

## SKILL ASSESSMENT

9. I make a point to ensure that my employees understand the reasons for having the objectives they have.
10. I don't take into account each of my employees' abilities when working with them to develop a set of objectives.
11. If an employee encounters difficulty accomplishing an objective, I first work with the employee to get the objective back on track, and if that fails, would likely revise it.
12. I don't encourage my employees to feel proud each time they accomplish one of their objectives.
13. Together my employees and I establish standards and objectives that are helpful to them in improving their work.
14. I don't let my employees have a say in how they will go about accomplishing their objectives.
15. When circumstances merit a change, I am likely to revise an employee's objectives during the performance year.
16. When highly desirable assignments are available, I first offer them to employees who in the past performed best on their objectives.
17. I don't ensure that all my employees understand how accomplishing their objectives helps our work unit reach its goals.
18. I give my employees an opportunity to influence the objectives and standards that are established for their jobs.
19. If an employee has problems completing an objective, I act supportively up to and including revising the objective, if necessary.
20. I don't express my appreciation to my employees when they successfully complete one of their objectives.
21. I establish challenging and relevant performance objectives with each of my employees.
22. I see to it that my employees' objectives are challenging but achievable (i.e. neither too hard nor too easy).
23. If an employee discovers that he or she has incompatible or conflicting objectives, I am not likely to revise them.
24. When recommending pay raises, I recommend larger raises for employees who accomplish all their objectives and smaller raises for those who don't.
25. I don't ensure that my employees know which of their objectives are most important and which are least important.
26. I am careful to ensure that my employees don't have too many objectives.
27. I schedule at least one meeting with each of my employees part way through the year to review and revise their objectives, if necessary.
28. As a rule, I give higher end-of-year appraisal ratings to those employees who accomplish all their objectives compared to those who don't.
29. I develop specific, measurable performance objectives with each of my employees.
30. I don't include my employees in the setting of deadlines for accomplishing their objectives.
31. Throughout the year, I informally check with my employees to see how they are progressing in accomplishing their objectives.
32. I give credit and recognition to those employees who meet their objectives and withhold it from those who don't. ■



**Instructions**

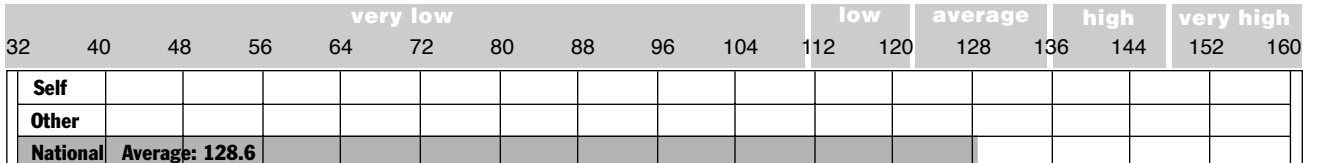
- Read the first statement in the questionnaire. On the chart at the right, place an **X** in the circle that corresponds to your choice for how true the statement is in relation to your own objective setting behavior along a continuum from *Completely True* to *Not At All True*. Place an **X** in only *one* circle per statement. You must make a choice for all 32 statements in order for the inventory to be scored accurately. Press hard, as your responses are being recorded on the sheet below.
- Please do not read the interpretive material that follows until you have completed the inventory or have been instructed to continue.
- After you have made your choices for all 32 statements, separate this two-part form and follow the scoring instructions on the next page.

