

Financial objective term paper examples

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Business

In order to meet the goals and objective of retail chains, the management needs to formulate effective financial objectives. This will provide ways in which measurement of fiscal operations of retail chains and portrays the capacity of the owner to chase their business objectives and demonstrate the viability of the business to different stakeholders. At the fundamental level, the balance of payments and receipts points out the commercial profit or loss.

The main aim of any business is to operate at a maximum profit possible, therefore, the retail traders uses this objective to convince the investors to take risk in their premises. Manager of this industry aims to provide the measurement of both levels of profit, i. e. gross profit and net profit. In order to increase the gross profit, the business increases the total revenue and reduces the direct cost of the food and household products. The net profit is obtained after deduction of operating expenses; therefore, the management of the business has to keep the operating expenses as low as possible (Megginson & Smart, 2009).

The retail trader industry also aims to increase its sales by enhancing cash

flow in the business. Managers increase cash flow through price strategy and sales. In order to obtain maximum sales, the management has to set a price that is competitive and affordable to their customers. Marketing strategies such as advertisement, promotion and discounting can be used to increase sales. As a result, the profit of the company grows facilitating the sustainable market share (Kemp, 2006).

Another aspect of the financial objective that the managers should emphasize on is the sustainability. The retail traders should be more concerned on the fundamentals to economic survivals. Therefore, the management has to exercise retrenching in with an aim to maintain high brand sale, profit and revenue levels even during the decline stage in the life cycle of the products. The managers also need to enhance on time collection of outstanding debts, consistent income levels and paying back the debt on time.

Strategic Objective

The organization that applies e-commerce must align its IT plans in line with the organization objectives in an orderly and timely way. The functional-level strategic objective proposal is composed of the budget of implementation of the IT systems and the benefits that are expected to emerge. There is a need for the top executives' board to review and come up with a cost-benefit analysis in accordance to the fees of implementing information systems. Monitoring and evaluation of the structure and planning methods must be conducted for easy understanding of the communication values and the domains that are held by the organization.

The strategic objective proposal on the integration of information technology in the organization covers three areas: the corporate strategy, the internal

strategy and the business portfolio level. The three strategies are of a great importance to the organization as they enable room for competition and an increased performance. (Lawson, 2006). The corporate strategy is determined by the efforts of senior executives, the top level IS managers, and strategic planners. Information technology supports the decision support systems and the transaction processing systems that allow the organization to have a competitive advantage.

Information technology and internal strategy aims at improving the firm's efficiency and effectiveness. The managers compares between the performance of traditional IS and the newly implemented systems. This shows that a competitive advantage covers the management processes, the workforce and the structure of the organization. The strategic objective also targets the implementation of business planning systems and office automation methodologies. The cost-benefit analysis must be considered so that the implementation will not be faced by the lack of adequate resources in instances where there is lack of proper planning and allocation of resources. (Floyd, S. W. & Wolf, 2010).

The strategic objective also ensures that there is recruitment and retention of expertise that is a powerful tool in service provision of the organization. IT must support the goals of the organization and the integration of all the systems that are implemented. (Lawson, 2006). The strategy will ensure implementation of innovative technologies, ensure a perfect integration of IT in the organization, design of the systems in compliance to the set standards, and incorporate information technology security and privacy and integration of the information systems with government agencies.

In a nutshell, the success of the strategic objectives is determined by the recruitment of skilled staff, the respect and motivation of the work force and the execution of the organization mission and vision. The top level executives are expected to be the role model in the integration of information technology in the organization.

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