

Business... It's About People

By Terry H. Hill

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Conducting business is by nature interdependent. It is the result of multiple interactions between multiple stakeholders every day. A stakeholder is a person or a group with a vested interest in the success of your organization and your products and services—people who can affect or are affected by the actions of your business.

Stakeholders come in many shapes and sizes. They can be found inside and outside your company. They are your employees, your customers, your vendors, your partners, [your advisors](#), your lenders, the government, the local community, even your competitors.

Few companies have leveraged the influence of stakeholders like Starbucks, which turned a passion for coffee and taking care of stakeholders into a runaway success. Howard Schultz, the CEO who transformed the company from a small chain of coffee shops to a worldwide phenomenon, states, “If people relate to the company they work for, if they form an emotional tie to it and buy into its dreams, they will pour their hearts into making it better.”

When stakeholder relationships are strong, you have employees who work better together, customers who buy more products, strong supply chains, collaborative relationships, and seemingly infinite opportunity. Taking care of your stakeholders is good business.

This concept is embodied in a Japanese concept, Kyosei, embraced by Canon Corporation as its corporate philosophy. Kyosei is a way of living and working together harmoniously, enabling continuing growth and mutual prosperity to coexist with healthy and fair competition.

The stakeholder group that instantly comes to mind is your employees. Of all groups, they probably have the biggest stake in your business. Your employees count on you for their jobs, their income, working conditions, and their livelihood. If your business fails, employees are among the first to feel the pain.

As a business owner, you have a responsibility to all of your stakeholders, but especially to your employees. This means providing jobs, good working conditions, fair compensation, honesty in communications, access to information and tools, freedom from discrimination, and protection against unnecessary injury or illness.

Your employees are more than a group of stakeholders—they are the lifeblood of your enterprise. Spend the money it takes to hire talented individuals. Share the [vision and goals](#) of your company with them. Invest in your human capital and build teams that encourage cooperation and open communication so that they can perform to the best of their abilities.

And remember what Mary Kay Ash, pioneer of the Mary Kay Cosmetics, states, “People are definitely a company’s greatest asset. It doesn’t make any difference whether the product is cars or cosmetics. A company is only as good as the people it keeps.”

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