1.4 Business objectives

Name: ____________ Class: ________ Date: __________ **Total: 29 marks**

Objective

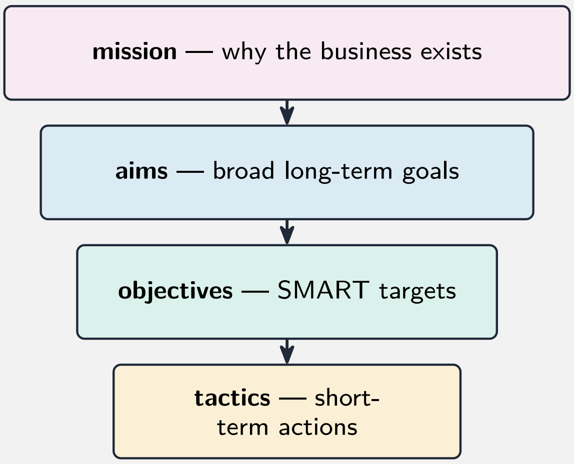
Build the skills to answer exam questions on **business objectives** 企业目标—the chain from **mission** 使命 to **aims** 目的 to **SMART objectives** SMART 目标, the main types of objective, and **corporate social responsibility** 企业社会责任 (CSR).

You must be able to:

- explain the difference between aims, objectives, strategy and tactics
- state what makes an objective **SMART**
- analyse why objectives change and evaluate the role of profit versus CSR

1 Worked examples

■ From mission to objectives



Goals get narrower down the chain: mission → aims → SMART objectives → tactics

- **SMART** = **S**pecific, **M**easurable, **A**chievable, **R**ealistic, **T**ime-bound.
- **Types of objective:** profit maximisation, growth, survival, market share, social/ethical (CSR).
- Objectives **change** over time: a new firm aims to *survive*, later to *grow*, a large firm may focus on *profit* or *CSR*.

Answer shapes: Explain [3] = point + developed reason; **Analyse** [8] = two

> reasons, each a developed chain; **Evaluate [12]** = both sides + a judgement in context.

2 Practice

2.1 State what the letters **SMART** stand for. [2]

2.2 Define the term *corporate social responsibility (CSR)*. [2]

2.3 State the difference between an *aim* and an *objective*. [2]

3 Exam-style questions

3.1 Explain one benefit to a business of setting SMART objectives. [3]

3.2 Analyse two reasons why a business's objectives might change over time. [8]

3.3 'A business should always put profit before social responsibility.' Evaluate this view. [12]

4 Go further

You are now ready for the real exam questions on this subtopic. Open the **1.4 Business objectives** past-paper sheet in the Library, or try these in **Practice mode**:

- 9609/13 N25 —Q3 (business objectives)
- 9609/12 J25 —Q1 (objectives and aims)
- 9609/22 J25 —Q2 (objectives, applied)

Solutions

Business answers are marked by **level of response** against the assessment objectives: award **AO1** knowledge, **AO2** application, **AO3** analysis and **AO4** evaluation.

2.1 Specific, Measurable, Achievable, Realistic, Time-bound (2 for all five; 1 for three or four).

2.2 the idea that a business should act in the best interests of society and the environment, not only make profit (2 for a clear definition; 1 for a partial idea).

2.3 an aim is a broad, long-term goal; an objective is a specific, measurable target that helps reach the aim (2 for a clear difference; 1 for a partial idea).

3.1 *[3]* **AO1** 1 —name a benefit (clear targets; motivates staff; lets the firm measure progress). **AO2** up to 2 —develop it, e.g. a measurable, time-bound target lets managers check progress and act early if the firm falls behind (2 developed / 1 limited).

3.2 *[8]* For **each** of two reasons: **AO1** 1 + **AO2** 1 + **AO3** up to 2. Example chains — *firm grows older/larger*: survival is secure → it can now aim for growth or higher profit. *External change* (recession, new competitor): falling demand → the firm switches back to a survival objective to protect cash. Maximum 4 per reason, 8 total.

3.3 *[12]* **AO1** 2 / **AO2** 2 / **AO3** 2 / **AO4** up to 6. **For** profit first: profit funds survival, investment and rewards owners; without it the firm closes. **Against**: CSR builds reputation, customer loyalty and staff motivation, and avoids fines or boycotts — which can raise long-run profit. Judgement: profit and CSR are not opposites; the right balance depends on the firm's size, market and stakeholders —a pure short-term profit focus can damage long-term success.