaborators rather than owners. They are associated with the company, but as outsiders with shared interests rather than as family with a larger stake in the company.

* **Creditors**

Creditors are a company's external stakeholders because they are external entities. External stakeholders are exposed to risk as a result of your performance are frequently creditors.

Chart, bubble chart

Description automatically generateds**INTERNAL STAKEHOLDERS**

Internal stakeholders are those who are involved with the organization from within. They have a direct stake in the company and have an impact on its operations. They are either involved in the company's internal tasks or have ownership stakes.

Some of them are as follows:

**Employees**

Anyone who uses a given product, service, tool, machine, or technology is referred to as a user. Employees using a tool or programme, for example, and anyone else running a machine within the firm are examples of internal stakeholders.

2)

include members of the board of directors, managers, and non-managerial staff.

**Owners**

The individual or group who owns the organization are owners of internal stakeholders.

**Managers**

Managing a company's internal stakeholders include ensuring that they are invested in the company's goals, appreciate the company's culture, and feel like a valuable member of the team. Internal stakeholder motivation is increased as a result of these variables, resulting in increased production.

**EXAMPLE**

**JO MALONE**

Jo malone is a globally recognized brand. Jo Malone founded the company in the United Kingdom in 1994, and Estee Lauder bought it in 1999. (Jo malone in 2014). This brand offers a variety of perfumes, body care products, and home supplies. Because its products are made from natural materials and have a clean flavor, it is sought after by many celebrities and upper-class people.

In terms of the market environment, Jo Malone has a promising future because the UK's overall economy and fragrance market have performed exceptionally well.

Estée Lauder is responsible for most of Jo Malone's success. China remains one of Estée Lauder's target markets, according to its Financial Report (2014), and its double-digit yearly sales growth is likely to continue. Jo Malone is, in fact, one of the most important brands driving this incredible growth, not just in growing countries (Asia/Pacific), but also in established markets and travel retail.

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