

# GCSE Business

Putting [Sustainable]  
business ideas into  
practice



# Sustainability & Business

Sustainability in business refers to a company's strategy and actions to reduce negative environmental and social impacts resulting from business operations in a particular market.

## SUSTAINABLE FASHION



Care for the Earth



Respect Workers



Trade Fair



Mend and Repair



Reuse, Swap,  
Donate

# Putting [Sustainable] business ideas into practice

In this lesson, you are going to learn about business aims and objectives, in the context of sustainability.

1.3.1 Business aims and objectives	<p>What business aims and business objectives are.</p> <p>Business aims and objectives when starting up:</p> <ul style="list-style-type: none"><li>• financial aims and objectives: survival, profit, sales, market share, financial security</li><li>• non-financial aims and objectives: social objectives, personal satisfaction, challenge, independence and control.</li></ul> <p>Why aims and objectives differ between businesses.</p>
1.3.4 Sources of business finance	<p>Sources of finance for a start-up or established small business:</p> <ul style="list-style-type: none"><li>• short-term sources: overdraft and trade credit</li><li>• long-term sources: personal savings, venture capital, share capital, loans, retained profit and crowd funding.</li></ul>

We will cover how climate change and sustainability can be accounted for through business aims and objectives, how financial and non-financial aims and objectives can impact a business's ability to achieve net zero ambitions, and sources of finance for new sustainably focused businesses.



# Aims and Objectives

## Goals

The **desired results** of an organization's plans and commits to achieve the end toward which effort is establishing specific, realistic time-targeted objectives.

# What is an aim and what is an objective?

All businesses have aims and objectives

They are important because they define the purpose of what the business does day to day.

**An aim is an overall target or end goal**

**An objective is a step the business takes to arrive at the overall aim**

Businesses have many objectives throughout a business calendar year, which help them achieve the overall aim.

E.g. A company may set monthly objectives for something like sales, profit or revenue. Each month the company will try to meet that objective, but the overall aim of the business might only be met at the end of the year.

# What is an aim and what is an objective?

Businesses will have two types of aim/objective. They are

1. Financial
2. Non-Financial

**For the list below, identify which is an AIM or an OBJECTIVE, and which is FINANCIAL or NON-FINANCIAL.**

	Aim	Objective	Financial	Non-financial
Our business wants to make £120,000 profit this year				
We want to have the best trained staff working for us				
We are going to redecorate our stores each month				
Each salesperson will need to hit a target of £10,000 in sales each quarter				

**What about sustainable and climate aims and objectives?**

	Aim	Objective
Our business will recycle its food waste at the end of each week.		
We want to reduce our use of fossil fuels when shipping and distributing.		
Our team will attend monthly training on carbon literacy.		
We want to reinvest our annual profits into climate initiatives.		

# SMART objectives

SMART is an acronym for:

S – Specific

E.g. Increase our sales of t-shirts

M – Measurable

E.g. Try to sell 250 t-shirts

A – Achievable

E.g. Last month we sold 220 t-shirts

R – Realistic

E.g. We have enough stock of t-shirts

T – Time-based

E.g. Sell the 250 t-shirts by the end of the month

This is an example of a sales objective, as it relates to the amount of product the company wants to sell by the end of a month.





# Marks and Spencer aims and objectives

Watch the following video by Marks and Spencer, which explains their sustainability aims. Use a highlighter or pen to underline the following:

1. What are the big aims they want to achieve in the long term?
2. What actions have they identified which could become shorter term objectives?





