



# Performance Management

## Goal Setting Guide



Pg	CONTENT
----	---------

- 2 Introduction: Developing SMART Goals
- 2 Why set Goals
- 3 Example of Goals
- 3 SMART Goals
- 4 Suggested Words to Use When Writing SMART Goals
- 4 Questions to Ask to Help Refine Performance Goals



**Appendix**

- 5 A) A Quick Guide to creating Goals
- 6 - 9 B) Job Aid: Goal Setting Worksheet

Bring your Success To The Surface  
Take Pride In your Performance

<p><b>DEVELOPING SMART GOALS</b> <i>"That which gets measured gets managed"</i></p>
---

The process of Goal Setting serves as the basis for effective Performance Management discussions/assessments, clarifying expectations and establishing priorities.

The Goal Setting process should involve employees and managers to arrive at a mutual understanding. If the employee does not participate in the Goal Setting process, expectations, direction, strategy and way forward must be communicated to the employee.

Individual and department goals should link to the "bigger picture" needs of our organization to ensure they are aligned.

Communication is a significant piece of the Goal Setting process and the employee's contribution plays an important role in the overall success of the organization.

**WHY SET GOALS?**

- Goals provide a clear idea of what the organization is trying to achieve.
- Goals help plan what needs to be achieved through people, time, and resources.
- Goals allow progress to be monitored.

## EXAMPLE OF GOALS:

- To increase something (profits, customer satisfaction, sales, effectiveness).
- To make something (products, services, image).
- To improve something (processes, results, relationships).
- To reduce something (risk, expenses, competition).
- To save something (time, money, space, energy).

## SMART GOALS

### SMART is the acronym for;

#### **S**pecific - detailed outcomes criteria

The goal should state the exact level of performance expected.

#### **M**easurable - measurement criteria

To achieve objectives, people must be able to observe and measure their progress.

#### **A**ttainable - realistic criteria

Goals should challenge people to do their best, but they need also be achievable.

#### **R**elevant - significance criteria

Goals need to pertain directly to the performance challenge being managed.

#### **T**ime bound- answers "by when?" criteria

Deadlines help people to work hard to get the task complete.

**SMART GOALS are used to make it easier to measure and evaluate individual and organizational progress.**

EXAMPLE OF INEFFECTIVE AND EFFECTIVE GOALS		
Organizational Process	Ineffective Goal	Effective Goal
Operations	Visit a rig and produce a report.	Produce a report on how maintenance is performed on a rig in Brazil (define specific location), and how the key data elements are collected, analyzed, and turned into procedural improvements that minimize downtime by Q2 April 2011.
Operations	Conduct QHSE Audit in a timely manner	Conduct QHSE Audit and distribute the feedback survey on Holstein by Q1 March 15, 2011. Any corrective action must be complete by June 13, 2011.

### SUGGESTED WORDS TO USE WHEN WRITING SMART GOALS

- **Choose a verb:** increase, produce, decrease, reduce, improve, conduct, deliver, grow
- **Define the object:** what you wish or will work toward to get better at and for whom
- **Identify how much:** target goals are a reference to achieving success
- **Identify by when:** time frame for completion of goal

