

**OPERATIONS EFFECTIVENESS – IMPROVING PROCESSES, TOOLS & HABITS**

# Getting Back to Basics

## The clearer the goal, the greater the chance they'll be achieved

### Getting back to basics – Setting Goals!

Goals are personal, Goals are strategic, Goals are to be attainable and Goals need to be visible! What is meant by visible, to simply put it, broadcast the goal. If operational goals are not communicated and tracked on an actionable frequency level, it will be difficult to attain the goals set by management!

### Setting Goals

Trident has advised our clients on the importance of setting attainable goals, while stressing communication of these goals is a key element in achieving them. Often clients operate under the impression that everyone understands what the goals are, but after performing "Day in the Life Studies" it is clear that is an incorrect assumption. Trident tends to witness goals set on a manager's spreadsheet and not with the visibility and feedback loops to communicate the variance to the goals to the organizations. Trident has found that organizations fail to ask some quick and easy questions of management:

- Are the goals quantifiable?
- Is the correct information being collected to track the goal?
- How often are the goals reviewed?
- Is the variance tracked and acted upon?

### Quantifiable Goals:

Quantifying goals is simple! All that is required is to find a measurable aspect of your goal, and communicate it as the expected requirement, not an optional obligation. For example, your goal could be to meet a production target, and then a case(s) per hour goal is set. In sales based organizations, increasing the number of visits for a sales representative is often the goal. Set visit targets for growth, established, and new accounts, the goal is the number of visits at each account level. Once established, the communication of the expectation requires commitment from everyone. It should be the rallying cry for the organization, because everyone wants to know success was attained. It provides meaning and promotes a healthy sense of competition in the work place as well as builds camaraderie within the organization.

### Data Collection:

After establishing a quantifiable goal the collection of data has to occur with scheduled regularity. The only way to know that goals are being achieved is having the proper data to support the

achievement. One of the most common reasons that organizations do not accomplish their goals is that they tend to get distracted from the goal. If the data is not collected or not communicated to anyone failure is a very strong possibility. In practice, Trident has witnessed organizations who collect too much data or not enough useful data. A concise decision should be made upfront as to what data to collect and how it will be utilized once collected. It is common for organizations to collect so much data that "Analysis by Paralysis" might ensue, or not enough data is collected, and improper conclusions might be drawn.

### **Frequency of Review**

Goals may be set on an hour by hour basis (i.e. on a shop floor), a weekly basis (i.e. a sales organization), or as part of a department goal on a monthly/quarterly/annual basis, again if the goals and results are not broadcasted, organizations will be lost at sea without a navigational buoy to steer towards. An easy recommendation is to keep organizations constantly aware of the goals by reviewing them at a specific time each day or week. Forums for review can be in a group setting, individual, or as an e-mail update. By doing this regularly, the organization will be trained to become alert to things that are related to the goals and will automatically strive to do whatever is needed to achieve them.

### **Variance to Goals**

Thus far goals are quantifiable, data is collected, and a review of the results occurs regularly, so what can be wrong...the results are indicating the goal is not being achieved, why? Asking why is just the beginning to understanding the variance. Performing a variance analysis is critical for understanding what constraints, roadblocks and barriers are affecting the organizations ability to be successful. Pareto Charts is a useful tool to perform a variance analysis. Pareto Charts will only illustrate the variance; it does not solve the variance, so a strong commitment to problem solving methods would be required.

### **Conclusion**

"Getting back to basics" is just a fundamental approach of aligning the corporate goals to the daily operational goals for organizations. Establishing quantifiable goals, utilizing the data collected surrounding the goal, having a regimented schedule of review, and a solid problem solving process to address variance from the goal. If those basics are in place in any organizations the ability to succeed is very high as opposed to organizations that operate without those basics. Often these basics exists within organizations but are not combined as a system, thus resulting in underperformance.