



GOAL-BASED BUSINESS MANAGEMENT SOFTWARE - IS IT MORE THAN AN ASPIRATION?

How to beat the problem that stumps 95% of your colleagues

You might be saying, "What problem are you talking about?" It's simply this, most people aspire to the benefits of being goal-based, but drift into focusing upon short term tasks, the daily demands and what ever is urgent. It gets further compounded because they don't use technology to help them beat the odds. Let me explain.

Although a majority of people in management engage in goal setting and goal planning every year, the practice of using goals to manage people and the business proves to be a frustrating exercise for many. PST's research suggests that while aspiring to use a goal-based approach at work, most executives and managers in effect in part defeat themselves because they use a collection of information management tools that have been around for at least 5,000 years, but don't support goal setting and performance feedback, including:

- Memory to get organized and retrieve information, and keep alerted as to what needs to happen.
- Meetings and checking in, whether on the phone, in the hallway or in a conference room as a vehicle for getting status updates and uncovering areas that need attention.
- Writing things down... in lists. e.g. management may have switched from a yellow pad to a Word document or Excel spreadsheet, but essentially are still copying what the Egyptians had available in their written language and parchment paper.

PST's research has consistently found several critical issues that must be addressed if you want to move your direct reports, your team, the organization into working in a goal or outcome based approach. But before we cover that, let's look at a brief review of 10 key conclusions that come from emerged from an analysis of 27 studies* focused on the application of goal setting in organizations. (* [A Review of Research on the Application of Goal Setting in Organizations](#))

Facts you need to know about using goals at work.

#1 Using Goals does Improve Performance

Production is significantly higher when work is structured around goals, versus when it is not. Both quantity and quality improve a minimum of 10% when using goals to organize work, with quantity showing the largest gains.

#2 Goals, Performance and Managers

Managers who set goals for their reports and supervise/give feedback on the outcome, generate significantly higher productivity than managers who supervise, but do not set goals, or set goals but don't provide feedback.

#3 Goals, Performance and Top Management

Planning and goal setting is strongly correlated with improved performance and increased commitment by employees, but only when given encouragement and support by top management! Lack of involvement by top management is defined as a lack of personal involvement in driving the goal setting process down the organization.

#4 Goals, Specificity and Individual Performance

Being specific about setting goals, only increases performance for individuals who have high achievement needs.

#5 Goals and Self Fulfilling Prophecy

People that have a track record of success, respond to goals with increased performance, while people who have a history of more losses than wins do not have such an increase. What you believe about yourself comes true.

#6 Stretch Goals

Stretch goals that are believable motivate higher performance better than easy goals, and easy goals motivate better than unbelievable high goals.

#7 Goals, Performance and Maturity

If people have self confidence, maturity and a sense of control over being able to earn rewards for their efforts, they respond to stretch goals with increased performance. Those that are low on these traits do poorer with stretch goals.

#8 Feedback and Performance

Feedback helps performance when: it's relevant, given with helpful presentation and timing, and directed to people who have high achievement motivation. People with low achievement motivation do not show a correlation between performance and feedback.

#9 Goal Setting, Learning and Performance

If you want to improve learning, combine it with goal setting. In order to maximize the benefits of training upon performance, don't just send people for training, tie it into specific performance goals.

#10 Participating and Goal Acceptance

Participating in goal setting works better than assigned goals, but only sometimes. Actually the larger impact upon performance is goal acceptance. Whether participants get there by participating or being assigned is probably

second in importance,

We couldn't help but throwing in two other important findings from our research that are key to your success if implementing goal-based management software.

#11 The goal-based process has to be driven from on top

As much as 96% of the world does not regularly use goals and action plans to organize their effort. Let's be candid, most of the world is not naturally inclined to practice a high performance discipline such as goal management. A significant proportion of the population will only practice this discipline if actively led and held accountable by leadership that models and mandates the use of high performance technology. Bottom line: this is a new process for most, not a grass-roots process, and has to have the strong support of a driver. Without that support, the shift to managing by goals will be resisted as "requiring too much time or effort."

#12 Less is More

The human brain doesn't easily focus on more than three objectives at time, six at a maximum. Multi-tasking on lots of simultaneous goals, eventually reduces performance as it impedes focus and the benefit of priority setting. Both focus and accountability are supported by prioritizing no more than three to six goals or objectives at any one time. Most organizations attempt to track too many goals to start, and inadvertently turn their goal list into one more to-do list.

So why is software so important when it comes to goals and work?

As you read through the conclusions of the studies above, one point that jumps out over and over again is that being goal or outcome focused, requires feedback and performance measurement... regularly. Paper and pencil, and other ad-hoc systems simply can't create an effective feedback loop and measurement system for most organizations in their complex and fast moving business environment. As a result, every business bent on improving performance could benefit from a software supported visibility and accountability to support a goal or outcome based approach to work.

The software solution:

We at Performance Solutions Technology provide software technology for getting great visibility and follow-through around goals, outcomes and results. Don't worry if you feel like the business you work in is not goal-based enough to use the support of software. Most of the organizations we work with around the world at the start are task and urgency based, not goal and plan-based in how they approach and deliver their work product.

Invariably, shifting to a goal-based approach to work includes an embedded change process to improve performance and measurable results as noted above. PST's software and coaching services are designed to support executives and managers focus directly on outcomes and the bottom line, e.g. "What do you want to happen or where do you want to go?" Then build a plan to get there, and work (track) the plan. It all is managed within our ManagePro software, including performance measuring scorecards and dashboards, and we've made it available to immediately in a 30 day, fully functioning demo version below.

Next Steps:



[Click here to Test Drive a free demo copy of ManagePro, our leading goal-based software for 30 days](#)

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