

How to excel at goal management

Talent Management Best Practices

A must-read complete guide to best-practices in goal management



Be Brilliant.

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Introduction:

Why goal management matters

What do we know about effective goal management? For starters, it's one of the key components of high-impact performance management in organizations. And, if you're not entirely convinced of it, there's abundant research out there that links goal management best-practices with better organizational results.

Organizations that adopt goal management best-practices simply perform better. This is because their employees know what's expected of them, are working on the right projects, are aligned in helping to achieve organizational goals, and are more engaged as a result. These organizations are also successful because their workforces are more nimble — ready to respond quickly to external and internal changes while still remaining aligned.

In a global, interdependent economy where the pace of change continues to steadily increase, this level of responsiveness and alignment are critical for continued organizational survival. Companies and organizations — regardless of industry or size — must be able to innovate, and quickly respond to forces such as new technologies, supply chain disruptions, regulatory changes, and new or evolving markets, etc.

This is why goal management matters and this is why we've created a best-practices ebook.

In this ebook, you'll:

- Discover the goal management best-practices research says every organization should follow
- Learn how you can adopt these best-practices in your organization using the Halogen TalentSpace™ suite
- Read success stories from companies that have already adopted best-practices and are reaping the benefits

Four undeniable goal management best-practices

Recent research by Bersin by Deloitte, Watson Wyatt, the Aberdeen Group, the Institute for Corporate Productivity (i4CP), the Corporate Executive Board, and others, identifies four best-practices for effectively managing goals and driving organizational performance.



Make all goals SMART.



Set organizational goals, then align individual employee goals with organizational goals.



Have leaders regularly communicate the status of high-level goals to the organization.



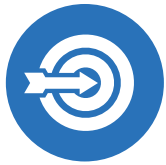
Regularly review, revise and update all goals.

Not surprisingly, employees become more engaged because:

- they understand their goals
- their goals are relevant to their roles
- their goals are meaningful and tangibly contribute to organizational success
- their managers support them in achieving their goals

Now, let's look at each of the four best-practices in more detail.

With best-practice goal setting, alignment **and** management, employees understand the organization's strategic goals and work every day to help achieve them. Organizations regularly measure goal performance, progress and status, so employees understand how well they have performed and the effort necessary to reach the overall goals.



Best-practice #1

Set SMART goals

As the Aberdeen Group found, when organizations have a process in place to ensure managers and employees have agreed to performance goals, it has a positive impact on talent management-related activities such as organizational goal achievement, succession planning, employee performance, and employee engagement.

Yet organizations face a number of challenges when it comes to goal setting. Perhaps the most common one is related to skills. The plain simple truth is that many executives, managers and employees often lack the skills to set effective goals.

Having poor quality goals, or worse no goals, means employees and their organizations don't have the clarity and alignment needed for high performance. Managers have no basis for evaluating employee performance, providing feedback and coaching, developing employees or supporting career advancement. And, executives can't effectively measure organizational performance and progress.

This is where the widely used SMART model for goal setting can help. SMART goals are specific, measurable, achievable, relevant/realistic, time-bound. Each of these elements helps to ensure executives, managers and employees are clear about what's expected.

Executives should ensure that all organizational goals are SMART and clearly communicated to the entire workforce. This helps everyone know what's expected and how success will be measured.

Managers and employees should work together to set goals, rather than have the manager set the goals and hand them down to the employee. This participative approach enhances communication, clarity and engagement.

And setting and committing to specific, challenging goals can boost employee effort, focus and performance.

When setting goals, managers and employees should also discuss how the employee's goal will help the team/department and organization achieve its goals, and this link should be made explicit.



S **Specific.** The goal identifies a specific action or event that will take place.



M **Measurable.** The goal allows you to determine and measure your progress towards completion.



A **Achievable.** The goal should be achievable given available resources.



R **Relevant/Realistic.** The goal allows for likely success based on available skills and time.



T **Time-bound.** The goal should state the specific time period in which it will be accomplished.



Best-practice #2

Align individual employee goals with organizational goals

Often in organizations there's a lack of alignment between employees' goals and the organization's strategic goals.

Often, employees even just a few levels down in the organization don't understand how the work they do contributes to the team/organization's success. According to the [Corporate Executive Board](#), 64% of employees don't understand their organization's goals.

