The Power of Goals

"The greater danger for most of us is not that our aim is too high and we miss it, but that our aim is too low and we hit it."

Michelangelo

Goal setting has been proven again and again to be a great and effective motivating tool. It is, in fact, considered by most to be the most effective tool.

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Value of Goals

- **Goals bring out our creativity** if they are difficult because of the need to develop strategies, knowledge and skill sets.
- **Goals give us focus.** They help direct our attention to goal-relevant actions and away from non-relevant actions.
- **It is a great time management tool**, because difficult goals require us to manage our time more effectively.
- Properly planned, **a goal setting process will have us breaking the large goal into smaller, shorter term goals.**
- **A goal-setting process creates a commitment**, if the goals are difficult enough. This commitment is a key ingredient to the success of achieving the goal, especially if the goal is difficult. In fact, the harder the goal (to a certain point) a greater commitment is created. It is interesting to note that goals, whether assigned or set by the individual, are equally effective if the individual understands the punishment to him/her or the team (such as loss of bonus or benefits), or the recognition of reward to the individual or team if the goal is achieved.
- **The properly set goal can lead to a sense of purpose** resulting in a strong pursuit of the goal.

Why We Don't Set Goals

With the value of goal-setting being so high, it is interesting to note that a high percentage of producers don't set goals. There are various reasons for not setting goals:

The goals should pass the S.M.A.R.T. test.

- They don't know how.
- There is a fear of rejection or failure if the goals are not attained. In *Module V Belief Systems*, we discussed Dr. Carol Dweck's theory on the Fixed Mindset vs. The Growth Mindset. People with a fixed mindset might be hesitant to accept difficult goals for fear of being judged or ridiculed if they fail to hit the goal.
- They don't think goals are important.

Reasons Goals Don't Work

- The goals are set too high.
- The goals are set too low.
- Fear of expectation, therefore, lack of effort. They will just not put themselves on the line.
- Unforeseen obstacles get in the way and distract us from the mission.

Key Elements of Effective Goal Setting

The goals should pass the S.M.A.R.T. test.

Specific. They should be clear and well-defined. A goal of "improving" would not be as effective as "increasing sales by 10%," or "having revenue of $100,000."

Measurable. By having goals and milestones that are measurable, we can receive feedback and monitor our progress.

Attainable. The goal must be attainable in the allowable timeframe and assuming the proper knowledge, skills and resources.

Realistic. Is it realistic to believe the goal can be achieved given the resources, skills, and knowledge? If those three aren't present, time must be allowed for training or the acquisition of the necessary resources.

Time Bound. It is important to have a clearly defined completion date.

Key Principles for Goal Setting

In Locke and Latham's 1990 book, *A Theory of Goal Setting and Task Performance,* the author outlined five key principles of goal setting:

1. **Clarity** — The goals must be measurable and clear. Their studies proved that when the individual has a clearly spelled out difficult goal, he/she will produce significantly more than the person who is simply encouraged to "do your best."

You must have a level of passion for hitting the goal.

2. **Challenging** — The level of challenge is critical to the level of productivity. The more challenging the goal, assuming the individual has the skills and knowledge necessary, the greater the results will be. This is true up to a certain point. Once the goals reach a certain level of difficulty, they become demotivating, if the individual feels he can't produce at that level. They eventually get to that point and say, "why bother?" Likewise, a goal that is too easy may be considered to be unimportant; so the effort may be withheld.

3. **Commitment** — The harder the goal, the more commitment is necessary. The hard goal can be inspirational if the results have meaning. There is a good test to find the level of commitment or passion for achieving the goal. The test consists of the following two questions:

   Put yourself at the end of the timeframe, and imagine you have achieved the goal. How do you feel?

   Now put yourself at the end of the timeframe, and imagine you did not hit the goal. How do you feel?

   The answer to the first question should be "Great! The answer to the second question should be "Highly disappointed!"If you aren't ecstatic that you hit the goal and disappointed if you miss it, the goal is not at the right level. You must have a level of passion for hitting the goal.

4. **Feedback** — An effective goal program must have feedback. Metrics and milestones should be defined to give feedback on how well you are progressing towards the goal. You should not only define the milestones for the results, you should also define key activities and measure them.

   Key metrics where feedback might provide insight might include:
   • Number of contacts
   • Number of names in each stage of the pipeline
   • Number of interviews
   • Number of people who you ask for referrals
   • Number of referrals obtained
   • Number of clients contacted
   • There are others that you might define that would be critical success factors in your operation. You should measure them.

5. **Task Complexity** — There are several considerations for the difficult goals:
   • Make sure the goal is not overwhelming
   • If the skills, tools or resources do not match the complexity of the goal, develop plans to obtain these necessary ingredients.

Preparation for Obstacles

I would add a key element relating to obstacles. Too often those unforeseen

To The Edge Coaching

The proper alignment of Passion, Tenacity, Communicated Vision, Self-efficacy, and Goals will lead to Growth.

obstacles surface and cause us to lose focus. We take our eye off the ball, and never recover. This will happen if you don't prepare for the obstacles and roadblocks. While you can't always predict which obstacles will occur, you should acknowledge that they will occur and pursue the goals with steps laid out that you will take when the obstacle gets in the way.

Summary

Proper goal setting and proper pursuit of those goals depend on relationships of certain critical traits. The proper alignment of these traits leads to growth. The traits are Passion, Tenacity, Communicated Vision, Self-efficacy, and Goals. These traits, with the proper relationships will lead to Growth.

Baun and Locke diagramed these traits in their article, "The Relationship of Entrepreneurial Traits, Skill, and Motivation to Subsequent Venture Growth," in the 2004 issue of *Journal of Applied Psychology.*

Module Project

Using Worksheet X, define your goal(s). Use more than one worksheet if you want to set more than one goal. Define your goal, whether it be a numerical goal or an organizational goal, such as a project. Under metrics, define those measurements that will be critical in meeting your goal.

Under measurement time, list the dates you will get feedback on the defined metrics. Remember, when we get to the module for Strategic and Tactical Planning, you will be defining tactical plans and activities that you will look at each day or week. Some will be the same metrics you list here. The measurement time you list in this exercise will probably be less frequent and is used to see how you are tracking towards goals.

Beyond S.M.A.R.T. Goals

Goal_____

Key Metrics In Reaching This Goal	Measurement Dates
1._____	_____
2._____	_____
3._____	_____
4._____	_____
5._____	_____
6._____	_____
7._____	_____
8._____	_____
9._____	_____
10._____	_____