|  |  |  |  |
| --- | --- | --- | --- |
| **Identify which of the following are Internal causes of change (I) and which are external causes of change (E) by writing I or E in the box next to it.** | | | |
| Investment in new technology | **I** | Offshoring production | **I** |
| New competitor enters the market | **E** | New CEO is recruited | **I** |
| Increase in online shopping | **E** | Rise in interest rates | **E** |
| Change in legislation | **E** | Restructuring the organisation | **I** |

**Task 1:**



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**Task 2:**

Choose one of the reasons for change listed above. Explain how this could cause change in an organisation such as Apple.

* **Reasons for change at Apple in the past have included a change in CEO, for example when Steve Jobs left.**
* **A rise in interest rates may increase the cost of borrowing and reduce the number of sales for a luxury product such as a new smartphone.**
* **An increase in online shopping via smartphones may see an increase in demand for Apple products.**
* **Legislation may add extra costs to production or distribution, e.g. a patent.**
* **A new competitor may cause Apple to have to adapt their marketing mix.**
* **Include other relevant examples.**

**Challenge task**:

In your opinion, can you explain why some businesses are impacted more than others by some of the causes of change listed in the table above?

**This will be subjective, but explanation could include:**

* **The strength of leadership and management of the organisation.**
* **The finance available to manage change.**
* **The market research conducted or lack of it.**
* **Understanding customer needs.**
* **Reluctant to change (inertia).**