- in paper 1
- x2 25m in paper 1
- 1 HR for x2 25 markers → 30 mins each
→ 25 mins writing
→ Planning

15

[redacted]

Section C

Section C = choice of 2

Answer **either** Question 21 **or** Question 22.

choose 1 per section

Section D = choice of 2

Shade the lozenge below to indicate which optional question(s) you have answered.

Question 2 1 ⬭ Question 2 2 ⬭

CORRECT METHOD WRONG METHODS

(K) - T2 model

2 1 Evaluate the extent to which the use of stakeholder mapping can help the managers of a public limited company to manage change more effectively.

(Ap) (Ev)

[25 marks]

OR

2 2 A UK business has experienced slow growth in sales in recent years. It has decided to achieve higher growth through new product development.

Do you believe that this is a more risky strategy than market development? Justify your view.

[25 marks]

Managers of a PLC are likely to have a wide range of stakeholders (K), each with different levels of stakeholder interest and power. Stakeholder mapping is a strategic process used to identify and analyse individuals or group that have an interest in a project or business. (An) ✓ Therefore, it may be effective for managers of a PLC to manage change to some extent. (Ev) However, it depends on the type of change the PLC is looking to make.

Turn over ▶

IB/G/Jun18/7132/1

Stakeholder mapping allows managers to identify which stakeholders are most influential during periods of change. This means that they can prioritise communication accordingly. For example, a PLC undergoing an external growth like a merger (such as ~~KrAffKl~~ KraftHeinz) would require high power high interest stakeholders (eg. major shareholders and senior managers) to ~~belong~~ engage in regular transparent communication. This leads to the PLC being able to secure the necessary support to not only approve but plan and fund the changes they wish to implement. ~~This~~ Therefore, this reduces resistance to change and ensures that messages and decisions are consistently communicated in a way that ~~ad~~ adheres to stakeholder needs. This is why stakeholder mapping can be effective to manage change. However, it depends on whether the change is arising from internal factors or the external business environment, because depending on the proposed change, this

Do not write outside the box

would determine whether the stakeholders are in support of the change to begin with (eg. if external growth appears too risky, they may oppose).

Stakeholder mapping also helps managers anticipate potential sources of conflict. This means that managers can take a proactive approach and develop strategies to address them.

Extra space For example, if a PLC introduces automation, such as TUI incorporating self service portals that allow travellers to take control of their trip and cut waiting times, this will impact different stakeholders. It would be positive for customers but employees ~~with~~ and trade unions with high interest but lower power are likely to resist due to job insecurity. Therefore, stakeholder mapping allows managers to design programmes or compensation schemes to mitigate backlash. As a result, this reduces disruption that could lead to risk of strikes and damage reputation.

K

Ap

K + Ap

An + Ap

An

An

Do not write outside the box

~~than~~ This makes stakeholder mapping effective, however it depends on whether it can provide an accurate picture of power and interest to guide decision making.

EV

K

One limitation is that it is subjective. K This is because it is reliant upon managers' personal judgements of stakeholder power and interest. Inaccurate analysis may lead to the PLC ~~bea~~ failing to engage with key players effectively. ~~Ex~~ For example, understimating the power of pressure groups of Shell may lead to negative media attention as Greenpeace protest against environmental / ethical behaviour of Shell. This intensifies resistance to change, leading to managers focusing on crises rather than the change itself. This is why stakeholder mapping is not effective to ~~manag~~ manage change. However, it depends on the impact of the change on key stakeholder groups based on bias as it could be in favour of one group.

An

Ap

An

An

EV

Do not write outside the box

A J I M

Overall, stakeholder mapping is effective as it can help managers of a PLC to manage change (W) more effectively by improving communication and prioritisation (W). However, it depends (EV) on the leadership style. A ~~no~~ democratic (AP) culture makes mapping more effective, while an autocratic culture may ignore stakeholder insights. Most importantly, it provides a systematic framework (A) ~~to~~ deal with the complexity of multiple stakeholders, which is an essential advantage for PLCs

EBI:
→ Real life (AP) in AJIM.

LS 24/25

25