

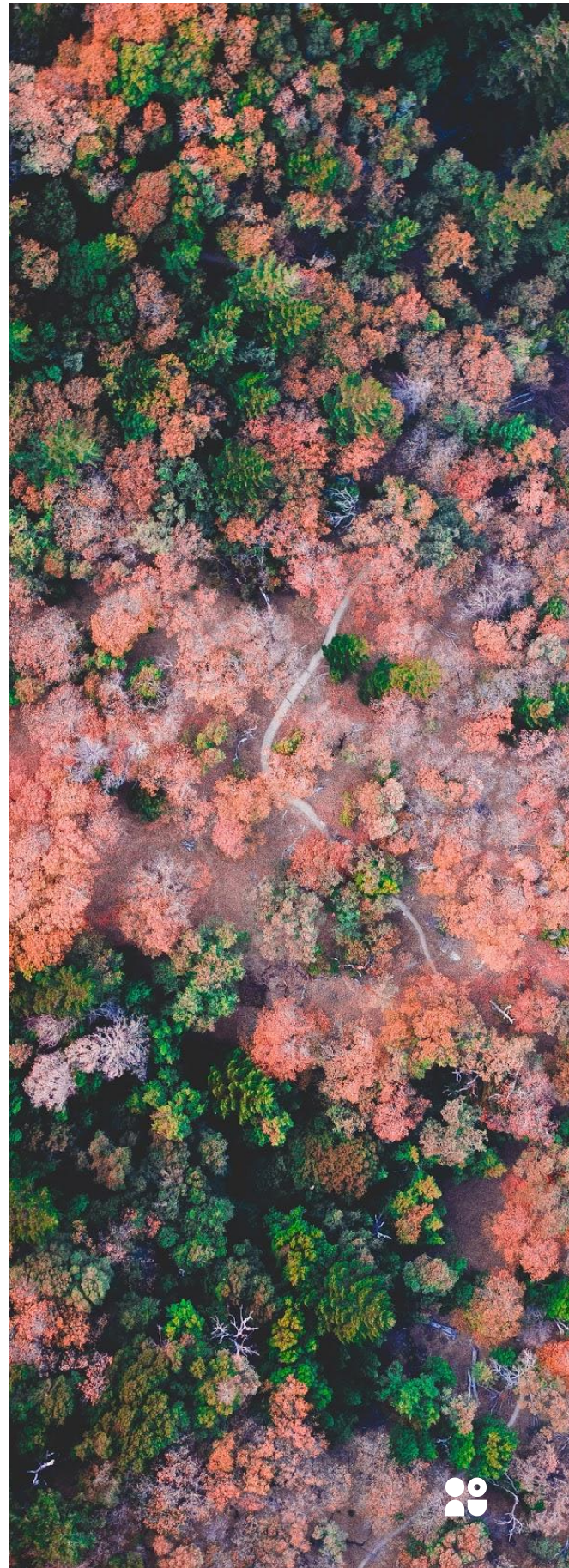
An Essential Guide to SMART Goals

Helpful tips and best practices for setting up SMART Goals



What's in this guide?

Smart goals: Why do goals matter?	p. 3
A history of SMART goals and management by objectives	p. 5
What are SMART goals?	p. 6
Why is it important to set SMART goals?	p. 7
What does setting SMART goals mean in 2019?	p.10
How to set SMART goals for yourself?	p. 10
What does a good SMART goal look like?	p. 12
What does a bad SMART goal look like?	p. 13
What does the SMART goals methodology mean for a manager?	p. 14
What does a typical SMART goal cycle look like?	p. 15
What does the SMART goals methodology mean for an employee?	p. 16
What does the SMART goal methodology mean for a company?	p. 17
10 SMART goal examples for company leaders	p. 18
10 SMART goal examples for HR	p. 19
10 SMART goal examples for Sales	p. 20
10 SMART goal examples for Marketing	p. 21
Tracking and updating SMART goals	p. 22
SMART goals resources	p. 23



SMART goals: Why do goals matter?



