



SPECIALISTS IN
PERFORMANCE
MANAGEMENT

Case study

How to get senior managers
excited about objectives

“No-one was being assessed against meaningful objectives linked to the strategy.”

Faced with a competitive market place, the investment arm of a FTSE 100 financial services group developed an ambitious strategy of international expansion.

However, there was a discrepancy between the new company strategy and the way that the performance of their 900 highly-skilled people was managed and supported.

Hedda Bird of 3C explains: “Performance reviews were taking place but no-one was being assessed against meaningful objectives linked to the strategy. At best an opportunity was lost. At worst the success of the new strategy was undermined.”



Why SMART is not smart enough

3C were asked to use their specialist knowledge to develop a solution. Hedda Bird explains: “Everyone understands the theory behind SMART objectives - Specific, Measurable, Attainable, Relevant and Time-bound. But our extensive research and experience has found a huge gap between understanding the theory of SMART and being able to write meaningful objectives.

Managers find it very difficult and time-consuming to turn strategy into practical, measurable objectives that will challenge their people and improve performance. The result is that organisations fail to perform as well as they could, because people are not stretched or challenged. ”



Research shows ‘do your best’ rarely delivers the best result

Dr Edwin Locke’s pioneering research reviewed a decade of studies on goal setting and performance. He found that, in 90 percent of cases, specific and challenging goals led to higher performance compared to “do your best,” goals. So, telling someone to “try hard” or “do your best” is less effective than saying “try to get more than 80 percent correct,” or “concentrate on beating your best time.” Locke also showed that the more difficult and specific the goals, the harder people tend to work to achieve them.

Dr Gary Latham’s studies supported Locke’s findings – that there is an inseparable link between goal setting and performance. In “A Theory of Goal Setting & Task Performance,” Latham and Locke repeated the need to set specific and difficult goals, and outlined five other characteristics for successful goal setting: Clarity, Challenge, Commitment, Feedback, and Task complexity.

It's true – everyone does like a challenge

3C worked with the Senior Leadership Team of the financial services group to understand the strategy, business plan and the type of meaningful objectives that might be required. This revealed that changes in behaviours - such as more collaborative working - were considered essential for the success of the organisation's growth and international expansion plans.

Drawing on this knowledge, and their extensive understanding of objective setting and performance, 3C created a database of 36 headline objectives, each with their own potential set of actions and measures, which were relevant to the various sectors of the business. The database was tested with focus groups to get feedback and buy in.

The feedback was very positive. Managers liked the way the objectives linked to the strategy, provided consistency, were easy to tailor to individual circumstances, avoided frustration and saved valuable time. Everyone was enthusiastic about the simplicity and clarity of the approach and, most importantly, about the challenge inherent in the objectives.

A deceptively simple tool

The resulting Objective Toolkit was rolled out to all managers in short workshop sessions. To make the toolkit easy to use, the headline objectives are organised into 6 key areas: operations, process, people management, self-development, risk and finance. The toolkit includes the company's four strategic priorities and the wider group strategic map to emphasise the link between individual objectives and the company's strategic goals. The toolkit also includes 3 simple steps to setting objectives, as well as worked examples.

A great result

Over 80% of employees now have objectives designed to help implement the new strategy. The Objective Toolkit is a positive driver of crucial behaviours. It enables managers to challenge their people, and hold them to account, for delivering improvements in all these areas.

Ultimately, of course, these improvements will drive the success of the business.

"I can see from this year's performance reviews that the Objective Toolkit developed for us by 3C has got our managers thinking differently about setting goals. I am particularly pleased to see much better measures being used in the 'softer' areas. The 3C team used their specialist knowledge really well to turn what has been an annual challenge into a deceptively simple tool. Not only have we had a great result, the whole programme went like clockwork."
Head of HR

"The senior management recognised that they were missing out on the huge potential to use effective measurement to improve performance in the business."

3C insight – Hedda says:

When senior managers realised just how enthused and motivated their people were by the idea of having much more challenging goals, they committed whole-heartedly to the project.

The senior management also recognised that, though they were rigorous about measuring fund performance, they were missing out on the huge potential to use effective measurement to improve performance in other aspects of the business.

We see many organisations identifying challenges such as more collaborative working, improved decision making, and encouraging innovation as central to their future success. However, they struggle to turn these concepts into practical, measurable actions which drive the business.

Our insight and proven tools help translate these 'hard to pin down' strategies into objectives and actions which clarify what people are supposed to do to implement them, and thus drive accountability and performance.



Hedda Bird, 3C Managing Director and Founder

"We saw a marked difference with all our people. Our managers and employees are now more enthused and motivated, and there is a real drive to get their Performance Reviews done - and done effectively."

*Victoria Wilkins, HR Business Partner,
Land Securities plc*

"...thank you for the expert work you and your colleagues at 3C have done to help set our objectives and implement our strategy. I did not fully appreciate the benefits until I saw how it has worked out this year. There has been visible change in focus. Much of the success was due to the clear and engaging way you presented the issues to senior staff."

*Professor Steven Cowley,
CEO, United Kingdom Atomic Energy Authority*

"3C has enabled Iron Mountain to transform Performance Management from being a form-filling exercise into a value added activity that is seen to fundamentally drive engagement, commitment and overall business performance."

Rachel Greenway, Leadership Development Manager, Iron Mountain Europe

Since 2001, 3C has been helping HR professionals create high-performing organisations.

As Performance Management specialists, 3C's refreshing and energising approach is designed to address and resolve the key Performance Management issues that HR Professionals face.

- Engaging your senior leadership team
- Providing your managers with skills and knowledge for effective performance reviews
- Enabling your people to take ownership of their own performance.

Contact 3C today to discuss how we can help

info@3cperform.co.uk | +44 (0)1491 411 544
www.3cperform.co.uk

							
							
							