

# Illawarra Small Business Assistance

## HELPFUL HINT – GOAL SETTING FOR SMALL BUSINESS

**Is goal setting really worth the effort? Why bother?** This is a question often posed by small business operators. My response is generally along the lines of, “Well if big business considers the planning process to be one of its most important activities what is small business likely to be missing out on?”

So yes, goal setting does need to be taken seriously and is fundamentally important to overall success. It’s an integral component of the planning process and is about providing your business with a roadmap for the future and in the process, helping to make managing the business an easier task.

The great thing about **GOALS** is that they:

- G**uide (business direction)
- O**rganise (focus and priorities)
- A**ssert (intentions)
- L**ink (vision and objectives)
- S**pur (action)

A good business plan will assist in directing “how” and “where” to **GO**.

**GO** as in;

**Goals**  
and  
**Objectives**

So, what’s the difference between the two and why do we need both?

### **Goals**

Goals underpin the business vision and make it tangible by addressing variations of the following questions:

what is the basic purpose of the business?

what is unique or distinctive about the business?

Who should be the major customers or key market segments that the business will serve?

## Objectives

Objectives focus on the Vision and Goals and transform them into recognisable outcomes.

My approach to the development of well developed **Goals** is to consider them in relation to whether they provide the business with **FORCE**. That is they need to have **FORCE** and be **TIME BOUNDED** – goals need to be linked with strategies for achievement that have specific deadlines.

**FORCE** is represented as follows;

### **F actual**

Goals need to be well defined and capable of measurement. They should be quantitative rather than qualitative and facts need to be referenced and assumptions stated.

### **O bjective & Challenging**

Goals need to be realistic but should include challenge in order to take us out of our comfort zones. It's often said that the best goals are beyond our grasp but within our reach, so, it's important that they involve a degree of "stretch".

### **R ealistic**

Test each goal for importance – if in doubt throw it out. Goals that aim too high with little chance of achievement can lead to frustration. Adequate resources are also essential to support implementation strategies.

### **C lear & Concise**

Clear simple goals work best and assist to focus effort and commitment. Don't fall into the trap of creating too many goals. They also need to be clear so that all staff can see the goals of the organisation as a whole – put them up on the notice board and review progress regularly.

### **E mbrace all components of management**

Imposing goals on staff and subordinates rarely results in successful outcomes. Clearly, it's sensible to involve all group members in the process. Accountability needs to be clearly established with acceptance, commitment and determination exhibited from the top down. The goals for the business as a whole should be mutually reinforcing and link with the vision of the proprietor as well as sit comfortably with the culture of the business..

A useful approach to the creation and development of Goals that have **FORCE** is to undertake a **brainstorming session** with your team members. But that's another topic for another day!

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