Setting SMART goals is an **essential** step to run a **successful business**. How are you going to achieve anything if you don't know what are you aiming for? [Setting up goals, writing them down and sharing them with others is important because it gives you something to work towards.](#) Plus, sharing your targets with others makes them real and holds you accountable for your actions. Many organizations manage to set some objectives and meet them, but they lack a sense of purpose. So how can you effectively set individual goals and align them with the bigger picture of the company?

Setting goals is challenging. Not many of us find it easy to set meaningful goals, and sometimes it can be even difficult to see the value of setting [SMART goals](#). "Going with the flow" and "seeing where we get to" is very tempting. Not setting goals is comfortable and takes the pressure off of a potential failure, which is scary to most of us.

However, as already mentioned, **if you don't set your mind on what you want to achieve** and how you aim to get there, it's more than likely that you **will NOT achieve anything** at all. A lot of us are setting the wrong goals and some aren't setting goals at all.

Setting objectives helps you **keep up with your progress** and essentially puts your decision making on an autopilot. **SMART** is an acronym that **stands for specific, measurable, achievable, relevant and timely** - all attributes you'll need to set effective goals. Applying this method will enable you to break down unachievable dreams into actionable objectives and progress in your career as well as personal life.

In this guide we'll take you through a history of SMART goals, what exactly they are, why setting them is important, and how can you set SMART goals for yourself. You'll also get helpful tips along the way and we'll provide you with some useful examples.

*"Vision without action is a
daydream. Action without vision is a
nightmare."*

- Japanese Proverb

A History of SMART goals and Management by Objectives (MBO)

In 1954 **Drucker** introduced his **theory of Management by Objectives**. [Management by objectives](#) (or MBO) is a process that allows companies to define the specific goals they strive to achieve, how to achieve them and who is responsible for the activities involved. It **enables** companies to **break big objectives into achievable tasks** and **allows employees to see their accomplishments** throughout the process - keeping them engaged.

Similarly, in 1968 [Edwin A. Locke introduced a Goal Setting Theory](#), when he first highlighted how setting specific and **measurable goals combined with appropriate feedback** is much **more effective** for businesses than trying to achieve vague aspirations.

However, the theory also pinpointed how aspiring for something that's a stretch can keep you motivated. Setting challenging goals can keep you on your toes and help you to develop new skills, improve motivation and performance. His research also showed that the more challenging and specific a goal is the harder people work towards achieving it. However, even though it's important that the goal is challenging, it does need to be achievable in order for the technique to be effective.



Locke and Latham suggested that there are **5 essential principles of setting goals**:

- **Clarity** - clear goals enable people to focus on their objectives and make them understand what they are trying to achieve.
- **Challenge** - setting challenging goals boosts people's motivation.
- **Commitment** - people are more likely to engage with a goal if they were involved in setting it up.
- **Feedback** - feedback and reflection on goals is essential for the assessment of progress and identifying further areas of improvement.
- **Task complexity** - people tend to push themselves too hard if working demanding roles and forget about the complexity of their tasks. It is therefore important to account for it when setting the goals.

In 1981, **SMART Goals were first introduced** by George T. Doran. He was a Director of Corporate Planning for a Washington Power Water Company who published a paper titled, "There is a S.M.A.R.T. Way to Write Management's Goals and Objectives." The methodology has proved highly effective across different industries and is implemented by many organizations - not to mention most likely by every coach and mentor in the world.