1.	<input type="radio"/> Completely True <input type="radio"/> <input type="radio"/> <input type="radio"/> Not At All True	2.	<input type="radio"/> Completely True <input type="radio"/> <input type="radio"/> <input type="radio"/> Not At All True	3.	<input type="radio"/> Completely True <input type="radio"/> <input type="radio"/> <input type="radio"/> Not At All True	4.	<input type="radio"/> Completely True <input type="radio"/> <input type="radio"/> <input type="radio"/> Not At All True
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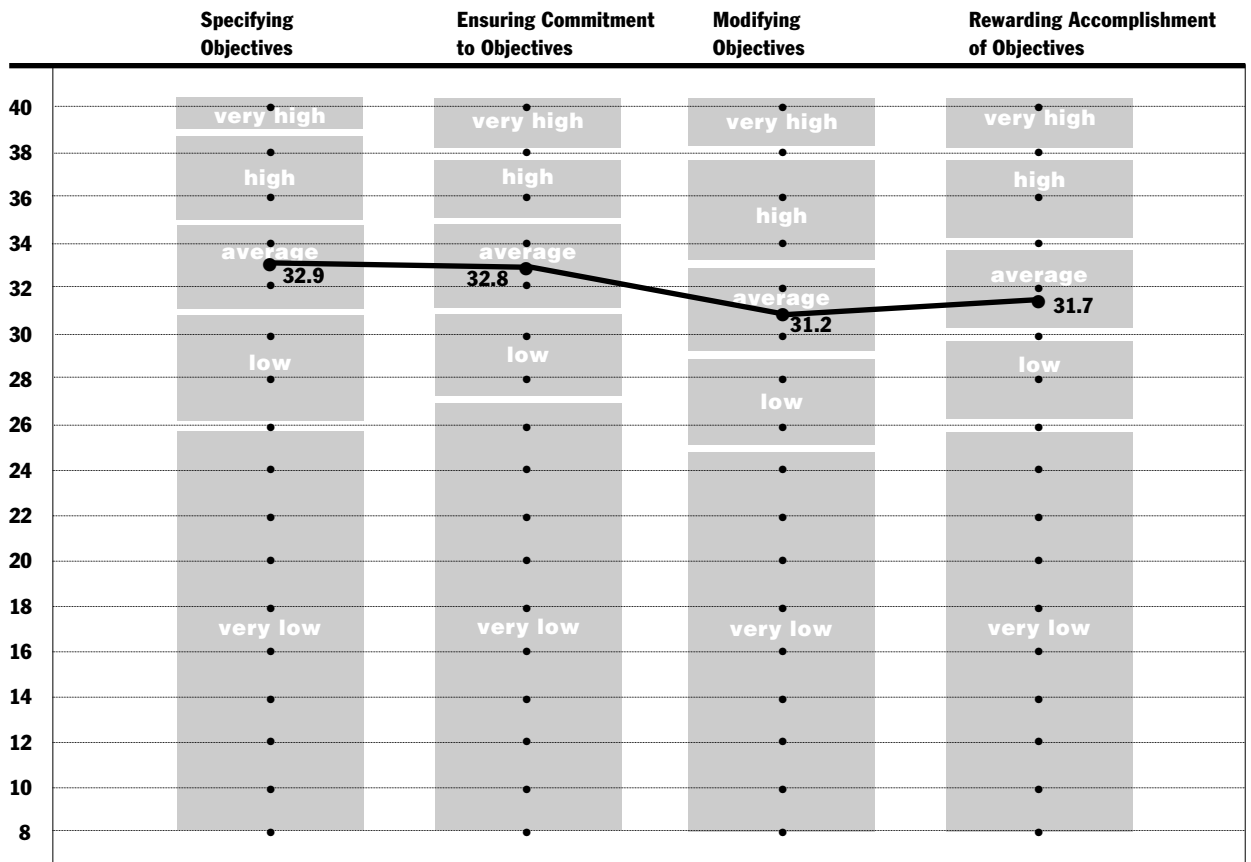
**Overall Effectiveness Profile**

Complete the bar chart below by shading in the bar from the left side up to the point that equals your own (Self) overall effectiveness score. If you have received feedback from others, use a different ink color or pattern to shade in the second bar (Other) to indicate your overall effectiveness average from the Feedback Data Chart on page 9.