As a best-practice, organizations should align employee goals with the strategic goals of the business.

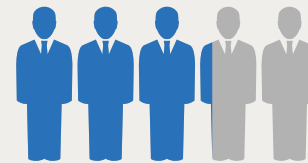
This provides the necessary "line-of-sight" to the employee so they understand how meeting their goals contributes to the organization's success — driving higher engagement and better business results. In fact, The Corporate Executive Board found that aligning employee goals with the organization's objectives can significantly increase employee discretionary effort.

It's not sufficient to simply link an employee's goals to their manager's goals. Employees need a more direct view of the connection between their individual goals and the organization's high-level goals and sub-goals. This alignment helps gives employees a context for their day-to-day work, and builds their pride and motivation.

In his book, *Drive*, Dan Pink writes that autonomous people working towards mastery perform at very high levels. But those who do so in the service of some greater objective can achieve even more.

In its paper, *The Five Domains of High Performance*, i4cp notes, "The more that people understand how their day-to-day performance impacts the organization's strategy, the more likely the organization is to be a high-performing one that executes the strategy faster than low-performers."

In fact, research has found that effective goal alignment is one of the top strategies leveraged by high performing organizations.



64% of employees don't understand their organization's goals.

Through greater goal alignment, organizations can expect employees to focus their efforts on the highest value activities and deliver the best returns possible.



Best-practice #3

Have your leaders communicate organizational goals and status

i4cp also found that, “The leadership behavior with the strongest correlation to market performance involves leaders making it a point to clearly communicate company goals.”

Generally, research shows that leadership support, along with communication and recognition of goal achievement, is a best-practice that leads to higher engagement and better business results. Leaders need to communicate:

- what the organization’s goals are
- how to achieve them
- the current status of those goals

Leaders not only need to set the direction and clearly communicate corporate strategy and goals, they also need to hold their own direct reports accountable for helping their staff achieve their goals.

Why?

Bersin by Deloitte found a strong correlation between the frequency of executive communication about organizational goals and their status, and business results.

In order to achieve higher engagement and better business results. Leaders need to:



Understand the goals of the organization.



Set best practices to achieve the goals.



Share the status of the goals.



Best-practice #4

Review and revise goals regularly

According to Bersin by Deloitte, "Organizations that have employees revise or review their goals quarterly or more frequently are 45% more likely to have above-average financial performance and 64% more likely to be effective at holding costs at or below level of competitors."

Unfortunately, they also found that 54% of organizations still think of goal setting as a once or twice per year activity. Yet the environment in which most organizations operate moves faster than that.

The results: goals that are off-target or irrelevant, organizational misalignment, employee disengagement, a lack of accountability... and diminished business results.

Research tells us that it's important for organizations to regularly review and revise goals at all levels of the organization, and keep the discussion about goals active and ongoing, creating an environment in which frequent goal conversations happen.

Goals that are reviewed and revised regularly can benefit your company



45% more likely to have above-average financial performance.



64% more likely to be effective at holding costs at or below level of competitors.

Most companies miss the mark for goal review



54% of organizations still think of goal setting as a once or twice per year activity.

Goal management in Halogen TalentSpace™

How do you implement these four goal management best-practices and ensure everyone in your organization follows them? Halogen TalentSpace™ can help. Let's take a look at how.



Set SMART goals.



Align employee and organizational goals.

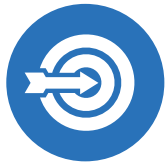


Have your leaders communicate organizational goals and status.



Regularly review and revise goals.





Best-practice #1

Set SMART goals

With Halogen Performance™, a module in the Halogen TalentSpace suite, you can design your goal setting forms or process to include instructions for setting SMART goals. You can also design fields to prompt managers and employees to provide information such as description, due date, list of deliverables, measures of success, and the priority/weight of the goal.

Managers and employees can set goals as part of a regular performance review process, as part of a separate goal setting process, or in the course of their day-to-day activities.

You can also import goals from previous processes. And you can ensure goal setting is collaborative by including appropriate steps in your performance review or goal setting process.

Goal Setting Instructions

Employee goals should follow the **SMART** format

S - Specific, describe what you want the employee to deliver. **M** - Measurable, identify how success will be measured. **A** - Achievable, within the employee's authority and capabilities. **R** - Realistic, challenging and practical. **T** - Time-bound, identify when the goal needs to be completed.

