



## The Goal Cycle: Setting & Achieving Goals

### Solution

Aligning organizational, departmental, team, and individual goals with key strategic priorities - and engaging employees and leaders in setting and achieving goals - creates a cadence of synergistic and aligned activities for improving important aspects of a healthcare organization – financial performance, growth, a high quality, safe and satisfying patient experience, and workplace excellence.

## What...

A cycle of activities designed to set and achieve 3-8 top-level measurable goals for a given year. Each goal is of strategic importance in helping the organization become stronger and better in the future. Teams and departments then set 1-3 aligned annual goals and take action that will contribute to the success of these top-level goals.

Many organizations have a defined strategic planning cycle and a budget cycle but miss out on the benefits of incorporating a goal cycle to create alignment and ownership for achieving specific, measurable goals that are aligned with their top strategic priorities.

## Why...

- ▶ Clearly defined goals help to guide and measure our success and unite everyone around common purposes.
- ▶ Goals that are a bit challenging, yet possible to achieve, are motivating, inspiring, and help us to feel proud of our progress and accomplishments.
- ▶ Meaningful goals compel us to work together, to be energized,



resourceful, and creative, and to use or seek out the knowledge and skills needed to succeed




*“ Goals are like a magnet—they pull. And the stronger they are, the more purposeful they are, the bigger they are, the more unique they are, the stronger they pull.”*

*--Jim Rohn*

To support doing this well, there are many evidence-based and high-performance work practices that make setting and achieving goals a robust part of an organization's leadership framework and creates a systematic cadence of improvement activities.

A GOAL CYCLE is the defined process that guides an organization's activities of setting and achieving goals. The goal cycle has three main periods:

<b>PRE-CYCLE</b>		Strategic Plan Updates Organizational, Departmental, & Team Goals 1st Quarter Goals & Action Plans Budgets		
Leadership Training Employee Training	<b>QTR 1</b>	Activity to Accomplish Action Plans Measure and Transparently Report Develop next Quarter Goals & Action Plans Monthly Accountability Meetings	Celebrations!	
Leadership Training	<b>QTR 2</b>	Activity to Accomplish Action Plans Measure and Transparently Report Develop next Quarter Goals & Action Plans Monthly Accountability Meetings	Celebrations!	Mid-Year Conversations
Leadership Training Employee Training	<b>QTR 3</b>	Activity to Accomplish Action Plans Measure and Transparently Report Develop next Quarter Goals & Action Plans Monthly Accountability Meetings	Celebrations!	
Leadership Training	<b>QTR 4</b>	Activity to Accomplish Action Plans Measure and Transparently Report Develop next Quarter Goals & Action Plans Monthly Accountability Meetings	Celebrations!	
<b>POST-CYCLE</b>		Post Mortem Reviews	Celebrations!	Annual Evaluations

- ▶ **The pre-cycle period** - also known as the “getting ready” period. This is dedicated time for setting organization, team, and department goals and deciding on the action steps and resources needed to achieve them.
- ▶ **The goal period**, an entire year in which goals are broken down into the tasks and activities necessary to achieve them. For most organizations, the annual goal period is defined as their fiscal year. During this period,



- Offer leadership and employee training aligned with the goals (What do leaders and employees need to learn for us to be successful with our goals?)
  - Quarterly mini-goals and quarterly action plans are established, adjusted as necessary, and acted upon. This results in frequent celebrations of progress and milestones.
  - Department employees meet regularly to determine action steps and assign responsibilities. These are opportunities to bring ideas forward and take teamwork to the next level.
  - You'll also want to keep your sights on the goal metrics. These numbers help you to know if you're on track to meet the goals and guide adjustments to the actions plans.
- ▶ **The post-cycle period** - a time to celebrate what has been accomplished and to consider what lessons have been learned from the recent goal period that help to get even better at using the goal cycle to improve, grow, and succeed.

## Key Goal Cycle Concepts

The pre-cycle period is initiated with an update or affirmation of the organization's key strategic priorities in its strategic plan. In alignment with those defined strategic priorities, 3-8 top-level measurable organizational goals are defined for the upcoming annual goal period. When established in this way, each goal is of key strategic importance in helping the organization become stronger and better in the future to achieve its mission and vision.

Organizational goals are then cascaded to the front-lines of the organization when departments establish 1-3 aligned annual goals that will contribute to the success of these top-level goals. These goals can be set for each specific department, yet some departments will benefit by establishing a shared common department goal that they will jointly work to accomplish.

### Alignment Example

**Strategic priority:** Strengthen and expand services to become the preferred, easily accessible provider.



- ▶ Aligned top-level **organizational goal**: Increase gross revenues by \$5 million by the end of fiscal year 20XX.
- ▶ Aligned laboratory **department goal**: Increase gross revenues by \$500,000 by the end of fiscal year 20XX.

