

Aim and objectives of a business

Business



Aims And Objective

Aims are the goal the business wants to achieve while on the other hand objectives are practical steps to achieve the goal; it is very beneficial to set aims and objectives because it will help the business to be successful whether the goals are good or bad. Failing to set aims objectives will invariably make the business fails or damage it in the long term. In every business sector, Aims and objectives are essential be it private, public and non-for profit organisations. When businesses set aims and objectives, there is a greater degree of a tendency for the business to reach its potential goal or vision. When private sector businesses provide goods and services, they in turn make profit.

For example, Aldi as a private limited company delivers value and lower prices for their customers to gain their loyalty and to maximise profits. They are able to deliver in this manner due to increase sales and reducing cost of productions. All these processes bring about increase and expansion of the business. Public Sector organisations are owned and controlled by the government (or local government). They provide quality services to their customers by helping to provide public services to their customers. These services are often free at the point of delivery e. g. the NHS. They provide goods paid for by the consumer.

For example, if I pay for a 'sexually transmitted disease (STD) jab I will benefit directly by being less likely to be in discomfort with the sexually transmitted disease (STD). But others also benefit because they are not going to catch the sexually transmitted disease from me. Another example of Public sector goods are 'non-rival' in consumption and 'non-excludable' in

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provision. An example of this is street lighting. If I walk down the street, taking the benefit of the street lights, the light I 'consume' leaves no less light for anyone else to consume. Because the good is 'non-excludable' a private business would have trouble making money out of it, so they tend not to bother.

For this reason these goods are unlikely to be provided at all unless the government provides them out of general taxation which rest on the citizenry to pay. Not-for profit sector they raise funds to support a cause like helping people in need, they make surplus after the expenses of the business then, they reinvest the profits back into the business for expansion. They increase revenue from donations to carry out its various projects like water aid, schools and hospitals that are needed in Africa countries.

The Purpose For Setting Aims And Objectives

The purpose or reason for setting aims and objectives is because they are beneficial to the business whether good or bad. It is important to note that the business that does not set aims and objectives is bound to fail or damage. As a business you make plans, SMART objectives have to be in place for the business to move forward and for it to reach its desire goal. It is also important to write out your mission statement because when you write out your mission, it become the vision that propels the business forward..

Setting aims and objectives help the business to make profit for example you want to make 100% every week but without the aims and objectives you will not be able to measure your achievement or progress in your business. Setting aims objectives will enable you to check if you have reached your set

goals and objectives. It will also help you to be realistic and time-bound in your business goals. It also will help you reach your set targets, for example your aim is to make more profit in your business the time-bound will help you to know what you have achieved or if you are behind.

The aims that would be appropriate for the sandwich shop are: To make profit as much as possible by maximising the profit and also increase sales. Growth for the business to expand and to have more sandwich branches. The sandwich shop has to stay in business until the business improves.

Objectives

The sandwich shop has to provide a quality service to their customer to win them over to increase sales. The sandwich shop can reduce cost in order to retain and gain more customers. The sandwich shop can improve the quantity of the sandwich in order to stay and compete with other businesses.