

PERFORMANCE MANAGEMENT – CREATING SMART GOALS:

In People Admin, the University will be asking managers and supervisors to focus their Performance Management outcomes by basing employee work plans on SMART goals written to measure performance in each of the Functional and Behavioral Competencies. New supervisors to UNC Charlotte have been learning how to write SMART goals during their Leadership Training sessions for the past five years. This training section is designed for those who have not participated in LEAD or for those who need a review of how to write SMART goals to measure employee performance. By establishing SMART objectives, supervisors develop and motivate employees by ensuring their activities are linked to the overall goals and mission of the university.



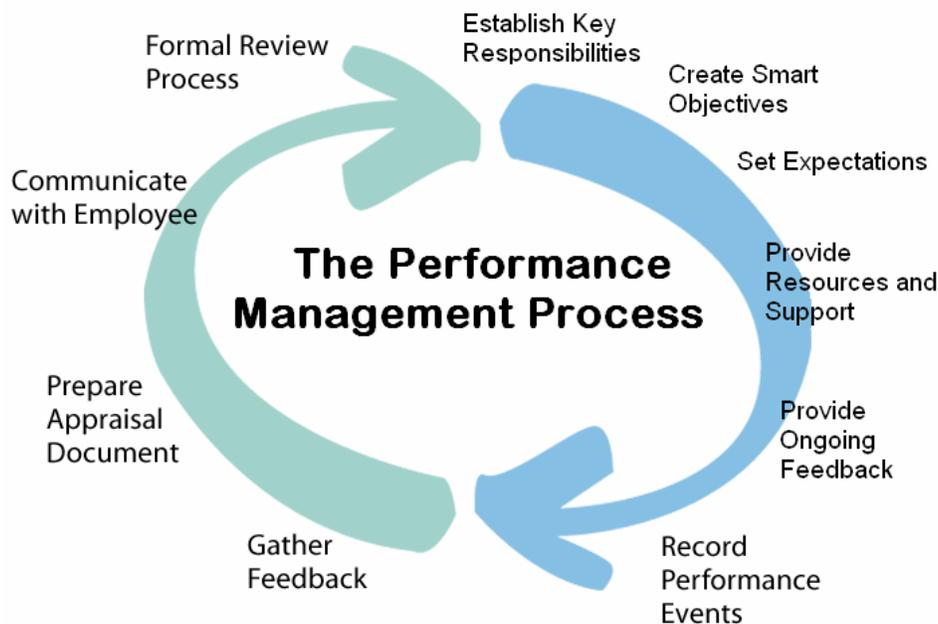
Training Objectives

Participants will understand:

- The difference between Job Duties and Performance Goals;
- How to establish SMART goals for employees; and
- How to use tools to keep performance on target (managing to SMART Goals)..

Performance Management Process–Overview

Elements of the Performance Management Process



Employee Performance Begins with Leadership

Leadership Means . . .

- Establishing an environment conducive to excellence.
- Managing for performance
- Taking all opportunities to support individual and organizational achievement and growth.
- Communicating Expectations clearly and concisely
- Holding employees accountable

Defining SMART Goals

SMART refers to an acronym built around the key characteristics of meaningful goals, which can be very helpful in writing performance expectations that can be used to evaluate the effectiveness of work and behaviors. The acronym may be broken down as follows:

1. Specific – Specifically define what you expect the employee to do/deliver. Avoid generalities and use action verbs as much as possible. The level of detail you need to provide depends on the employee's personality and their experience level. For example, a highly autonomous or experienced employee will need less detail than a less confident or seasoned one. (concrete, detailed, well defined).

2. Measurable – You should be able to measure whether the employee is meeting the goals or not. Identify how you will measure success - usually stated in terms of quantity, quality, timeliness or cost (e.g. increase by 25%).

3. Achievable - Make sure that accomplishing the goal is within the employee's realm of authority and capabilities. While considering whether a goal is actionable/achievable, you also need to consider the employee's total set of goals. While each individual goal may be achievable, overall, you may be assigning the employee more goals than they could reasonably be expected to successfully complete.

4. Realistic – Can the employee realistically achieve the objectives with the resources available? Ensure the goal is practical, results-oriented and within the employee's realm of authority and capabilities. Also, **Relevant**: Where appropriate, link the goal to a higher-level departmental or organizational goal, and ensure that the employee understands how their goal and actions contributes to the attainment of the higher level goal. This gives the employee a context for their work.