Set a minimum of two individual goals.

Whenever possible, link each individual goal with the organizational goal it's designed to support, using the link icon, so the employee has a context for their work and sees how they're contributing to the organization's success.

Enter additional goals (to a maximum of 5 in total) by clicking the Add New Goal button.

Goal Setting and Alignment

Goals	Weight
Title:	%
Due Date:	
Milestones/Deliverables:	
Measures of Success:	
Attach Feedback	



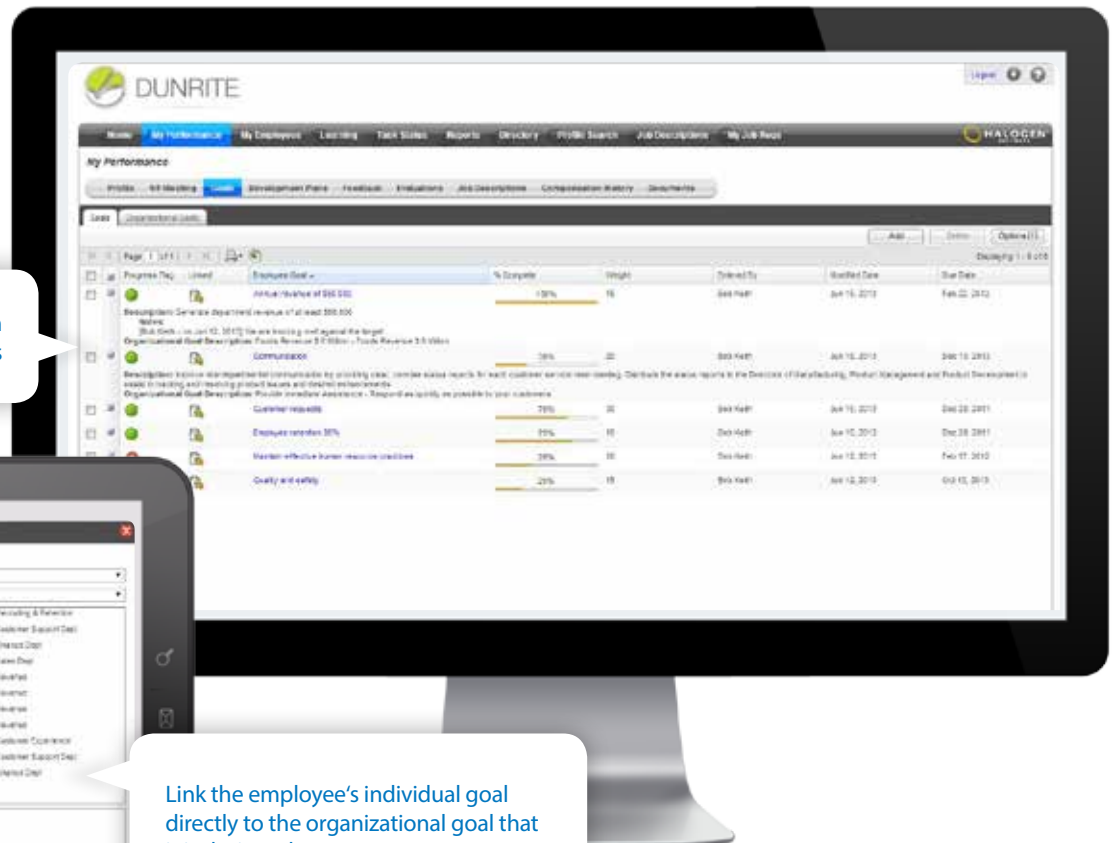
Best-practice #2

Align employee and organizational goals

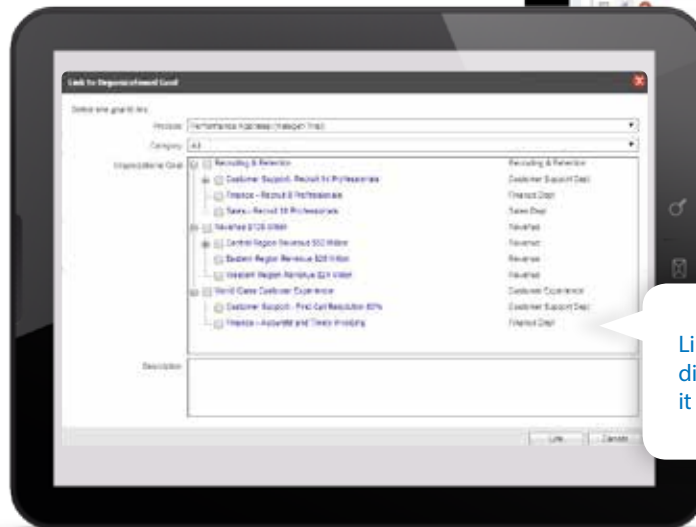
When managers and employees are setting goals with Halogen Performance, they're able to view the list of organizational goals, so they can select and link the employee's individual goal directly to the organizational goal it's designed to support.