**Task Effectiveness Profile**

Using your task effectiveness scores from page 7, circle the appropriate point in each column below. Then draw a line to connect the circled points. This line is a profile of your objective setting behavior at this time. To plot your feedback scores, use a different ink color or pattern to plot and connect your averages from page 9.



### Diagnostic Questions

Refer back to Your Profiles on page 10 of this booklet. If you have Self or Other scores that fall into either the “average,” “low” or “very low” categories, the following questions will help you gain additional insight into your objective setting behavior and identify areas for improvement.

### Specifying Objectives

1. Are the objectives you set with your employees or team members more general in nature rather than specific and measurable? *(While developing specific, measurable objectives may require more work, they eliminate the floundering often experienced by employees or team members who have “do your best” or general objectives.)*
2. When developing objective with your employees or team members, do you try to cover the entire job each person performs with a set of objectives? *(Trying to cover everything an employee or team member does in a job will result in a person either having too many objectives or having objectives that focus on routine activities, not strategically important results.)*

3. Do you feel that objective setting shouldn't be necessary because “good” employees or team members would know what to do and would get it done? *(Even “good” employees or team members need a sense of purpose for their work and a clear picture of what they are and are not responsible for in their jobs. Without objectives even “good” employees or team members are likely to do what they are most comfortable doing or what they've done in the past — neither of which may be right for the current situation.)*
4. Do you regard all the objectives you set with your employees or team members as being equally important? *(All objectives are not equally important. Some are more important than others. An important aspect of effective objective setting is making difficult choices among competing job priorities and then communicating those choices to your employees or team members.)*

## INTERPRETING YOUR SCORES

### Ensuring Commitment to Objectives

1. When setting objectives with your employees or team members, do you define for them what you think their objectives should be? *(While some objectives may be passed down to employees or team members from higher up in the organization, as a rule these should be kept to a minimum. Employees and team members are more likely to be committed to objectives they've developed themselves or had an opportunity to influence than to those handed down to them.)*
2. Do you regard the setting of objectives for your employees or team members as your defining the boundary of their responsibilities? *(While this is true, you might find that by involving employees or team members in the objective setting process, they will establish more challenging and difficult objectives than you yourself would assign them.)*
3. Do you feel that by allowing your employees or team members to participate with you in the setting of their objectives, you will lose control of their performance? *(While it might seem paradoxical, one way to gain more control over the performance of your employees or team members is to give up control.)* ▶



### The Four Objective Setting Tasks

Research as well as actual organizational practices reveal four key tasks associated with objective setting: specifying objectives, ensuring commitment to objectives, modifying objectives and rewarding accomplishment of objectives. Following is a reading about each of these tasks including a review of some of the research that documents the importance of performing these tasks well. Regardless of your scores, you will likely find the information in the reading useful, but pay special attention to areas in which you scored average or lower.

After completing the reading, turn to the Improvement Ideas on page 17 of this booklet and start planning how you can improve your effectiveness in developing good individual performance objectives with each of your employees or team members.

### Specifying Objectives

The management practice of developing individual performance objectives, although sometimes difficult to do, is deceptively simple in its underlying theory, which is: “the first step in managing anything is to define your objective before you release any resources or spend any time trying to achieve it.” (Odiorne, 1979) It is also one of the best tested and most thoroughly researched management techniques of recent times. While the exact origin of objective setting is not known, some have traced it back to biblical times and the writing of the Bible. For example, Abraham’s covenant with God and Moses’ search for the Promised Land in the Old Testament have been cited. Moreover, it also has been suggested that the reason Moses wandered for forty years before finding the Promised Land is because he lacked a “good objective” at the start of his search. Still others trace the history of objective setting back to the early 1900’s and the time and motion studies of Frederick W. Taylor. However, regardless of its exact origin, almost everyone agrees that the popularizing of objective setting as a modern day management technique occurred in 1954 with the publishing of Peter Drucker’s seminal work titled *The Practice of Management*, where he coined the term “management by objectives.”

