Goal Setting – Part 2 of 3 – New Year, New Goals – Keeping on track with goal agility

What happens when we have a major business event during the year that was unexpected? Have you heard of VUCA? It's actually a military term that has been adopted in the Talent Management arena, and often used when discussing Performance Management. VUCA stands for Volatile, Uncertain, Complex, Ambiguous and it is being used to describe our business environment. Upon reflection, I'm sure you can find areas where it applies to your business, regardless of industry. I'm also sure that if you look at last year, you will easily remember times of volatility, uncertainty, complexity, and ambiguity and you look forward to more of the same in 2016. So why did you set your 2016 goals in stone? How did VUCA components affect your employees' ability to achieve their goals in 2015? How did you as a manager account for the unexpected? Or did you? What affect did having those goals in 2015 have on the employee who was affected by a sudden market change (volatility), a competitor launching a product in their market space (uncertain), a new process or system (complex), or a new territory alignment (ambiguous)?

None of us have a crystal ball to predict the future, and unexpected events can get in the way of performance, regardless of how an employee is actually doing their job. The goals we set at the beginning of the year must be able to either be adjusted if appropriate to account for events, or at the very least, they should have a mechanism in place for us to take such events into consideration during regular check-ins and certainly in the review process. Let's take a look at a sample 2016 goal of increasing widget sales by 20%. Fast forward to a shipping issue that a competitor had during March. The demand for widgets in a territory increased by a significant margin and the employee actually increased his Q1 sales by 200%! But...was this due to the employee taking a new approach? Not necessarily. So how are you able to reinforce the behaviors you want to see that are truly leading to increased performance?

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- Goals should be written in such a way that they can be revised, and optimally by using a system that allows for revisions. Why?
    - True fairness and perceived fairness of goals and their achievability are significant factors that impact an employee's engagement. For instance, in the example above, if the goal is not adjusted it puts that employee at an unfair advantage compared to other employees in territories not impacted by the competitors shipping issues.
    - When goals are written well and progress is measured "by the same stick", healthy competition can take place without some feeling demoralized when teammates find themselves' with an unexpected advantage.
- If you did set those goals in stone, all is not lost. You can create some ways to account for events so that your ratings do not become skewed at the end of the year. Maintain a record for each team member and be sure to document VUCA related events so that they can be accounted for.
    - Ideally, you should have a performance management system that allows for this type of continued input and communication and can be leveraged to maintain a consistent record throughout the year.
    - If your system allows for employees to provide input, leverage that feature as well. If not, encourage your employees to maintain a regular account of their progress, what they feel is working or not working. This is also a great place for them to record those events and how they handled them.

Goals are meant to be inspirational and performance management is meant help employees achieve results. Accounting for unexpected and/or externally driven factors such as VUCA must be incorporated into your performance management

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process. If not, you run the risk of discouraging or demoralizing true performance improvement behaviors and potentially encouraging performance detracting behaviors!

If you have an example of a time VUCA had an impact on one of your goals, please share with us!

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