

CREATING EXTRAORDINARY ORGANIZATIONS

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This letter is written for those pioneers who want to move beyond the ordinary to the Extraordinary in creating business organizations.

Please feel free to pass this letter on to anyone you think would like to join this journey to Extraordinary.

Sent only to recipients who have personally opted to receive it. To change your sign-up information, please follow the instructions at the end of this letter.

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THIS ISSUE:

Why Aren't Goal and Objective Statements Effective?

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Welcome to this second issue of Creating Extraordinary Organizations!

Everyone agrees setting goals and objectives is a good thing. Yet most fail to deliver such expected benefits as greater focus, increased commitment and energy, and a firm base for planning to achieve them. Why?

Because most people make one or both of two basic thinking errors. First, they do not make a distinction between intentions or actions and outcomes. Second, they do not define the goal or objective accurately and precisely.

If I use the format you most often see, I would say, "My objective is to write this e-letter." Since the word "is" really means "equals", I have said the objective is, "to write, and my mind has been directed to the action of writing not to its result—the letter. Similarly, "My goal is to increase sales" gets me thinking about the action of increasing not the outcome of sales.

A goal or objective is the desired outcome or result of action. On the other hand, the dictionary defines intention as "A course of action one intends to follow." The examples are statements of "intention" or action. The Oxford English Dictionary defines goal as "the object to which effort or ambition is directed; the destination of a journey." It defines objective as, "the point aimed at." In other words, both are a targeted outcome or result.

Focusing the mind on the end point generates energy towards reaching it.. It also enables planning to produce the result. Not having a clear end point is like going to AAA and asking for a strip map for your trip but not telling them your destination.

The examples also demonstrate the other major problem with most goal and objective statements—imprecise definition of results. Let's accept that we are after an e-letter and more sales. How will we know if we have succeeded in producing these results?

If we can't think clearly about what we want to produce, how can we think clearly about how to produce it? If we don't have something to measure against, how can we get feedback on how we are doing? And if we can't get feedback, how much energy are we likely to sustain for trying to succeed.

Most goal and objective statements lack one or more of the three pieces needed for a clear and useful outcome definition. First, they do not define the metric or unit of measure to assess progress and completion. Do you measure an e-letter in words, or quality, or something else? Are you going to measure the increase in sales in percent, dollars, number of sales, or what?

Second, how much of the thing measured do we want? How many words does it take before a letter is finished? What percent, dollars, or number of sales equals "increased?"

Third, at what point in time must we have the outcome? When must my letter be finished? When must we have our sales increase?

I expect by now you are saying, "OK, how DO you generate an effective statement?" Just follow three simple guidelines. First, do not use an active verb in your statement. It immediately puts you into an intention or doing statement. Second, do not start your statement with the word "to". You will invariably follow it with an active verb, and you are back into doing.

If I had followed these first two guidelines, I could not have written either of the example statements. Instead, I find it helps to start your statement with, "My goal is.: Since "is" acts as an equals sign, I now have to say, "My objective is (or equals) a completed e-letter;" or, "My goal is (or equals) an increase in sales of \$X."

Now you have escaped the action versus outcome trap. But you still must follow the third guideline—define your goal or objective accurately and precisely. To do that, you define three things.

First, define what the unit of measure you will use to assess completion. This means you have to state a goal or objective in a form for which you have a viable unit of measure. Although almost anything can be measured in one way or another, you want to use standard units, like words, dollars, percentages, or number of sales, if at all possible..

Second, define the amount of what you measure that will mark success. Does this letter require 500 or 1000 words? Do you need an increase in sales of one dollar or one million?

Third, state a time limit or required end time. When must I have the letter finished to make the publication time? Must we generate the increased sales by the end of the year? If there is no time limit in the statement, it will not serve to generate immediate and continuing action. Nor can you plan the timing of your actions to assure timely success.

Following these principles would lead to statements like these:

My objective is an e-letter of 800 – 1000 words ready for publication by 6 pm June 27.

My goal is an increase in sales dollars of \$100,000 by Dec. 31, 2003.

These two statements bring up one final distinction that will help you think more clearly. If asked, most people would say that goals and objectives are not the same. But how do you distinguish between them?

If I have all the capability and resources I need to produce the desired result, I think of it as an objective. This letter was an objective for me. I had my trusty computer, my ideas, the time, and so on.

I use goal in thinking about a larger outcome for which I do not have everything I need. If I want a published book, I have a goal.. Obviously, I need to reach some objectives before I can fulfill this goal.. I do not have all the ideas. I do not have a publisher. I do not even have a proposal to submit. These are objectives, or maybe even sub-goals, that I have to reach before I can reach my ultimate goal of a published book.

In summary, to define effective goals or objectives evade the two thinking errors -- action instead of outcome and imprecise definition. Do this by eliminating active verbs preceded by "to". Finally, define the outcome or result precisely— define a definite quantity of a clear and measurable unit of measure and the time when you must have it.

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I would like this E-letter to become more and more interactive and useful. To do this it needs to evolve according to the needs and desires of its community of readers. For instance, I would like to see one part of it devoted to answering reader questions. In order to further this evolution, please send me any comments or suggestions you have at: <mailto:elletter@extraordinaryorganizations.com>

I also believe that the larger the community of readers we have the more ideas we will have to exchange and build on. You can help add readers by passing this letter on to others you think would find it valuable.

HTML Version - EZMailPro, who delivers this letter for me, is coming out soon with a new version that will send both HTML and Text versions at the same time. As soon as it comes out, I will be sending them to you.

Yahoo Group - A Yahoo group - eogroup - is set up. It is not set up as a public group so I have to provide a way to invite new members. I am working on this. If you want to join now, please send me an e-mail, and I will send you an invitation.

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It looks as if I have reached my objective of 1,000 words [or maybe just a few more :o)], by 6 PM on the 26th. Therefore, I bid you farewell until I reach my next e-letter "objective", which you will receive on July 18. Thank you for joining me on this leg of our journey to Extraordinary.

Until next time,

Be Extraordinary!

Don Yates
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