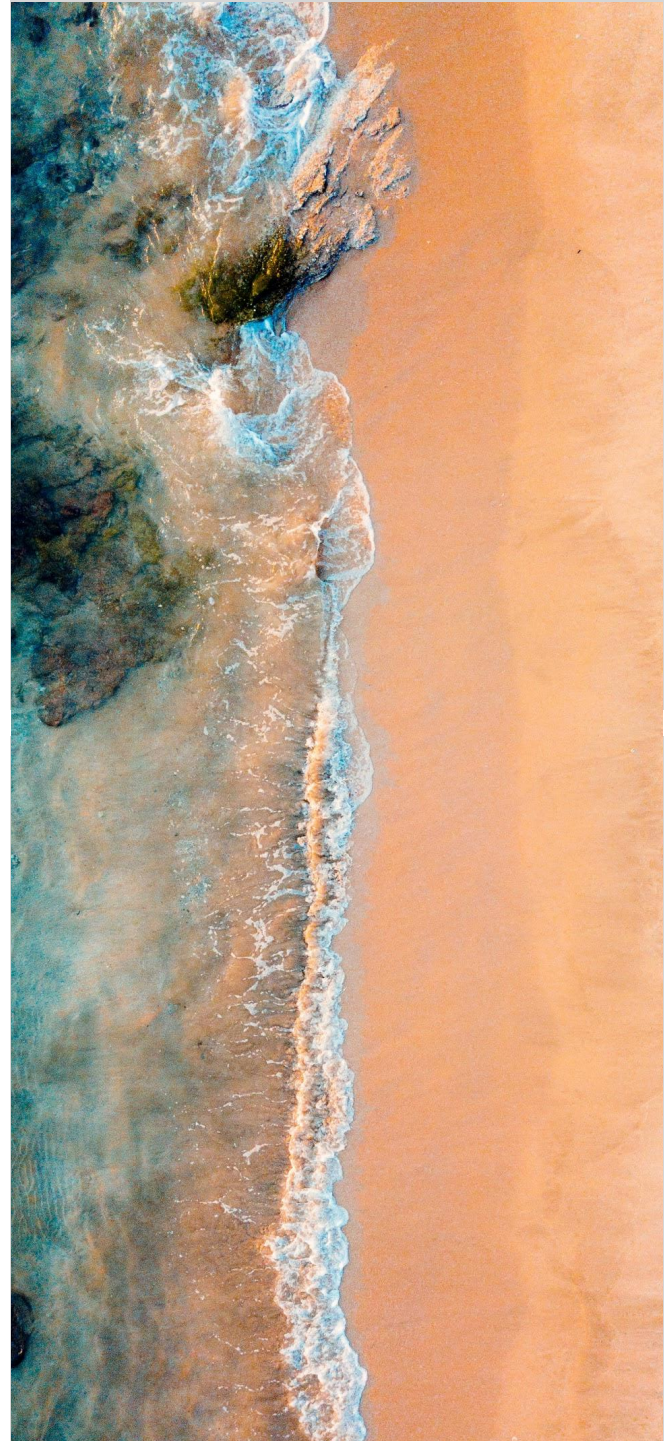
Doran recognized that companies often set objectives that are too diluted to have any impact on the business performance. Therefore, he suggests that especially for effective leaders, it is essential to set up SMART goals to successfully manage the workforce.

What are SMART goals?

SMART goals are targets or objectives that an individual is trying to achieve over a certain period of time. These type of goals are drafted by an employee and then reviewed by a line manager before being finalised. They often link to company objectives and team and department goals.

The definition of the acronym **stands for:**

- ***Specific***
- ***Measurable***
- ***Achievable***
- ***Relevant***
- ***Time-bound***



Why is it important to set SMART goals?

5 REASONS TO SET SMART GOALS

1. Goals provoke behaviour
2. Goals help to guide your focus
3. Goals sustain momentum
4. Setting personal goals helps you to align your behaviour with the bigger picture
5. Setting goals is essential for self-leadership



peoplegoal

[As Doran suggests](#) “the establishment of objectives and the development of their respective action plans are the most critical steps in a company’s management process.” Goals have significant value for achieving individual success as well as company-wide growth. The technique is specifically designed to help businesses to improve their performance and hit their targets. As [Jeff Boss explains](#), here are 5 very good reasons to set SMART goals:



1. Goals provoke behaviour

Imagine you want to go travelling. If you don't know where and when you want to go, how long you are going for and who with, chances are you won't have enough motivation to save up for your travels and it won't happen at all. [How could you? You wouldn't even know how much you need to save up in the first place!](#) On the other hand, if you know you want to go to Japan in September for a month with your significant other and you know you would need to save up £2,000 for it, you have something to aspire to. It also gives you an idea of how much you need to put aside every month or week to be able to reach your goal.