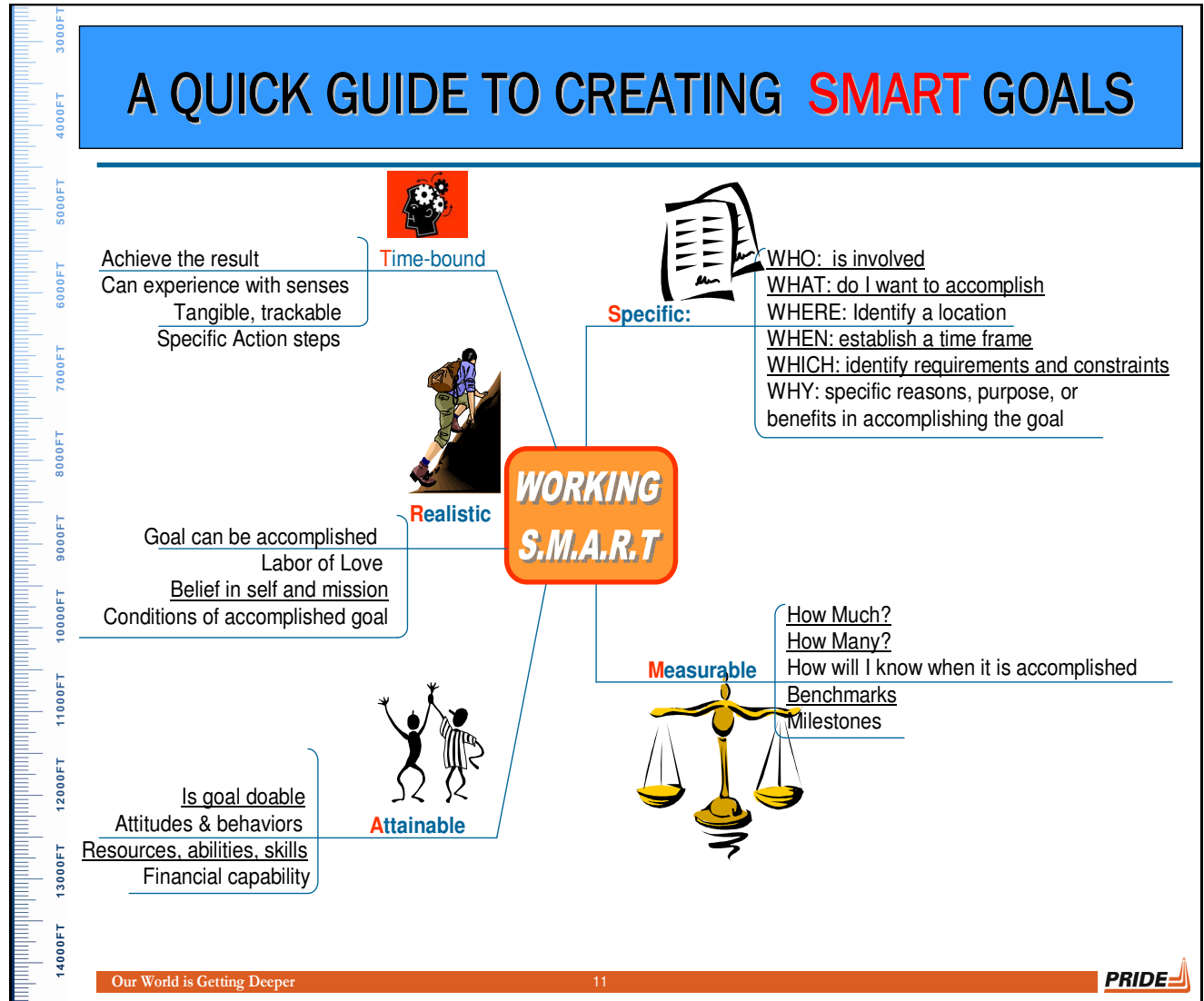
### QUESTIONS TO ASK TO HELP REFINE PERFORMANCE GOALS

- What is the challenge at hand?
- What outcomes would indicate success for meeting this challenge?
- Who are the stakeholders affected by this challenge?
- What metrics make the most sense for this area?

When setting goals take a moment to consider whether your goals are **SMART GOALS**.

*"Many people fail in life, not for lack of ability or brains or even courage, but simply because they have never organized their energies around a goal." Elbert Hubbard, renowned American philanthropist.*

APPENDIX (A)



## APPENDIX (B)

### GOAL SETTING WORK SHEET

#### STEP 1. IDENTIFYING GOALS

List your work goals for the next 6-12 months below. These may be projects, problems, objectives, or ongoing responsibilities that define what you expect **to do** over the course of, or remainder of the year. List 5 - 6 goals. This may require splitting some goals into sub-goals, or combining goals together into higher order groups.

#### STEP 2. RATING GOALS

Rate each goal two times based on its:

**Business value:** how important is this to the organization in terms of supporting key strategic objectives or business requirements.

**Developmental value:** how much will this goal require you to learn things you do not know how to do and expose you to unfamiliar work environments, problems, or business situations. Developmental value ratings should be based on the extent to which an objective demands that you develop new capabilities, and should not simply reflect project size and scope.

Use the following 1 to 5 scales to guide your ratings. Different goals may receive the same ratings, but try not to rate all the goals exactly the same.

Business Value	Developmental Value
1- Nice to accomplish, important but not critical to the organization	1- Familiar; have done this sort of work before; may be hard but you “know what you are doing”
5- Critical to the organization; a central part of my job	5- Unfamiliar and challenging; must develop additional skills or work in new areas

Work Goal	Business Value	Development Value
	1 2 3 4 5	1 2 3 4 5
	1 2 3 4 5	1 2 3 4 5
	1 2 3 4 5	1 2 3 4 5
	1 2 3 4 5	1 2 3 4 5
	1 2 3 4 5	1 2 3 4 5

## MAPPING GOALS WORKSHEET

- Review the goals you listed for yourself on the Goal Setting Worksheet. Select two goals that will rely on support or input from one or more individuals on your team.

Goal #1. \_\_\_\_\_

Goal #2. \_\_\_\_\_

- Using the form below, create three sub-goals for each of the goals you identified step 1 that you could “cascade” down to specific direct reports. These sub-goals should be directly aligned and supportive of the goals your goal.

Note that when you actually meet with your direct reports to discuss goal setting, you should ask them to develop their own goals to support your goals. This should be done before you suggest goals to them. Even if you arrive at the exact same goals, people tend to be more engaged when they are asked to take on goals they identified themselves.

### Goal #1.

Sub-goal	Employee(s) assigned to this goal

### Goal #2.

Sub-goal	Employee(s) assigned to this goal

- Review your goals and the sub-goals you created using the SMART criteria. Are each of the goals:

Specific: is it clear exactly what the person is supposed to accomplish?

Measurable: is there a way to track progress toward the goal over time?

Attainable: can the person assigned this goal realistically be expected to achieve it? Is it something they can influence directly?

Relevant: Is the goal clearly supportive of the company’s strategic objectives?

Time Bound: Have you assigned a date when the goal is expected to be achieved?

**GOAL SETTING WORK SHEET**

Map each of the goals from your Goal Setting Worksheet on the grid below based on your ratings of their Business and Development value.

<b>Development Value (Stretch)</b>	<b>5</b>					
	<b>4</b>					
	<b>3</b>					
	<b>2</b>					
	<b>1</b>					
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Business Value (Importance)</b>						

## GUIDELINES FOR AN IDEAL MIX OF OBJECTIVES

### **30-50% Business Driven Developmental Objectives (Upper Right quadrant)**

- Provide the best opportunities for development
- Too many items here results in being too overwhelmed to effectively perform and learn

### **30-50% Functional Objectives (Lower Right quadrant)**

- Provide time for reflection
- Leverage core strengths and maximize productivity
- Too many items here can make a person feel “stagnant” and under challenged

### **0-10% Self-Development Objectives (Upper Left quadrant)**

- Useful for building radically different capabilities
- Never get done (“the book you keep meaning to read”)

### **0% Under-Utilization Objectives (Lower Left quadrant)**

- Not a good use of talents
- May be used to develop another person



5847 San Felipe, Suite 3300, Houston, Texas 77057, 713-789-1400 tel, [prideinternational.com](http://prideinternational.com)