



# RAMA UNIVERSITY

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**FACULTY OF COMMERCE AND MANAGEMENT**

**COURSE: BBA & BCH**

**SUBJECT: BUSINESS ORGANIZATION**

**SUBJECT CODE:**

**BCH204**

**LECTURE: 13**

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## LECTURE-13



# WHAT IS A BUSINESS OBJECTIVE?

A **business objective** is a result that a company aims to achieve. It also includes the strategies that people will use to get there. A business objective usually includes a time frame and lists the resources available.

The adjective – *to be objective* – means not to let personal feelings or prejudice affect you when considering something. For example:

“We need to be objective when confronting this problem – this is not a time for personal bias.”

# **MOST IMPORTANT BUSINESS OBJECTIVES**

## **1. Getting and Staying Profitable**

Maintaining profitability means making sure that revenue stays ahead of the costs of doing business. Focus on controlling costs in both production and operations while maintaining the profit margin on products sold.

## **2. Productivity of People and Resources**

Employee training, equipment maintenance and new equipment purchases all go into company productivity. Your objective should be to provide all of the resources your employees need to remain as productive as possible.

## **3. Excellent Customer Service**

Good customer service helps you retain clients and generate repeat revenue. Keeping your customers happy should be a primary objective of your organization.

## **4. Employee Attraction and Retention**

Employee turnover costs you money in lost productivity and the costs associated with recruiting, which include employment advertising and paying placement agencies. Maintaining a productive and positive employee environment improves retention.

## **5. Mission-driven Core Values**

Your company mission statement is a description of the core values of your company. It is a summary of the beliefs your company holds in regard to customer interaction, responsibility to the community and employee satisfaction. The company's core values become the objectives necessary to create a positive corporate culture.

## **6. Sustainable Growth**

Growth is planned based on historical data and future projections. Growth requires the careful use of company resources such as finances and personnel.

## **7. Maintaining a Healthy Cash Flow**

Even a company with good cash flow needs financing contacts in the event that capital is needed to expand the organization. Maintaining your ability to finance operations means that you can prepare for long-term projects and address short-term needs such as payroll and accounts payable.

## **8. Dealing with Change**

Change management is the process of preparing your organization for growth and creating processes that effectively deal with a developing marketplace. The objective of change management is to create a dynamic organization that is prepared to meet the challenges of your industry.

## **9. Reaching the Right Customers**

Marketing is more than creating advertising and getting customer input on product changes. It is understanding consumer buying trends, being able to anticipate product distribution needs and developing business partnerships that help your organization to improve market share.

## **10. Staying Ahead of the Competition**

A comprehensive analysis of the activities of the competition should be an ongoing business objective for your organization. Understanding where your products rank in the marketplace helps you to better determine how to improve your standing among consumers and improve your revenue.