In **“Yes! 50 Scientifically Proven Ways to be Persuasive”**, authors Robert Cialdini, Noah Goldstein and Steve Martin explain how making an active commitment directly affects action. In one of the studies they reference, researchers found that of a group of individuals who passively agreed to participate in a volunteer project, only 17% showed up to participate. Contrast that with those who agreed to volunteer through active means (writing it down, signing a contract, etc.) and 49% appeared as promised. Setting goals provokes behaviour, as proved by science. The same applies to any objectives you set up to reach at work. Once you have a clear idea of what you need to achieve it is much easier to take action towards it.

Sharing your goals with others also holds you accountable for your behaviour. As [Jackie and John Coleman explain](#), by including others in the goal process we invite the others not only to know what we plan to accomplish but also to hold us accountable as we strive to reach these goals. As soon as you share your goals with others they become real.

2. Goals help to guide your focus

Once you have a clear goal to work towards it will help you focus on what you need to actually achieve it. Stephen Duneiner highlights in his TedX Talk [“How to Achieve Your Most Ambitious Goals”][11] that the key to success for any big and ambitious project is to break it down to its simplest form and make marginal improvements to improve your odds of achieving them. Therefore, [setting goals helps you to guide your focus][12] and achieve them step by step.

3. Goals sustain momentum

This is possibly the most powerful aspect of setting goals. As Jocelyn Gleis explains [in her article for Inc](#): “Our brains are wired to seek completion. When you recognize a task as complete, your brain releases dopamine, which makes you feel good and makes you want to repeat the behavior again to feel more pleasure.” Mihaly Csikszentmihalyi refers to a phenomenon he calls **flow**. According to Csikszentmihalyi, “What makes an experience genuinely satisfying is a state of consciousness called flow. During flow, people typically experience deep enjoyment, creativity, and a total involvement with life.” Experiencing flow can positively influence one’s engagement in work. Think about your exercise habits. It’s often difficult to start but once you are in the “flow” you start to enjoy the experience and you want to repeat the behaviour.

Blake Beattie, in his book **Bullseye - The Ultimate Guide to Achieving your Goals**, defined a technique called the POWER TIP achievement system that helps to maintain momentum when you are struggling as well as to eliminate habits that limit you, and maintain “magic success” for long-term success.

4. Setting personal goals helps you to align your behaviour with the bigger picture

If you set personal objectives you not only break big dreams into actionable steps, you give yourself time and space to evaluate what you need to do in order to achieve your personal or professional aspirations. [Setting SMART goals also allows employees and managers to align their individual goals to the larger vision of the company](#) which not only improves productivity but helps to maintain company culture and keeps everyone on the same page. Through setting individual goals companies can ensure that every member of the team is involved in the process of improving and growing the business, as well as being aware of what's expected from them.