5. Time-bound – When does the objective need to be completed? Specify when the goal needs to be completed (e.g. by the end of Q2, or every month).

We will look at each of these characteristics in more detail later.

Writing SMART Goals

While SMART goals are generally recognized as a **performance management best-practice**, writing them is not easy. It takes some practice, but especially vigilance, to ensure that an employee's goals are effective. It's easy to get bogged down in the theories, especially since there are several different variations of what the SMART acronym stands for.

When managers and employees know how to write SMART goals, it helps take the subjectivity out of goal setting, and ensures they have a shared set of expectations. The real aim is to specify the who, what, where, when and why for the goal and ensure shared understanding and expectations. All of these elements are critical for helping align goals throughout your organization. Remember, the ultimate purpose is always to help the employee, and by extension, the organization, succeed.

Research has found that as many as half of all workers say they don't know their organization's high level goals. Further, more than half of all workers say don't clearly understand their own goals. How can an organization succeed if its workforce does not have clear, aligned goals?

Developing SMART Goals based on Job Duties

Performance goals are written to describe the measurable results an employee needs to achieve within each functional competency area. Performance goals should be tied to the business outcome the supervisor needs to accomplish through the job and its incumbent. In our use of the term “SMART goal,” we include both a goal (where we want the employee to be) and an objective (the steps needed to get there).

SMART goals are meant to be realistic targets for an employee to reach on a regular basis, or over the annual cycle. Goals are written in an active tense and use strong verbs like plan, write, conduct, produce, etc., rather than learn, understand, feel. Goals can help you as a supervisor focus your employee on what matters most out of the myriad tasks he or she may perform in the job. A SMART performance goal answers the question “*What do I need you to do, When, Why (what does it demonstrate), and to What Standard?*”

A job duty or responsibility is **not** a measurable performance goal. It only represents one of these three components, the “what” needs to be done.

Setting Goals for Functional Competencies

Setting goals creates employee motivation and should help the employee connect the job to the mission of your department and the university. While position descriptions often list everything a supervisor expects an employee to do within each functional area, work plans in People Admin will require that you state succinctly *no more than three* SMART goals within each functional competency area (following the priority order from the job description) and describe how they will be met and measured. The best SMART goals provide guidance for the employee and help keep performance focused throughout the evaluation period. When these goals are discussed and written, the supervisor and the employee have a thorough understanding of what performance is expected and by what standard it will be evaluated

There are two types of objectives incorporated into goals written to measure performance in functional competencies:

Process Objectives: help the employee be more accountable by setting specific numbers/types of activities to be completed by specific dates. Process objectives tell what a “good” – not exceptional -- employee is expected to do and how he or she is expected to do it. Process SMART goals describe participants, interactions, and activities.

Outcome Objectives: describe an expected outcome as a result of work being done. Outcome objectives are more difficult to measure because many different elements may influence what is being measured. However, the evaluation can be used to explain external elements impacting an outcome.

Setting Goals for Behavioral Competencies

For each Behavioral Competency, supervisors are asked to develop only one SMART goal. A third type of objective is incorporated into SMART goals written to measure Behavioral Competencies:

Impact Objectives: describe expected changes in attitudes, knowledge or behavior in the short term and describe the degree to which you expect this change.

Three Components Create a SMART Goal:

- 1. Performance** - what the employee is expected to do PLUS the steps or measurements needed to meet or clarify goal:
- 2. Criteria** - the quality or level of performance that will be considered acceptable, often described in terms of speed, accuracy and/or quality (time frames).
- 3. Conditions** - conditions under which the performance is expected to occur.

An example of a clearly written job objective incorporating these components could be written as follows:

The employee will write reports for the department at the end of each week while the legislature is in session.

1. Performance:

The first component, performance, helps communicate what the employee is expected to perform. The performance is usually written using a verb that describes the action of the performance. Using the example from above, the performance of this objective is highlighted below.

The employee **will write reports for the department at the end of each week** while the legislature is in session.

2. Criteria and Quality

The second component, **criteria**, describes the **quality, level, and timeliness standards** by which the performance should be accomplished. The criteria of the example job objective are highlighted below.

The employee will write reports for the department **at the end of each week** while the legislature is in session.

The preceding example described criteria in terms of **timeliness**. Another way to describe the criteria for a performance objective is to use **accuracy** measures. This can be expressed using a percentage. For example:

The employee will write reports for the department **with zero grammatical errors** while the legislature is in session.

