

The Objective of an Objective

There is little debate within business circles that having clearly defined goals provides a company with tremendous advantages on a number of levels, including strategic and tactical. Still, there remains enough confusion and ambiguity regarding the genuine purpose of the corporate objective, that we have decided to shed our version of light on the matter.

There is a great deal of discussion in business literature regarding the centrality of the business objective. Some thinkers go so far as to say that it is the most primary of business principles, because it is upon the objectives that all other principles rest. Tudor might resist the definitive tone of such a statement, but we do support the notion that the objective is central to the success of the Company.

Why?

From a strategic perspective, it is the objective that provides the Company with direction and meaning. From the tactical perspective, the objective is the company's purpose and goal.

There are many who believe that the objective is a core component in the construction of an effective business strategy. It is said that while every other aspect of your strategy points to the "how" of operating your business, the objective identifies the "what". This is a powerful notion because it is really saying that without an objective your company could remain undefined. It is, from our perspective, impossible to define yourself in the marketplace if you have not done so in your boardroom.

You may be thinking "this is silly". How can a company not have an objective? After all, the product the company sells gives the company its objective. Isn't the objective to sell as much as they can to whoever wants to buy it?

No.

This is the misconception companies fall into. Broadly, as Drucker has written, the reason for a company to exist is so that it can market its products or services. While this observation is true and not nearly as apparent to some as it should be, it is so broad as to deny the tactical advantages an objective can deliver.

From the strategic side, an objective needs to be well defined, vital and realistic. From the tactical side, it needs to be clearly communicated and quantifiable.

Let's take a closer look at the business objective:

Strategic Objectives

Well Defined

An objective must be defined so that it not only provides direction and purpose, but also guidelines. Having too many objectives will lead to having no real objectives at all, just as having vaguely or generally defined objectives will result in a lack of clarity that will draw confusion, inaction, or both.

Your objective needs to be short, precise, and descriptive. It needs to define expectations and well as goals.

Vital

Your objective should focus on a goal that is so essential and meaningful that its obtainment will significantly advance your company. The reasons for this are so that your objective serves as a vision and statement of purpose for you and your employees, as well as a genuine tool for the advancement of your company objectives. If your objective is anything less than vital it runs the risk of seeming trivial. You do not want your purpose to be associated with a trivial pursuit.

Realistic

While you do not want your objective to be so easy to obtain that it is deemed devoid of all challenge, you also do not want it to be so far beyond the capacity of the company that even with a valiant and vigorous effort it is still beyond any hope of being met. Your objective needs to be genuine and practical so that it motivates people to strive toward it, work hard to achieve it, and enjoy the victory of their success.

Tactical Objectives

Clearly Communicated

Clear communication is an ignored art and something that most people underestimate their incapacity to successfully perform. In less fancy language, most of us are lousy communicators. Most of us do not adequately inform our subordinates with regard to direction, objectives and tactics. This leaves them with an inability to inform their subordinates, and as the telephone game has proven for generations, by the time the message gets to the end of the line it is an entirely different message altogether. The way around this challenge is to communicate clearly. Make sure everyone knows what the goal is, how you are getting their, and what they are supposed to do to facilitate the journey.

Quantifiable

You need your objective to be quantifiable so that people will be able to both measure their progress, how close they are getting, and, perhaps most importantly, when they have arrived. It is important to let people reach the objective, as opposed to moving the goal post every time they get close to scoring. The joy of success works well to maintain high spirits, and the taste of success will make them all the more hungry to succeed yet again.

The objective of an objective (my apologies...couldn't resist) is to provide the company with both the direction it will head and the goal it will pursue. Now, isn't it important that your company actually define your objective?