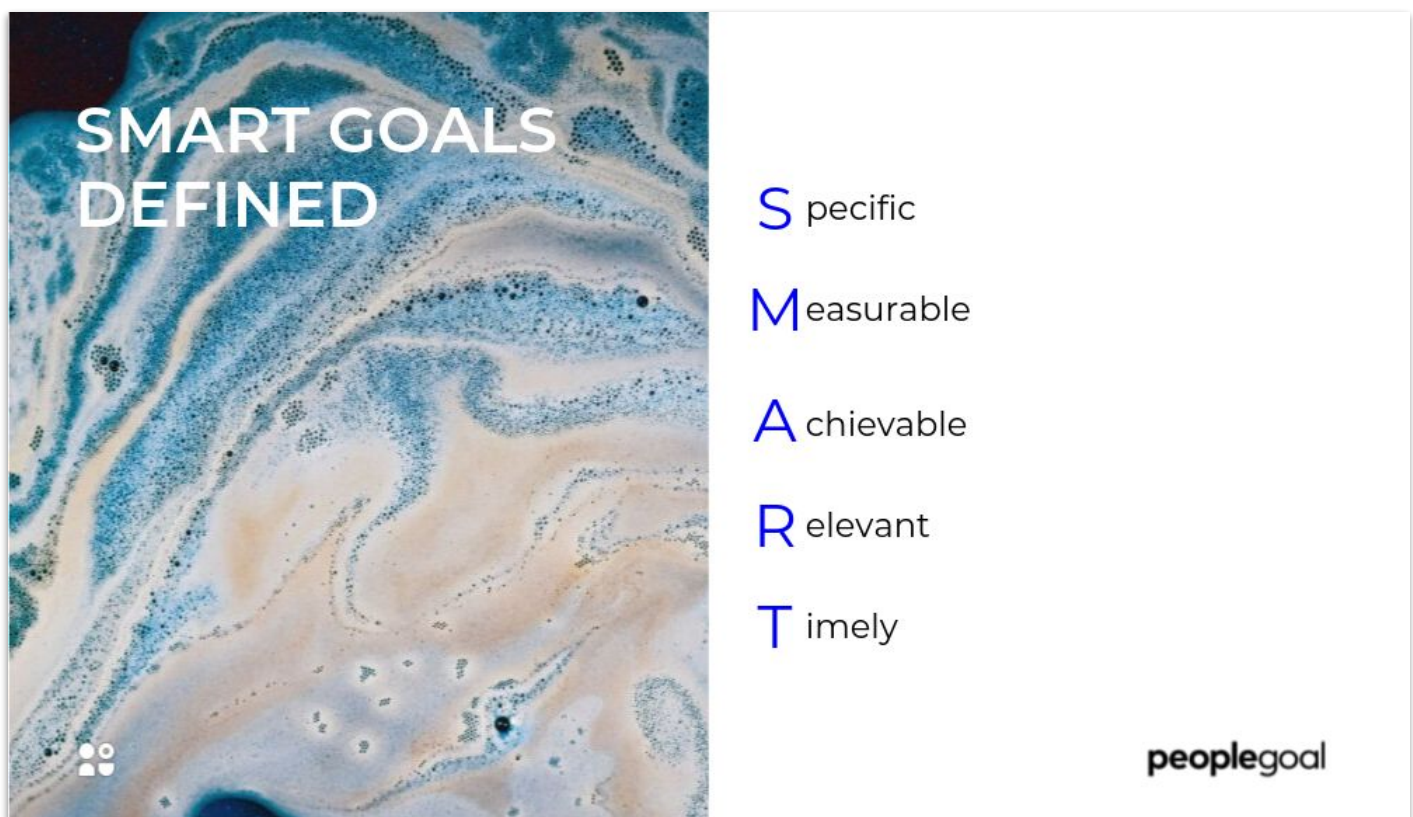
5. Setting goals is essential for self-leadership

Last but not least, setting goals is an essential tool for self-leadership. [Setting goals allows you to define what is really important to you, helps you to build your character and maintain personal and professional development.](#) Creating goals makes you continuously reflect on your performance and upskill yourself. Especially if you feel like you lack guidance from your supervisor you need to develop tools to self-coach yourself. And if you're a busy manager you always need to provide your team with tools to improve and engage with their work. It will allow you to become more efficient in your role and sustain a healthy work-life balance.



What does setting SMART goals mean in 2019?

Setting SMART goals is more important for companies than ever before. The dynamic, fast-paced environment of the 21st century we live in makes it difficult to keep up with successfully implementing changes to meet the demands of the market. The [changing work culture and rise of contract employees](#), remote working and operating international companies from multiple locations around the globe makes it complicated to keep the workforce aligned to company objectives. Therefore, setting goals for individuals, teams, departments and organizations as a whole is a must for for any leader who wants to successfully compete and grow their business.



**SMART GOALS
DEFINED**

- S**pecific
- M**easurable
- A**chievable
- R**elevant
- T**imely

peoplegoal

How to set SMART goals for yourself?

