

# [Important features of business objectives](https://assignbuster.com/important-features-of-business-objectives/)

report: Important Features of Business Objectivesreport () Setting of objectives is an essential part of the business. In fact management process begins with setting organisational objectives. Strategic planning is applied to every aspect of the business in order to meet its objectives.

The following are the features of business objectives: 1. Objectives should be understandable: In order for a company to establish a business objective, it must first understand where it stands and where it has been. It then determines what its goals are and how it will attain them.

Once the objectives are set, it must be properly understood by the team members because it helps in proper implementation for achievement of the objectives. The business objectives should be made in an understandable way. This helps in communicating your objectives to your investors, employees, partners etc. Without this communication of business objectives, it becomes very difficult to reach them. 2.

Objectives should be measurable: Objectives of an organisation must be measurable. Unless the objectives are set the organisation will not be able to compare the actual performance with the planned target. Objectives give the business a clearly defined target. It also enables the business to measure the progress towards to its stated aims. To avoid this, organisation must state the objectives that are capable of being measured in terms of performance. 3.

Hierarchy of objectives: Hierarchy means level. Business objectives are structured according to its hierarchy. All the objectives are not equally important. It should be achieved according to its priority and importance. The most important objective should be achieved first. For example: In a hierarchy survival of a business firm comes first following growth and then the prestige and goodwill.

4. Multiplicity of objectives: Business does not have a single objective. They are multiple in natures. The primary objective of every business is profit followed with customer satisfaction. Business also has objectives towards society that comprises of employees, shareholders, creditors, government etc. Business objectives are classified as organic objectives, economic objectives, social objectives, human objectives and national objectives. 5. Achievable: Business goals must be achievable.

The organisation should frame those goals, which can be achieved taking into consideration its capabilities and resources. The objective must be feasible enough to keep team members motivated to strive towards its achievement. While setting the objectives, the organisation must concentrate on the limitations also. 6. Objectives should be specific: Objectives must be specific in terms of time, quality and quantity. Specific objectives help in the accomplishment of those objectives in the specified time frame and resource availability.

If the objectives are specific it gives precise results. Specific objectives help in understanding the objectives in the correct manner. Specific objectives help the firm to understand where they stand with respect to the completion of the objective. 7. Quantitative and Qualitative: Objectives can be expressed in quantitative and qualitative terms i. e.

volume, number or value terms, increase in sales, market share, rate of production etc. are the examples of quantitative objectives. Some objectives are qualitative in nature such as goodwill, workers job satisfaction etc. 8. Flexible: Flexibility means, that keeps on changing. Business objectives should be flexible.

It must not be rigid. Business environment keeps on changing. Therefore the objectives should be changed or modified according to the changing situation. The objectives must be able to reframe in the light of changes in the environment. () report? report -X ()