

1.5 Understanding external influences

Key word	Definition
Stakeholder	Anyone who has an interest in the activities of a business, such as its workers, its suppliers, its directors, the local community and the government
Shareholders	Investors who are part-owners of a company
Private limited company	An incorporated business that owned by shareholders who invest in the business in return for a share of the profits and voting rights at the annual general meeting (AGM)
Public limited company	An incorporated business that can sell shares to the public (also known as a PLC)
Stock exchange	A place where shares in PLCs can be bought or sold
Profit	The amount of revenue left over once costs have been deducted
Payment terms	The period of time that a business has to pay its suppliers
Ethics	Moral principles or standards that guide the behaviour of a person or business
Conflict	A serious disagreement, usually between people, countries or ideas
Real-time	Live or as it happens
Cookies	Small files stored on a customer's computer when the customer visits a website, which record details about that visit and can be accessed by the website when the customer visits it again
Legislation	The laws that a business must comply with
Reasonable care	In consumer law, this means offering a service that is suitable for customers, such as providing a meal that can be eaten
Induction	The period of time after an employee starts a job when they must be shown how to safely and within the employer's expectations
Comply	Obey a command or meet a set of standards
Minimum wage	The lowest legal rate of pay for employees, depending on their age and their type of employment
Discrimination	When someone is treated differently to someone else because of a particular characteristic, such as a disability, their ethnicity or their sex
Protected characteristic	Characteristics that cannot be used in the recruitment process to reject a candidate, such as age, disability, sex or gender, marriage status, pregnancy, race religion or belief, or sexual orientation

Levy	A tax on a particular product or service
Globalisation	When businesses operate and in international scale and gain international influence or power
Bank of England	The central bank of the United Kingdom. It manages the country's debts, sets interest rates and influences the exchange rate between the pound and other currencies
Tax	A proportion of an individual's income or a business's profits that must be paid to the government
Imports	The flow of goods and services into a country from another country
Exports	The flow of goods and services out of a country to another country
Gross profit	The amount of profit that a business makes before the business's costs are deducted
Obsolete	Out of date or not used anymore