

Subject Content	What students need to learn?
2.1.2 Changing Aims and Objectives	<p>Why business aims and objectives change as businesses evolve:</p> <ul style="list-style-type: none"> • In response to: market conditions, technology, performance, legislation, internal reasons. <p>How business aims and objectives change as businesses evolve:</p> <ul style="list-style-type: none"> • Focus on survival or growth • Entering or exiting markets • Growing or reducing the workforce • Increasing or decreasing product range

Influences:	Description:
Changing market conditions	Markets evolve over time. For example customers now want more luxury/higher prices segment of the UK chocolate market.
Changing technology	Due to advances in technology businesses have had to respond. For example e-commerce. They were then more ambitious in their sales targets. W 2016.
Changing performance	If costs start to rise, profits will be squeezed. This is linked to the performance of the business or it could be the industry as a whole. When this happens new objectives will need to be set to cut back costs to increase profits. A new manager will usually be appointed.
Changing legislation	Changes in legislation influence aims and objectives. For example after Britain voted to leave the EU there was great uncertainty about what changes would be made to EU laws. Some may be beneficial, others not. This makes setting new objectives very difficult.
Internal reasons for change	Aims and objectives are influenced by a change at the top of the business. If a boss is pushed out and a new one is appointed there will be changes to aims and objectives.

Business Aims and Objectives

Business aims are the broad targets that an entrepreneur has at the back of their mind

Business objectives are clear, measurable targets of how to achieve business aims. (the stepping stones for how they are going to achieve them)

SPECIFIC - Objectives should **specify** what they want to achieve. - i.e. one named person is responsible for delivering the objective

MEASURABLE - You should be able to **measure** whether you are meeting the objectives or not.

ACHIEVABLE - can the objectives be met?

REALISTIC - Can you realistically achieve the objectives with the resources you have?

TIMED - When do you want to achieve the set objectives? i.e. within a given period e.g. 12 months