And, employees can easily see their individual goals and the organizational goal each one supports, at any time.

See the correlation between employee and organizational goals



Link the employee's individual goal directly to the organizational goal that it is designed to support





Best-practice #3

Have your leaders communicate organizational goals and status

The owner of a goal can keep ongoing notes on a goal's progress, indicate its status and completion rate, and even set a progress flag.

This helps employees communicate goal status to their managers, and lets executives communicate organizational goal status to everyone who has a linked goal.

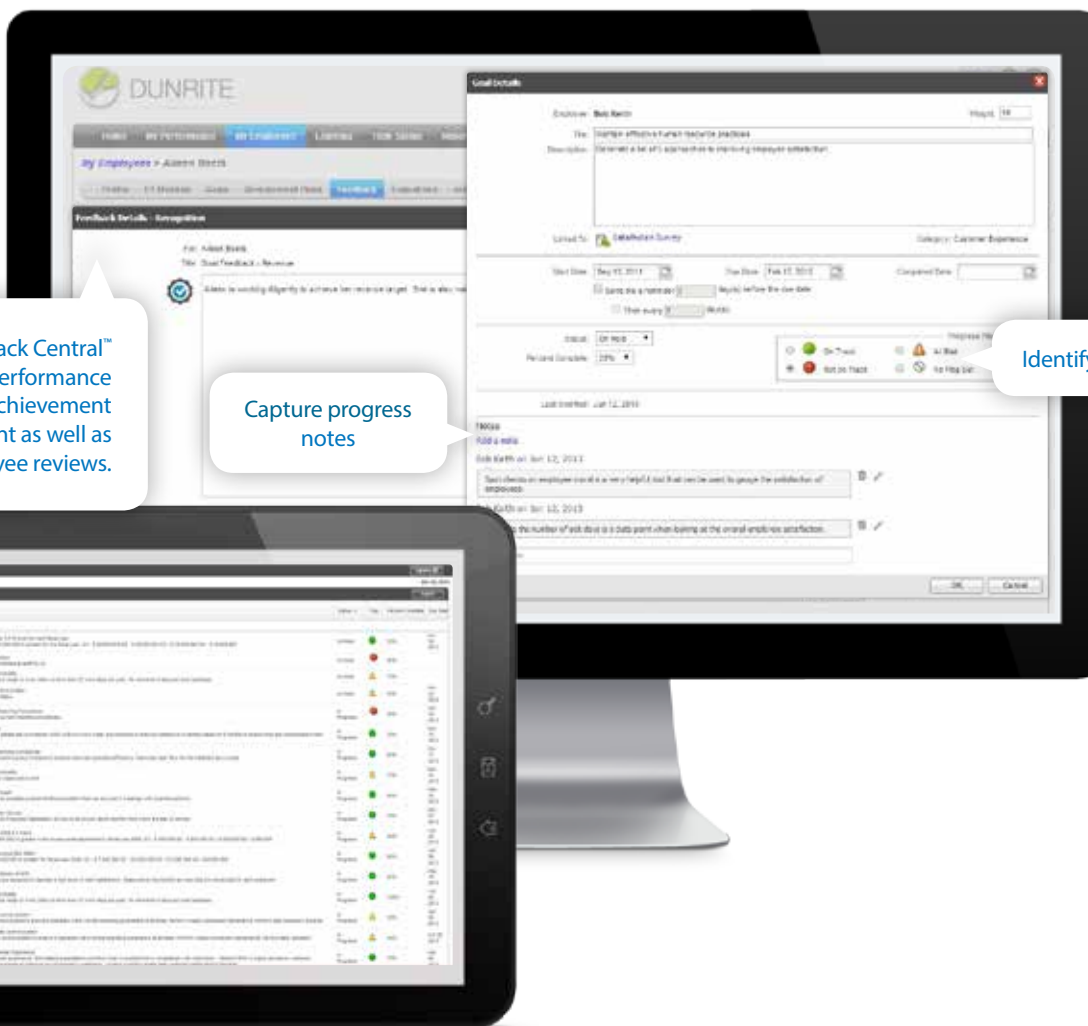
Executives, managers and employees can also use Halogen Performance's Feedback Central™ feature to give feedback on goal performance and to recognize achievements. Managers and/or employees can then include this feedback in performance conversations or reviews with employees.

