

The Importance of Conducting Goal Setting

Managers and their direct reports need to collaborate in setting meaningful goals, tracking progress against those goals over time, and evaluating performance. Connecting an employee's work with organizational goals is the **top driver of discretionary effort**.

For the organization, goal-driven performance management aligns employees with the achievement of strategic goals.

Set Goals from the Beginning

Goal-setting discussions should occur shortly after the performance reviews or as an employee rotates from one project to the next.

CONDUCTING A GOAL-SETTING DISCUSSION

Review Organizational Goals to Prepare for the Discussion

Before speaking with employees, managers should review the company's top-level objectives and determine how your own goals contribute to achieving business goals. In addition, identify the goals that need to be delegated to the team, and provide direct reports with the information required to draft their goals. You should advise the reports to complete the following steps to create a draft of their performance goals, strategies, and tactics before the goal-setting discussion:

Individual Development Plan Comments <hr/> <hr/> <hr/> Actions <hr/> <hr/> <hr/>
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- Re-read the mission and vision for the company; understand the company's strategic objectives and how your job supports them.
- Re-read the department's mission and vision.
- Review job description and any performance expectations for your role.
- Review any development areas from recent performance reviews.
- Review current goals and aspirations.
- Identify any new overarching goals.

Ensure Meaningful Goals

You should work with your direct report to check the accuracy of the goals and assess goal alignment with those of peers and the department. In addition, you should ensure that the goals support the employees' development goals based on any recent performance feedback.

Another way for managers to think about setting objective and attainable goals is to think of goal setting in terms of four questions that comprise a Goals Grid. This grid will help you as well as your subordinates set goals that cover all bases.

- What do you want that you don't have? (**Achieve**)
- What do you want that you already have? (**Preserve**)
- What don't you have that you don't want? (**Avoid**)
- What do you have now that you don't want? (**Eliminate**)

Goals Grid for Improving Skills

Do You Want It?	Yes	Achieve	Preserve
	No	Avoid	Eliminate
		No	Yes
		Do You Have It?	

Source: CEB analysis.

CONDUCTING A GOAL-SETTING DISCUSSION

Set SMART Goals for Your Direct Report



Use the concept of SMART goals in the goal setting process; this method ensures that the employee and manager both understand the goal by creating a goal that is specific, measurable, attainable, relevant, and timely.

Specific	<ul style="list-style-type: none"> Define expectations and explain the objectives. Avoid generalities and use action verbs as much as possible.
Measurable	Define specific metrics for quantity, quality, timeliness, and cost that can be objectively measured.
Attainable/Achievable	Ensure that the goals are challenging, but within reason. Although each individual goal may be achievable, do not assign the employee more goals than he or she could reasonably be expected to successfully complete.
Relevant	Where appropriate, link the goal to a higher-level departmental or organizational goal, and ensure that the employee understands how his or her goal and actions contribute to the attainment of the higher-level goal.
Time-Bound	Specify a date or elapsed amount of time by when the goal needs to be completed.

The Basics

Who: Direct manager, employee
 When: Within 1-2 weeks of formal review delivery
 Why: Aligning employee goals with the organization increases employee effort by 45%.
 How: Focus on the skills and activities that will advance employee's career.
 What: Discuss goals and development priorities.
 Where: Private forum away from disruptions

Source: CEB analysis.

Critical Components to Consider While Reviewing Direct Reports' Goals

Task	Yes	No
Is the scope of the goals appropriate?	<input type="checkbox"/>	<input type="checkbox"/>
Are there too few or too many goals?	<input type="checkbox"/>	<input type="checkbox"/>
Are the measures practical or achievable?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employee have the skills needed to achieve the goals?	<input type="checkbox"/>	<input type="checkbox"/>