What is the key to setting SMART goals? It's a very **straightforward process** of **following the** template provided by the **5 SMART attributes**:

Specific

Firstly, your goals need to be clear and provide you with a concise aim that will give you a sense of direction. If you simply set a goal to improve website traffic, it won't give you enough guidance to stay motivated or recognize when you've reached your objective. Instead, you need to ask yourself the following questions:

- *What do I want to achieve?*
- *Who is involved in the process?*
- *What are the possible challenges and my limitations?*
- *How am I going to achieve this?*

Measurable

In order for your goals to be effective they need to be measurable. That way you'll be able to assess your success and know whether or not you have achieved your objectives. Therefore, you should consider:

- *How will I know when it is accomplished?*
- *What measures am I going to use to assess when I am successful?*

To set SMART objectives you might consider some of the following verbs to use; acquire, create, complete, drive, improve, produce, standardize, upgrade. To find more access this [useful list of action verbs for SMART goals](#).

Achievable

We often have big targets and big dreams that seem impossible to accomplish. Breaking one big goal into a series of smaller ones will give you a series of joyful moments that occur once you have managed to achieve something small along the way. As mentioned before, your goals should be challenging yet achievable. Ask yourself:

- *How can I accomplish this goal?*
- *How realistic is the goal?*

Relevant

Why do you want to achieve this goal? Smaller goals should be always relevant to the broader goals you want to achieve, or the ones your company and team is striving for.

- *Do my goals align to the team, department and organizational targets?*
- *Is the task worthwhile?*

Setting up your individual goals is just the start of your success. Aligning the goals with other people or as a part of a team will help you to stay motivated.

Timely

It is unlikely that you will achieve your goals if you don't set a deadline. Every goal needs to be time specific. To set up time specific goals you usually need to answer one of these questions:

- *When do I aim to achieve this goal?*
- *What can I achieve in 6 months?*
- *What can I achieve in a year?*



What does a good SMART goal look like?

Once you have considered all these questions you are ready to set a SMART goal for yourself and your team. So, [what does a good SMART goal look like?](#) Imagine you work as a marketer in an organization that is aiming to improve its online performance. Then you could set a goal such as:

Improve the organic traffic to the website by 10% in the next six months by increasing the number of blog posts from 2 to 4 per week, focusing on our 5 most successful topics.

Similarly, if you are a marketing manager setting goals for your direct reports you can say:

Zoe will improve the organic traffic to the website by 10% in the next six month by increasing the number of blog posts from 2 to 4 per week, focusing on our 5 most successful topics.

This goal is specific because it defines who is responsible for this activity (you/Zoe) and defines how are you going to reach this objective. It is measurable as it identifies the key metric you are focusing on (organic traffic) and by how much you aim to improve it (20%). It is achievable (you need to make an informed assumption based on your performance), relevant (it aligns to the broader marketing department goals and the objectives of the company) and it's timely (in next six months).

What does a bad SMART goal look like?

It can be very easy to set up vague, unfocused goals. Taking the example we just used it would mean setting a goal such as:

Improve the website traffic.

You might feel like [setting vague goals](#) is good enough because in your head you know what you want to achieve. However, if you don't break that down to specific steps and actions that need to be taken you are destined to fail to reach your aims (if you really know what those are in the first place).

A goal like this is not specific as it does not define who or how is going to fulfil this objective. It also does not provide you any metric of measuring success, and you wouldn't know when you've reached your target or what the target is! It's not relevant as you cannot assess if the goal is worthwhile as it's too vague. Lastly, there is no time scale or deadline to the goal it is not time-bound.

What does the SMART goals methodology mean for a manager?



If you are a manager or a supervisor, you should always keep in mind the larger vision of the company when reviewing and setting goals for your direct reports. [Setting SMART goals is vital for your workforce](#) to understand what the expectations from them are and what they need to achieve to successfully progress in their career.

What does a typical SMART goal cycle look like?

