



TABLE 1. STEPS IN THE BUDGETING PROCESS

The planning process starts with goal setting – that is the part of the process that is so often omitted and forgotten, although it definitely shouldn't be.

During this step you should define what is expected from the company – high level of profits, great dividend payout rate or a high growth rate.

In this chapter we will explore the essentials of goal setting:

**1** Questions to Ask

**2** Limiting Factors

**3** Typical Errors

**4** Execution