**Key Terms**

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| Business Objectives | The aims or targets that a business works towards. |
| Profit | This is the total income of a business (sales revenue) less total costs. |
| Market Share | This is the proportion of total market sales achieved by one business. |
| Social Enterprise | A business that has social objectives as well as an aim to make a profit to reinvest back into the business. |
| Stakeholder | This is any person or group with a direct interest in the performance and activities of a business. |

**Activity**

The Big Pit Mining business (BPM) owns and operates coal and gold mines in several different countries. It employs thousands of workers. Most of them work in very dangerous conditions for low pay. Rubbish from the mines is often dumped in local rivers. ‘Making higher profits and raising returns to our shareholders are our most important objectives’, said the Managing Director of BPM to his other senior managers recently. ‘Shareholders are our most important stakeholder group’, he added.

1. What is meant by ‘stakeholders’? [2 marks]
2. Identify two objectives that the managers might set for BPM, apart from profits and returns to shareholders. [2 marks]
3. Identify and explain two possible reasons why BPM has profit as an objective. [4 marks]
4. Identify and explain how a decision to open a new BPM mine might affect two stakeholder groups. [6 marks]
5. Do you agree with the Managing Director when he said that shareholders are the most important stakeholder groups? Justify your answer. [6 marks]