HR and managers can also view a Goal report that shows them the status of individual and organizational goals.

Use Feedback Central™ for goal performance feedback and achievement management as well as employee reviews.

Capture progress notes

Identify status





Best-practice #4

Regularly review and revise goals

Managers and employees can regularly review goal status, make notes on progress and even revise goals from the Goals tab on the employee's Halogen Performance My Performance page.

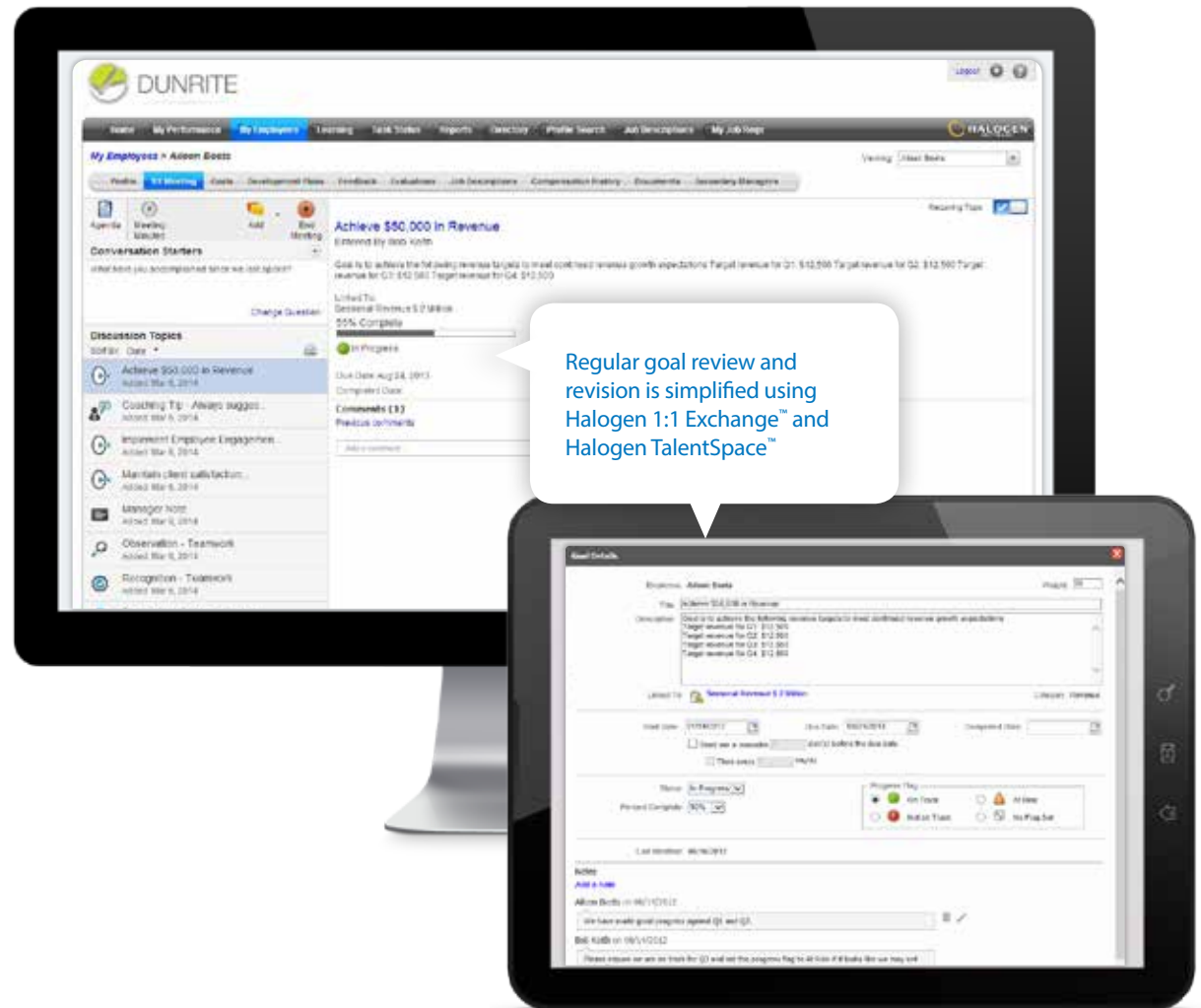
They can also use Halogen 1:1 Exchange™ meeting module and update goal progress and status in their regular one-on-one meetings.



