

SMART GoalsSM - Effective Performance Targets

We talk about setting goals that we want to meet, and then we set our plans so loosely that nobody can tell if we hit our targets or not. We can go either way depending on who we're talking to. Or we adjust them at the drop of a hat, if we remember them at all. Or we check in around the time a goal was to be accomplished to find out it's been behind schedule for months, and money has been spent elsewhere on the expectation of on-time achievement—that we would have known was not going to happen if we'd only looked at our plans. Or worse yet, we're aware of all these things as they're happening, but we don't know what to do about it so we just ignore it until planning time comes again. Then we complain that business planning doesn't really work.

Does any of that sound familiar to you? I heard it countless times during my years in corporate America.

You see, it isn't that planning doesn't work. It's that bad planning doesn't work.

Ask yourself these five questions about each goal you set, to see if you're kidding yourself about what's likely to happen:

Specific? Is there an exact, measurable end result? It's truly measurable if your teenage daughter can tell if it's been met or not. Is it due on a particular date or within an exact timeframe?

Measurable? Can you really measure your achievement to see if you've gotten there? A goal to capture market share when there are no statistics available tracking who has what market share is pretty meaningless.

Achievable? Is it a stretch to get there, without being unreasonably ambitious? If it's so far out that employees and others decide ahead of time that it can't be achieved, they will stop trying.

Relevant? Does it truly relate to the strategy of the company, and is it truly intended to move you closer to your vision for the company? Is it in your company's best interest? If not, it's off target and should be revised or dropped.

Trackable? Can you break it into smaller action steps or milestones that can be accomplished and managed along the way? If not, you have no way of knowing if you are on schedule or not until it's too late to do anything about it.

If all your goals are **SMART GoalsSM** you have taken the first big step to achieving them. All that's left is following the plan every day, actually using the tool you've created. Whew! What a concept!

Best wishes,

Gene Siciliano

Your CFO for Rent

Finance Speaker

President

Western Management Associates

www.genesiciliano.com