Don’t Set Goals, Set Standards

The radical new approach to performance management.

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Having spent the past 20 years in Human Resources, for as long as I can remember, the yearly goal setting practice has been a dreaded exercise by most. Managers, employees and even HR professionals find the process cumbersome. It is bureaucratic, riddled with bias and often poorly executed. However, it is still one of the most used tools for measuring individual performance and allocating bonuses across organizations worldwide.

I am not saying that setting goals isn’t an important element of measuring performance, but I am advocating that the way organizations do it is outdated and requires a new approach. In most cases, practicality gets lost in what often is a tick-box yearly exercise done in a hurry by leaders who are facing challenges that were not imagined at the time these practices were conceived. In the world of global pandemics, economic volatile markets and remote working demands, leaders need new tools to address new ways of creating value and high performing cultures. SMART goals just aren’t appealing enough.

Thankfully, there has been a growing trend in business over the past few years to radicalize the workplace to make it more relevant for our reality today. This is why I have been researching alternative ways to increase performance

and engagement while also making the process a more holistic experience for all involved.

I came across *The 8 Trends* list created by Corporate Rebels, an organization that has analyzed over 150 pioneers to uncover the key ingredients that create the best working environments in today's age. The first item focuses on creating meaning and purpose "because having purpose and meaning gives people the energy, passion and motivation to get out of bed in the morning." And this is the very thing most current goal-setting frameworks tend to lack – the ability to drive action.

We can set goals that are specific, measurable, achievable, realistic and timely (SMART) but we forget that the secret to high performance lies in the motivation to actually do it! This sense of purpose is echoed by Dan Pink in his book *Drive*, that "satisfaction at work comes from a deeply human need to direct our own lives, to learn and create new things, and to do better by ourselves and our world." Unfortunately, these elements are not taken into account when we look at most goal-setting frameworks.

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We need to adopt a more inspirational way to enable individuals to set their own goals and, most importantly, motivate them to achieve those goals – driving performance from within rather than from top-down. This requires organizations to change their philosophy and embrace more radical practices. Take for example Netflix's culture of reinvention captured in a book by its CEO Reed Hastings and Erin Meyer, describing that "there's never before been a company like Netflix. Not just because of its unique position as a leader in both the worlds of entertainment and technology; or because of its growth as the world's leading streaming entertainment service, with over 193 million members in 190 countries. Netflix is a revolutionary company because

of a counter-intuitive and radical management culture, which defies tradition and expectation."

So what are the lessons we can draw from these pioneers and radical corporate rebels who have nailed high performing cultures in the "new normal?"

1. Embrace an innovative corporate philosophy. Don't get stuck in corporate jargon, hierarchical bureaucratic systems that are detrimental to your own success. Look out for new emerging practices that empower everyone in your firm regardless of level.

2. Focus less on setting goals and more on setting standards. Companies that say they care about their people and yet treat them with suspicion and lack of trust do not breed successful creative and collaborative environments. Truly embrace flexibility and autonomy or stop claiming to do so.

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3. Lead by example. Leaders come in all shapes and sizes, and can be found at every level of your corporate structure. Embrace a culture of feedback that is not just top-down but upwards too. If you are not willing to listen and learn, eventually you will end up with nothing left to teach.

The world as we know is constantly evolving, and today change takes place at a pace faster than ever before. Einstein famously said that we cannot continue to do the same thing expecting different results. Be radical in your quest to drive high-performance practices in your organization for the sake of everyone involved.

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