# Marks and Spencer aims and objectives

At M&S, we know there's no Plan B when it comes to our planet. That's why we're focusing Plan A on our mission to become a net zero business by 2040. Put simply, net zero means we don't add any more greenhouse gas emissions to the atmosphere than we take out of it. To do this, we need to know our carbon footprint, which at M&S is around 5.7 million tonnes each year. This is made up of the emissions from running our shops as well as our distribution and transport network. However, this is not just about our own operations. The biggest impact comes from what is called Scope 3 emissions. These include how suppliers source, make and move our products, and how our customers use them. So from mills to our tills, from farms to forks, we will have to transform the way we do things. Our first goal is to rapidly reduce our carbon impact, cutting our footprint by a third by 2025 and more than half by 2030. To get there, we'll need to act quickly, cutting our emissions and property and transport, reducing single-use plastic, closing the loop and recycling, and minimising food waste. We also want to make sustainability easier and more rewarding for our customers. We will be investing in new products and services to help them enjoy a lower carbon lifestyle. As an own brand retailer, we're uniquely positioned to work with our trusted suppliers and partners. Together, we are committing to zero deforestation, sourcing more sustainable fibres, driving the circular economy and supporting farmers as they move towards regenerative agriculture. We know we can't do this alone, so we're working with others to make this a reality and together, achieve net zero by 2040. Because there is no plan B.

# Marks and Spencer aims and objectives

## Task one

Write what you feel Marks and Spencer's Sustainable Aims are.

[reminder, these should be overall longer-term targets or goals that will be met through a series of smaller objectives]

## Task two

For each of the aims, come up with 2-3 objectives which Marks and Spencer could meet each month/quarter/year to meet the aims you have identified.

[reminder, these objectives need to be as specific as possible, measurable, agreed, realistic and each needs a time-boundary, aka SMART]

**You are going to present your aims and objectives to the class at the end of this task.**



Presentation time

# Marks and Spencer aims and objectives

## Financial Aims and objectives

Marks and Spencer is a large and established company in the UK and abroad. For smaller or startup companies, they may have very different aims and objectives.

### Below are different types of financial aim/objective

Consider the following questions

1. Which of the below do you feel will more likely apply to Marks and Spencer?
2. In what situation might Marks and Spencer need to prioritise one or more of the below?

**Business survival** – the business needs to survive the year

**Profit** – the business needs profit at the end of the year

**Sales** – the business needs to sell an amount of product or service each month/year

**Market share** – the business wants to hold a percentage of the market in which it sells

**Financial security** – the business needs to be able to cover current and future costs



# Sources of finance

## Financing small or startup businesses

Marks and Spencer is an established large business. It will have profit from one year to the next to use as a source of finance for investment, alongside other sources of finance, which will help it to invest in becoming more sustainable.

Smaller businesses are different. Their choices for finance include:

**Short term** overdrafts or credit (i.e. borrowing money from a bank or lender, which will incur a cost such as interest)

**Long term** such as drawing from personal savings, taking a loan out, selling shares in the business, crowd funding or venture capital, or using profits from year 1 to invest into year 2.

When small businesses start up or operate in their first year, they have less choice and therefore need to be careful about how they consider sustainable aims and objectives, where they might not be the easiest or most obvious route to achieving financial aims.

# Marks and Spencer aims and objectives

## Non-Financial aims and objectives

The aims and objectives you wrote for Marks and Spencer, whilst having an impact on all of the financial aims and objectives, will have related more to non-financial aims and objectives. These do not state any link to money, and include the following:

**Social objectives** – the business wants to focus on ethical and environmental approaches to how it operates.

**Personal satisfaction** – the business wants to ensure those who run or work for the business are satisfied.

**Challenge** – those running the business want to achieve something very difficult or trailblazing.

**Control** – those running the business want to feel able to run the business how they want to.

**Independence** – those running the business want to be able to make their own decisions rather than have decisions made for them.

# New Startup scenario



# Small Business Aims and Objectives

## **Brief**

Working in teams, you are going to prepare the aims and objectives for a new start up. Your aims will be measured at the end of year one, and your objectives will need to be monthly. From the products below, you need to choose one to focus on. You will need to have several aims, and at least half of them must relate to sustainability. You may wish to carry out a small amount of research to identify suitable sustainability aims. All the products will be made and sold in the UK.



**Cleaning products for the home**



**Dairy products**



**Cosmetics and personal care**



# [Sustainability] & Business