More goals don't equate to more success and progress. In fact, when it comes to setting goals at the organizational and departmental levels, "Less is the new more" and "balance reigns."

High levels of success have been demonstrated when organizational goals are limited to 3-8, and balanced across financial performance, growth, a high quality, safe and satisfying patient experience, and workplace excellence. At the department level of goal setting, 1-3 annual goals.

When fewer goals are set, each can be set at a higher level of difficulty, so you are moving higher and faster towards the most important things, versus millimeters towards many things. This compels organizations and departments to make sure each goal set is the right goal to set.

- ▶ **Baseline** (Where are we now?)
- ▶ **Target/Goal** (Where do we want to be?)
- ▶ **Timeframe** (By when? What is the timeframe of the final measure?)

## Example

For our medical clinic to decrease overtime expenses from \$60,000 in fiscal year 20XX to \$25,000 or less in fiscal year 20XY.

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This goal statement is in keeping with the familiar SMART (specific, measurable, achievable, relevant, time-bound) goal criteria:



- ▶ **Specific:** Define exactly do you want to achieve (decrease overtime expenses)
- ▶ **Measurable:** Define a metric/number to aim for (\$25,000 or less)
- ▶ **Achievable:** On the higher end of difficulty, but not perceived as impossible - goals should be set high enough to require an “all in effort by everyone over the course of the year” to achieve them; again, this is why fewer goals are recommended. (a \$35,000 reduction, from \$60,000 to \$25,000)
- ▶ **Relevant:** Aligning to the organization's strategic priorities and goals (In this case, the medical clinic's goal is aligned with the organization's strategic priority to “generate income from operations each year” and a defined organizational goal of “generate an operating profit margin of 4% or more for fiscal year 20XY).
- ▶ **Time-bound:** The timeframe in which to achieve the result (in fiscal year 20XY)



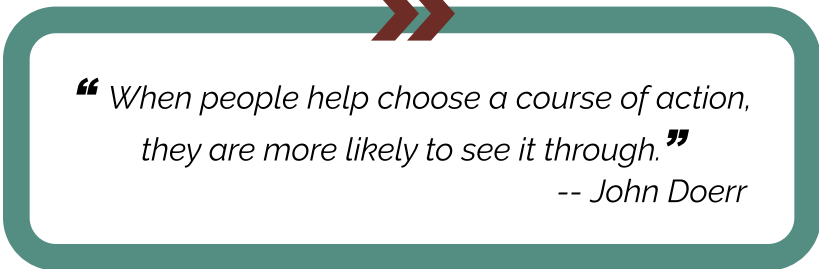
## Goals (Measurable Outcomes) Versus Projects (Action Steps)

When creating goal statements that follow the “anatomy of a goal” format, organizations and departments will avoid defining project (e.g., renovate our workspace, purchase and install new equipment) as goals. The importance of this is that projects are most likely ACTION STEPS necessary to achieve a GOAL, versus the project being the goal. For example, ask: “Why are we doing this project?” and “What metrics should improve when we complete this project?” The answer to these questions help to uncover the measurable goal and then the project becomes part of the action plan for achieving it.

## Stakeholder Engagement

Do not impose goals on people, foster a process in which the setting of goals creates a cooperative social contract. Goal setting, action planning and execution should be a collaborative process involving key stakeholders.

In particular, the aligned department goals are developed by the leader(s) and employees in those specific departments. While a “review and approval” process is recommended to evaluate goals for proper alignment and goal difficulty, it is important for departments to establish ownership of their goals, and that starts with the goal setting process.



*“ When people help choose a course of action,  
they are more likely to see it through.”*  
-- John Doerr

## Internal Champion(s)

While not everyone in the organization must become experts at all of the activities and concepts of the goal cycle, the organization is well served when 2 or more leaders evolve to be the internal subject matter experts and the champions or stewards of the goal cycle. This provides leaders and teams access to a helpful resource within the organization if they require assistance in any of the goal cycle activities.

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The next year, or goal period, is going to come and go. And the next one. And the next one. With each one, we have an opportunity to unite together to improve, grow, and succeed.

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Setting and achieving goals, as guided by the goal cycle, is one of 9 tactics that help us deliver on the promise of excellence.

 **Strengthening Relationships**

 **Promoting Wellbeing**

 **Improving Communication**

 **Effective Hiring & Onboarding**

 **Leading Change**

 **Elevating Gratefulness**

 **Giving & Receiving Feedback**

 **Achieving Standards**

 **Setting & Achieving Goals**