Halogen 1:1 Exchange automatically includes all the employee's goals in the meeting agenda.



Halogen TalentSpace can also send automated emails to remind staff to update their goal progress and status on a regular basis.



Halogen's Business Consulting Services

Effective Goal Setting and Ongoing Goal Management

Halogen also offers a Business Consulting Service called Effective Goal Setting and Ongoing Goal Management, which is ideal for organizations that want to improve goal achievement, productivity, employee engagement, and ultimately, organizational results.

We understand that effective goal **management** is a top management challenge, so we've developed a simple and easy-to-follow process for setting and managing goals — with a focus on experiential learning.

As part of the service, our expert consultants will work with you to embed goal management best practices in your organization. We'll ensure your success by delivering onsite consulting, workshops and one-on-one coaching — all designed to ensure that your managers are using the Halogen tools at their disposal to effectively support employee alignment and accountability.

The service also includes a goal maturity assessment to provide a better understanding of the current and desired state of goal management within your organization so that we can customize the workshop to address your specific needs.

One year after service delivery, we'll conduct a reassessment to gauge your success. Recognizing that executive engagement is critical to success for any initiative, we'll also ensure your senior leaders are well informed and support your leadership development efforts.



Effective goal management in practice



SunRype Products Ltd.



[Read the full SunRype story»](#)

SunRype Products Ltd. is a 64-year-old juice and fruit snack company based in Kelowna, British Columbia. Today this publicly traded company generates some \$150M in sales annually.

SunRype wanted to better tap into the discretionary efforts of their employees and increase productivity. And they knew they needed to become a more nimble organization to remain competitive.

So, among other things, they improved the way they manage goals.

"In the food manufacturing sector we're seeing flat industry growth," shared Dave McAnerney, President and CEO, "And at SunRype we see this as an opportunity for innovation. In such a competitive environment we need a performance management tool that helps us make sure people are focused on priorities and allows us to re-establish and change goals and priorities on a dime."

They use Halogen Performance to capture and communicate organizational goals, and to assign and track progress on employee goals. And goal management is now a regular, ongoing activity that's part of their continuous performance management.

As McAnerney explains, "Everyone plays a role in delivering against our strategic plan and this is achieved through our rigorous approach to talent management. We're a results-oriented culture and we get that through tracking not only what gets done but also how it gets done. This results emphasis is also built into the way our managers work to help employees improve performance. The Halogen solution not only helps us track individual deliverables but also ensures they're aligned to our strategic plans."

"With Halogen Performance, there was a quantum leap in a universal acceptance of performance management. Now, managers across the organization are proactive and diligent. They regularly use the tool to record and make notes about achievements or roadblocks. They look at making sure the right things get done throughout the year. It's about goal alignment over several sessions rather than one formal annual process. And it's become ingrained in our culture."

Cindy Wilker, VP, Supply Chain,

Effective goal management in practice



San Diego Zoo



[Read the full San Diego Zoo story»](#)

The not-for-profit Zoological Society of San Diego operates the 100-acre San Diego Zoo, the 1800-acre San Diego Zoo Wild Animal Park and the department of Conservation and Research for Endangered Species (CRES). The Zoological Society, dedicated to the conservation of endangered species and their habitats, engages in conservation and research work around the globe.

In 2006, the society created a new strategic plan and looked to modernize their way of doing business. One of the key components of this was to introduce performance accountability, give employees a clear understanding of what they were responsible for, and give them regular feedback on their performance.

At the time, the Society had also recruited new management talent into the organization. This new generation of management was accustomed to having realistic goals, and expected to work within a system where they were fairly and accurately measured against these goals.