Setting up goals for your employees will enable you to evaluate their performance, recognize their success, and identify potential areas of improvement. [Providing them with on-going feedback](#) on their performance is necessary in order to keep them motivated and engaged. Similarly, you should always ensure to involve your employees in setting up their goals as it helps to further improve their engagement levels and dedication.

Take a look at our timeline of a typical goal cycle to understand all the steps involved in setting actionable goals.

SMART Goals Cycle

4-6 WEEKS BEFORE END OF THE QUARTER

Brainstorm annual and Q1 SMART organizational goals

C-suite should brainstorm and set annual plan and Q1 goals to determine the general direction of the business for the upcoming year.

2 WEEKS BEFORE START OF Q1

Share organizational annual and Q1 goals

Ensure everyone in the company is aware of the company goals and strategy.

START OF Q1

Share team SMART goals for Q1

Develop team goals aligned to the organizational ones and share them with the teams.

1 WEEK AFTER START OF Q1

Share individual SMART goals

Ensure every employee sets and shares their individual goals aligned with the vision of the company. This might involve one-to-one meetings of managers and their direct reports.

THROUGHOUT THE Q1

Track employee progress

Ensure tracking progress and regular check-ins through continuous feedback and, regular one-to-ones.

NEAR END OF Q1

Employee self-evaluation and review

Ensure employees complete self-assessment and review their achievements.

A SMART Goal Cycle



What does the SMART goals methodology mean for an employee?



Creating individual goals is a fundamental step to professional and personal development. Breaking up your biggest and wildest dreams will help you to define the key steps that will get you where you want to be. Through SMART goals, you will be able to reflect on your performance and assess what the next steps are to upskill and develop your character. Setting goals will also help you to stay focused and motivated to achieve what you are striving for.

Goals that are aligned to the bigger vision of the company will allow you to see how you bring value to the business and give you sense of purpose. Additionally, sharing the goals with others will make them “real” and hold you accountable for your actions.

What does the SMART goals methodology mean for a company?



Unfortunately, many companies fail to execute on their SMART Goals. One of the main reasons behind it is that they fail to successfully implement change in their organization. Through [setting up and aligning SMART goals](#), business leaders can revisit the vision of the company at any time and ensure the workforce collaboratively works towards achieving it. Company goals support the development of a cohesive company culture, bring purpose to the business and thus improve the customer and employee experiences.

[Michael A. Olquin](#) identifies 4 main reasons why companies need to set SMART goals. Firstly, setting goals provides a cohesive way to measure success and progress of the organization. It also allows you to look at your business from a wider competitive and economic perspective. Setting up goals enables companies to gain deeper understanding of the effects of a business strategy.

Goals allow you to monitor the performance of your business and make strategic changes following the mid-year review. You will have the ability to modify your revenue and expense targets to reflect exactly how your business is trending. Lastly, setting company objectives provides the leadership team with an understanding of what are you trying to accomplish and then make better tactical decisions.

10 SMART goal examples for company leaders

In this section we bring you some relevant examples to inspire you to effectively set SMART goals to drive the success of your company. There are some essential skills for successful leaders such communication skills, management skills and motivational skills. As a leader you have to focus on not only your personal development but the development of your workforce. It's advisable to focus on goals such as:

- *Align employee SMART goals to the company objectives and increase revenue growth by 10% by the end of the year.*
- *Improve presentation skills to decrease the number of questions asked in the team meetings by 25% and increase team efficiency in the second quarter.*
- *Develop stronger motivational skills and show appreciation to the workforce, to increase the overall employee productivity by 10% by the end of the year.*
- *Improve remote management by utilising virtual communication tools and increase the productivity of remote workers by 15% in next 3 months.*
- *Develop better active listening skills and improve the team engagement by 10% in the next quarter.*

Additionally, company leaders are responsible for setting company objectives to maintain the growth and success of a business. Some effective examples include:

- *Grow market share by 10% by the end of the year.*
- *Increase the number of customers by 15% in the next six months.*
- *Implement automation workflow to operational processes within the next six months.*
- *Attend 3 industry conferences in the next year.*
- *Add £1,000,000 in billed revenue by the end of the year.*

