

## Aims and objectives

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Business activity is focused around the achievement of business aims and business objectives.

A business aim is the goal a business wants to achieve. A primary aim for all business organisations is to add value and in the private sector this involves making a profit. More strategic aims include expansion, market leadership and brand building.

A business objective is a detailed picture of a step you plan to take in order to achieve a stated aim. These need to be SMART in order for the business to know what progress it has made towards achieving the objective:

Specific - clear and easy to understand.

Measurable - i.e. able to be quantified.

Achievable - possible to be attained.

Realistic - not 'pie in the sky'.

Time bound - associated with a specific time period.

Public sector organisations like the Inland Revenue set objectives for service, such as processing customers' tax returns within a given time period.

Private sector organisations like Kelloggs might set objectives for customer satisfaction, and effectiveness in handling customer orders within a given time period.

Objectives within an organisation are established at a number of levels from top level corporate objectives, down to team objectives and individual objectives that create a framework for operational activities. These are often translated into targets which help to motivate staff in reaching short-term goals.

Objectives therefore provide a clear structure for all of the various activities that an organisation carries out. By measuring how well an objective has or has not been achieved, managers can make necessary changes to their activities to ensure progress and achievement of the stated objectives are made within the timescale allocated.