Quality of performance is another critical criterion. Sometimes **quality**, timeliness, and accuracy

are important. All characteristics may be addressed in the objective.

3. Condition:

The third component, **condition**, describes the situation, timeframes, and the environment specifics in which the performance is to occur. The conditions of the example job objective are highlighted below.

The employee will write reports for the department at the end of each week **while the legislature is in session.**

Objectives may be one or several sentences in length. Several sentences may be required to communicate the intent clearly.

The Work Plan is a Living Document

To ensure success, make performance evaluation an evolving process. Refer to it at least quarterly and, at the interim review in September, discuss the SMART goals with the employee. Consider the following:

- Check the priority order of functional competencies to see if there have been changes in business needs;
- Build flexibility into SMART goals to ensure adaptability as changes occur in the job or department.
- Ask about obstacles and take action to eliminate them.

Detailed Help on Developing SMART Goals

Use the following details and questions if you need additional assistance on converting a task-based work plan into one that will allow you to measure your employee in succinct, focused performance goals related to their demonstration of Functional and Behavioral Competencies.

Specific – What exactly should be done, with or for whom?

Specific means that the objective is concrete, detailed, focused and well defined. The expectation states a specific outcome, or a precise objective to be accomplished. The outcome is stated in numbers, percentages, frequency, reach, scientific findings, etc.

To help set specific objectives it helps to ask:

- **WHAT** do I need the employee to do? These are best written using strong, action verbs such as conduct, develop, build, plan, execute, etc. This helps your objective to be action-orientated and focuses on what's most important..
- **WHY** is this important for the employee to do?
- **WHO** else needs to be involved?
- **WHEN** do I want this to be completed?
- **HOW** is this assigned task to be done?

Diagnostic Questions

- What exactly is the employee going to do, with or for whom?
- What strategies will be used?
- Is the objective well understood?
- Is the objective described with action verbs?

- Is it clear who is involved?
- Is it clear where this will happen?
- Is it clear what needs to happen?
- Is the outcome clear?
- Will this objective lead to the desired results?

Measurable – Is it measurable & can I measure it?

If the objective is measurable, it means that the measurement source is identified and you are able to track the actions as the employee progress towards the objective. Measurement is the standard used for comparison. As it's so often said if you can't measure it, you can't manage it! It's important to have measures that will encourage and motivate your employees. As you see the change occurring, you may need to develop interim measures. Measurements go a long way to help your employees know when they are performing up to your standards.

Diagnostic Questions

- How will I know that the change has occurred?
- Can these measurements be obtained?

Achievable – Can the employee get the goal accomplished in the proposed timeframe/in this political climate/at his or her current level of competency? SMART goals need to be achievable. They may stretch your employee, but not so far that he or she becomes frustrated and loses motivation.

Diagnostic Questions

- Are the goals you set achievable and attainable?
- Can the employee successfully complete this goal with the skills, resources and time available to them?
- Are there factors beyond their control that need to be considered?
- Can the employee get it done in the proposed timeframe?
- Does the employee understand the limitations and constraints?
- Has anyone else done this successfully?
- Is this possible?

Realistic/Relevant – Will this goal lead to the desired results?

Objectives that are achievable, may not be realistic..... however, realistic does not mean easy. *Realistic* means that you have the resources to get it done. The achievement of an objective requires resources, such as, skills, money, equipment, etc. to the task required to achieve the objective. *Relevant* means the outcome or results of the work directly support the business needs of the agency or priority area.

Diagnostic Questions

- Does the employee have the resources available to achieve this goal?
- Do I need to clarify unit priorities to the employee to ensure that this goal is achieved?
- How can I help the employee see the relationship between this SMART goal and our mission?

Timely/Time-Bound – When or how often do I need for the employee to meet a particular goal?

Time-bound means setting deadlines for the achievement of the objective. Deadlines need to be both achievable and realistic. If you don't set a time you will reduce the motivation and urgency required to

execute the tasks. Timeframes create the necessary urgency and prompts action. Timeframes also add measurability and provide a clear yardstick as to whether work is being done to expected standards.

Diagnostic Questions

- When or how often do I need (response/reports/summaries/agendas/schedules/status updates)?
- Is there a stated deadline?

Legal Update Supports SMART Goals Approach

In *Current Legal Issues in Performance Appraisal*, Stanley B. Malos, J.D., Ph.D. makes six *Substantive Recommendations for Legally Sound Performance Appraisals*. Even if legalities are not your concern, these six recommendations set the stage for what makes an appraisal rating system, for employees or non-employees, sound, and potentially - motivational.