10 SMART goal examples for HR

HR departments have [various functions](#) including recruitment of new employees, employee performance management, training and development, succession planning, compensation and benefits, amongst others. The specific requirements of individual employees are rising and companies therefore need to focus on providing an outstanding experience to the employees in order to retain the best talent. In order to do so, it is essential to have clear goals set, such as:

- *Improve employee retention by 15% in next six months by conducting exit interviews and employee pulse surveys.*
- *Decrease churn rate by 20% by the end of the year.*
- *Increase the number of open positions filled within the deadline by 25% in the next quarter by automating parts of the candidate recruitment process.*
- *Improve the review completion rate by 15% in the next quarter by automating the reviews process.*
- *Increase the number of employees fulfilling their goals by 20% in the next 6 months by providing training courses for managers to facilitate individual support.*
- *Increase the number of development training courses available by 15% in the next quarter.*
- *Increase the employee satisfaction rates by 25% by the end of the year by implementing the actions defined in our last employee engagement survey.*
- *Increase the number of employees perceiving a positive working environment by 20% in the next quarter by rolling out the employee wellness programme.*
- *Increase the attendance of team building events by 25% in the next quarter by allowing more flexible workshop dates.*
- *Achieve internal satisfaction with HR services over 90% in next 6 months by sharing the workload more effectively through our weekly team meetings.*



10 SMART goal examples for Sales



Sales and business development are essential for growth of any organization. Therefore it's vital to set specific goals to reach in order to maintain the performance of a business:

- *Win 5 new customers per month by improving our live demos.*
- *Convert 5 leads per month per representative through proactive outreach.*
- *Increase the total number of sales by 25% in the next 6 months through our new referral programme.*
- *Increase the number of demo calls by 15% in the next 3 months by actively suggesting live demos rather than trial accounts.*
- *Increase the closing ratio by 20% and decrease the closing time by one week in the next 6 months.*
- *Improve the customer lifetime value by 20% in 2020 by upselling additional products.*
- *Increase the number of sales meetings by 15% per each representative in next quarter by facilitating networking events.*
- *Improve customer loyalty by 15% by the end of the year through loyalty discounts and extended annual contracts.*
- *Increase the number of sales meetings by 10% per representative in the next month.*
- *Attend 3 networking events per representative per month.*

10 SMART goal examples for Marketing



The main objective of marketing is to grow brand awareness, generate and nurture leads and support the sales operations. In order to do so marketers can set up goals such as:

- *Increase organic website traffic from 1,000 to 10,000 visitors per day in next 9 months.*
- *Increase the number of lead conversions from social media by 20% by promoting 2x more long-form educational content on social media platforms in next quarter.*
- *Increase the number of email newsletter subscribers by 25% utilizing paid social media advertisements by the end of the quarter.*
- *Increase customer reviews by 25% in the next six months by following up with high NPS scores and case study participants.*
- *Gain 20% more LinkedIn followers by taking part in relevant LinkedIn groups by the end of the year.*
- *Increase the number of LinkedIn followers by 25% by sharing double the amount of video content in the next 3 months.*
- *Improve the clickthrough rate of the newsletter campaign by 5% in next 3 months by sharing better quality content.*
- *Increase lead form inquiries by 15% through paid promotion in the next month.*
- *Automate email initiatives by the end of the quarter to save time through a more efficient process.*
- *Increase the software subscription by 10% by the end of the year using our educational campaign.*

Tracking and updating SMART goals

In order to make the goal setting process truly effective companies should bear in mind that this technique can be limited when it comes to long-term organizational objectives. Therefore, it is important to regularly review the goals and allow for flexibility in their adjustments. We suggest you review and adjust one's goals on a monthly basis to review the progress and implement adjustments if necessary.

To do so, you should set a clear action plan of steps to achieve your goals. The action plan should include milestones and potential pitfalls might have to be overcome, and a schedule for achieving goals.

SMART goals resources

This [SMART goals template in Word](#) will help you to start using the SMART methodology.

