Worksheet 1

Name Class Date

**Internal reasons for changing business objectives**

Complete the table using your knowledge of internal influences on businesses’ (and owners’) objectives.

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| --- | --- | --- | --- |
| Business example | Reason for change | Initial business objective (with brief justification referring to column 1 text) | Current business objective (with brief justification referring to column 1 text) |
| Facebook made losses for nearly 10 years from its creation before it made a profit. As it evolved over those first 10 years, the company focused on increasing its user numbers as quickly as possible because these users would attract their friends and family to use the site. Once the site had become the predominant social network it had achieved its initial objectives and this marked the end of its first stage of development, at which point the company’s objective changed as it had matured and could begin to make profits by selling advertising targeted at its huge user-base. | S \_ \_ \_ \_ / o \_ /  d \_ \_ \_ \_ \_ \_ \_ \_ \_ \_ |  |  |
| For the first 15 years Ben & Jerry’s (an ice cream company) was run by owners who had a focus on social issues and the company set itself an objective of ensuring that no employee was paid more than 5 × what any other employee earned. This was to ensure that wages were high enough for all staff to afford a good standard of living. After founder Ben Cohen resigned as Chief Executive, the new boss removed this objective and the company focused more on using its well-recognised brand to reward the new owners who had paid a lot of money to buy the company from its founders. | C \_ \_ \_ \_ \_ / o\_  / l \_ \_ \_ \_ \_ \_ \_ \_ \_ |  |  |
| Easyjet was created in 1995 with just 70 staff and initially competed by offering very cheap flights and so trying to attract as many customers as possible. This objective continued for many years and by 2013, the company had achieved its early objectives and employed 10,000 staff and was one of the dominant airlines in Europe. The original founder began selling some of his shares of the company whilst still retaining some of the ownership to benefit from the money it had begun to make. | S \_ \_ \_ / o \_ /  b \_ \_ \_ \_\_ |  |  |