So they revamped the way they managed both goals and competencies, adopting Halogen Performance as their tool to do it.

"Everybody is working really hard to meet their goals so they can see the financial rewards at the end of the year, and those goals are also contributing to the overall success of the organization,"

At first, I think our employees found it hard to believe this was all really happening. Seeing managers being held accountable for customer satisfaction, employee satisfaction, budgets, and training and development is helping to strengthen our organization's employee accountability and to boost overall morale."

Tim Mulligan, Chief HR Officer

Effective goal management in practice



CPP / Myers-Briggs



[Read the full CPP story»](#)

Best known as the publishers of the Myers-Briggs Type Indicator® assessment, CPP is a world leader in personality, career, and organizational development assessment. CPP wanted to ensure every employee understood that his or her work makes a difference and is critical to CPP's success.

They set out to:

- Increase their leaders' abilities to manage performance
- Provide clarity and alignment around corporate objectives
- Drive shared ownership, responsibility and accountability of corporate initiatives
- Drive execution by clarifying and aligning individual and team goals

So they revamped their goal setting process, and started using Halogen Performance to help them better manage goals and performance.

When CPP rolled out Halogen Performance, the human resources and operations leaders, conducted business plan review meetings with their executives and each department in the organization to build a deeper understanding of the strategic initiatives.

Nicole Trapasso, Division Director of Human Resources and Organizational Development explains, "We went through a business meeting review with the entire company, team by team, to really deeply understand not only what the strategic initiatives were, but also the initiatives at the business and department level. Managers and leaders then co-created the goals with the employees, and linked them in Halogen Performance. It's provided for a very transparent way and a great line of sight so that all employees can really see how their contributions are helping CPP achieve its strategic objectives."

"Now every 90 days we check in for 30 minutes at least, on goals across the entire organization. So if goals are off track or there's a concern that we may not have resources or focus needed to attain them, we're having those conversations prompted proactively, rather than finding out at the end of a review period. So it's really been a great framework for us to continue to reinforce accountability and transparency," shares Trapasso.

Using Halogen reports, CPP can see if goals are aligned across the organization track progress. Employees, leaders and executives can see this information for their own areas, at any time. This in turn drives better performance and accountability — and helps CPP to achieve its strategic objectives.

Key questions for your organization



Which of the best-practices described in this ebook does your organization currently follow?



Which ones should you think of implementing?



Are all your employees able to state your current organizational goals?



Do all your employees have individual goals to work towards?



What could you do to increase everyone's skills at writing effective goals?



How could you measure the business impact of adopting better goal management practices?

Goal management resources

Here are a few of the resources that can help you:



To learn more about how to excel at goal management, visit the [Learn](#) section of the Halogen website.



You'll find "How-To" articles, webinars, whitepapers, forms and templates, a [goal management center of excellence](#), and more.



And become a regular reader of our [TalentSpace blog](#).



Template: [Goal setting template](#)



How to: [Writing SMART goals](#)



Blog Post: [Organization-centric vs. people-centric goal alignment](#)



How to: [Driving organizational success with effective goal management](#)



How to: [Should your organization have high-level goals?](#)



Blog Post: [How leaders should communicate business goals](#)



Blog Post: [5 lessons the CIA can teach us about organization-centric goal management](#)



White Paper: [Goals and outcomes: linking individual performance to organizational goals](#)



Webinar: [Sculling to success: aligning goals for business results](#)

Wrapping it up

We hope you've found this resource valuable in your talent management journey. At Halogen, our vision is to help organizations like yours build a world-class workforce that is aligned and engaged, and delivering exceptional results. We know that your people can be a sustainable competitive advantage.

If you'd like to access the latest thinking on each of the talent management facets discussed here, check out Halogen's [TalentSpace Blog](#).

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About Halogen Software

Halogen Software offers an organically built cloud-based talent management suite that reinforces and drives higher employee performance across all talent programs – whether that is recruiting, performance management, learning and development, succession planning or compensation. With over 1,750 customers worldwide, Halogen has been recognized as a market leader by major business analysts and has garnered the highest customer satisfaction ratings in the industry. Halogen Software's powerful, yet simple-to-use solutions, which also include industry-vertical editions, are used by organizations that want to build a world-class workforce that is aligned, inspired and focused on delivering exceptional results.

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