According to Malos, "appraisal criteria:

1. should be objective rather than subjective;
2. should be job-related or based on job analysis;
3. should be based on behaviors rather than traits;
4. should be within the control of the ratee;
5. should relate to specific functions, not global assessments,
6. should be communicated to the employee."

Malos cites procedural recommendations for legally sound performance appraisals as well. His recommendations include:

- procedures should be standardized for all people within a job group;
- they "should provide notice of performance deficiencies, and opportunities to correct them;
- should provide written instructions and training for raters;
- should require thorough and consistent documentation across raters

Putting It All Together: Sample SMART Goals

To develop SMART Goals that will help your employee's work meet your business needs, fill in the blanks below:

Smart Examples:

Complete one for each of your employee's functional competency areas:

Do This _____ How _____

Within What Time _____ With what outcome? _____

Sample SMART goals for Customer Service:

- Improve student service satisfaction ratings by (xx)% by the end of the calendar year, as determined by student satisfaction surveys.
- Increase the number of people who visit our Athletics web site to (xx) by the end of February.

- Respond daily to voice mails or calls concerning the status of ordered supplies or equipment. There are no more than 2 valid complaints from faculty and staff about lack of supplies during the performance cycle.

Sample SMART goals for Work Coordination:

- Train and guide secretaries in units reporting to Associate Provost by explaining proper form completion, communicating new or revised policies, and conducting formal orientations and training meetings. Orientations of new employees occur within one month of hire.
- Rooms for events and meetings are scheduled two weeks in advance with meeting locations for each event or meeting communicated one week in advance.
- A master calendar for the upcoming year's events is submitted for approval by August 15th

Sample SMART goals for Staff Development:

- Set up customer feedback systems to monitor and evaluate employees' responses to customer concerns (at least monthly)
- Attend at least one HR Management training session per year and submit a short summary of new understanding on HR policies/procedures

Sample SMART goals for Information Administration:

- Accurately process 50 housing applications per day.
- Review student time sheets for accuracy and compliance and submit to payroll prior to established deadlines. Outcome: No delays or errors in students' pay

Sample SMART goals for Budgeting:

- Submit to the Director by the 15th of each month, a monthly budget report that summarizes for the previous month the total spent in all budget categories and balances for all categories. This report should also briefly document any budget concerns and forecasts.
- Review the budgets of the reporting departments on a monthly basis and alert them by the 5th of each month to possible issues that should be addressed. Accounts are not over-expended or depleted without the account manager being informed. Accounts are managed efficiently at year-end with all expenditures managed based on Budget Office guidance.

Sample SMART goals for Planning and Organizing:

- Place documentation of Problem Management Resolution in the J drive within one week of event
- Share project plans with customers through weekly/monthly meetings to determine that expectations are clear to both parties.

Managing to SMART Objectives

Managing Performance

There are three major components to managing employee performance:

- The day-to-day tracking of employees' progress toward achieving performance expectations outlined in the performance plan
- Benchmark interim reviews conducted throughout the performance cycle based

- on specific projects; and at a minimum, the interim review in September
- The final appraisal meeting at the end of the annual cycle

Managing also includes providing on-going feedback to employees through coaching and frequent discussions throughout the performance cycle. These discussions should be held on a regular basis, as well as in response to changes in performance. At any point during the performance cycle, supervisors need to address performance areas of improvement and achievements with their employees.

Tools to Keep Performance on Target

- Visual observation
- Logs or notes kept by supervisor
- Written activity or work logs kept by employee
- Periodic meetings with employee (quarterly meetings are recommended)
- User or customer feedback
- Written progress reports
- Project Plan and accomplishments based on meeting SMART Goals

Discuss with employee:

- Planning how you will track performance data (Methods of Evaluation)
- Decide what data to collect
- Decide how to collect the data
- Decide when to collect the data
- Decide what data the employee should collect

The Career Development Plan

Below are examples of some typical activities which could be considered appropriate for employee development.

- On-the-job training, cross-training, job shadowing
- College course work or certificate programs
- Attending or participating in professional organizations
- Coaching or consulting
- Individual career counseling
- New employee orientation
- Working with or as a mentor
- Management development programs
- Attending workshops, conferences, or teleconferences
- Internships
- Self-study or reading assignments
- Online learning projects
- Attend meetings for you or with you

Sources and Other Resources

The Web has a wealth of resources on Developing Smart Goals.

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