Since 1954 more than 100 well designed research studies have been conducted investigating the relationship between objective setting and performance. In a review of these studies, Locke *et. al.* (1981) found that 99 out of 110 studies, or 90 percent, documented that specific,

challenging objectives produce better performance than medium, easy, do your best, or no objectives. Moreover, the increase in productivity ranged from 10 to 25 percent with a median increase of 16 percent. Latham (1990) also suggests that these figures are undoubtedly conservative estimates since they are derived only from studies conducted in industrial settings that were designed well enough to be reported in scientific journals. In short, the evidence is clear that although it might be difficult to do at times, the practice of developing specific, challenging individual performance objectives with your employees will have a positive effect on their performance.

### Ensuring Commitment to Objectives

The second task associated with the development of effective individual performance objectives is ensuring employee commitment to the objectives. Organization theorists have identified two variables that have particular relevance here. One is the extent to which employees participate in the setting of their objectives, and the other is whether or not employees perceive their objectives as achievable.

As for the issue of participation, Sashkin (1984) cites three outcomes that generally occur when managers and employees participate together in setting objectives. First, employees are likely to choose more difficult, challenging objectives than a manager would impose unilaterally or an employee would choose for him or herself, and more challenging objectives lead to higher levels of performance. Second, employees are more likely to be committed to their objectives because they had a hand in



### Improvement Ideas

The *Objective Setting Inventory* provides you with an in-depth assessment of your objective setting behavior. With this in mind, the next question becomes “What can I do to improve my scores and reduce any discrepancies between my Self scores and the Other scores?” While there isn’t one best answer, the following improvement suggestions are intended to help you develop a plan for charting your improvement.

In addition to reviewing the improvement suggestions, it is also recommended that you turn back to the inventory itself and carefully reread the items that make up any scale where you scored average or below. The individual items may help you think of additional improvement ideas. After you have reviewed the ideas below and the items making up the scale(s), turn to page 18, *Analyzing Your Profile*, and complete the Action Planning exercise to help you identify some concrete steps for your own development.

### Specifying Objectives

1. Make a list of all the strategically important things that need to be accomplished or worked on in your department or team, and share this list with each of your employees or team members.
2. To kick off the objective setting process, ask each of your employees or team members to make a list of what they see as the most strategically important things to accomplish in their job.

3. Read a book or take a seminar about how to develop effective individual performance objectives.
4. Hold a meeting with everyone in your work unit or team and discuss your vision of how you see the objective setting process working and the benefits from doing it.

### Ensuring Commitment to Objectives

1. Ask your employees or team members to develop a set of objectives for their own job.
2. Allow your employees or team members to participate in the setting of the deadlines for accomplishing their objectives.
3. Take time to discuss with each employee or team member how they plan to go about accomplishing each of their objectives.
4. Place a limit (e.g. 3 to 5) on the number of objectives each employee or team member has to accomplish during a performance year.
5. After developing objectives with your employees or team members, ask them to evaluate the difficulty level of each of their objectives along a continuum from 1 to 10 where 1 equals “no sweat” and 10 equals “impossible.”

### Modifying Objectives

1. Hold quarterly meetings with each employee or team member to review their objectives and make changes where appropriate.

## BACKGROUND READING

2. Encourage employees or team members to let you know if you do something that affects their ability to accomplish their objectives, and remind them of this throughout the performance year.
3. Announce at the beginning of the performance period and remind people during the year that you are willing to modify an employee or team member’s objectives, if circumstances merit a change.
4. Make special note of any objectives that are not 100 percent within an employee’s or team member’s control and keep especially close tabs on them during the performance year.

### Rewarding Accomplishment of Objectives

1. Give recognition to employees or team members each time they accomplish an objective during the performance year.
2. At the end of the performance year, give special recognition to employees or team members who accomplished all their objectives.
3. Where appropriate, link pay raises and bonuses to an employee or team member’s performance on objectives.
4. Get and read a copy of the book titled *101 Ways to Reward Employees* by Bob Nelson.

