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Read instructions, ask directions, refer to maps

By Rick Maier

Are you spending 80% of your time on 20% of your business?

Would your top goals for 2001 be the same as those of your direct reports and your boss?

Are the days that you leave work with a feeling of accomplishment getting fewer and farther between?

Sounds like it's time to tune up your routine with a little goal setting session!

Don't whine about how busy you are - a little time invested now will save a bunch of time later. Plus this is a great time of year to pause to assess what you're doing, and redirect your efforts to more important and creative objectives.

Been there, done that? Even more reason to refresh your goals! The longer your team has been working together, the more likely you are to have developed unnecessary routines and bloated resources, and to have fallen out of alignment with other teams in your organization.

Framing the issues

Your goals should flow from your vision/mission/values document. Re-visit these "instructions" and update them to help you frame and coordinate your strategies. The process of setting goals should be a combination of "top down" direction from leaders, and "bottoms up" input from as many employee as you can get to participate.

Focus your goals on the key target groups – shareholders, customers and employees. Ask each of them for "directions" by identifying why they find your organization attractive or valuable – it could be an excellent return on equity, personal touch, fast response, lowest price, or the best job training program in town. Add some second tier goals around your alliances with vendors and involvement in the community.

Put some meat on the bones with specific measures such as 96% customer satisfaction ratings, 40% market share, 25% return on equity, salaries in the top quartile, and other objectives appropriate to your business. Assign champions to each initiative, and incorporate the goals in your incentive comp program.

Don't forget the numbers! Your budget (the map) should have revenues and expenses broken out by area of responsibility, along with cash flow goals focused on collections and inventory turns. Re-work these quantitative goals to help you identify the most important qualitative priorities.

Three distinct target audiences

Next, present your goals to your three primary constituent groups, each of whom have distinctly different expectations.

The first audience, shareholders (or your home office), demands growth and an excellent return. But it's tough to get an organization to rally behind making more money for the owners. Profitability is as essential to a business as breathing is to people, but like breathing, we don't spend much time talking about it.

Customer service is a much better mission – quality, speed, skill and spirit. Everyone gets behind it because we're all consumers who understand the importance of great service.

Stellar service may be the big, public goal, but my private, #1 leadership objective is for every employee to love his or her job. Happy employees make customers happy. Happy customers come back and tell their friends. More customers increase revenues, which produce the financial results that encourage owners to invest more in the business. And the cycle keeps growing and growing.

All sorts of good things happen when you communicate clearly defined goals. You and your team will enjoy a clear sense of direction and the satisfaction of making progress toward measurable goals. Efforts will be aligned, and resources committed to the highest priorities.

Like Yogi Berra said, if you don't know where you're going, you'll end up somewhere else.

Rick Maier is the CFO at Wesleyan College   *Reply to rmaier@wesleyancollege.edu*