

# Developing SMART Goals for Your Organization<sup>1</sup>

Derek Farnsworth, Jennifer L. Clark, Henry Cothran, and Allen Wysocki<sup>2</sup>



Credits: marekuliasz/iStock/Thinkstock.com

“You’ve got to be very careful if you don’t know where you’re going, because you might not get there.” – Yogi Berra

A conscious effort focused on well-defined goals within an organization is widely recognized to result in positive effects for both workers and organizational performance according to widely-published research on management theory. Goal setting is a basic tool used by organizations to achieve short-term, intermediate-term, and long-term goals for developing services, improving quality, reducing errors, building better customer relations.

Based on their own personal needs and values, individuals within the organization may set goals to achieve a personal

objective such as learning a new skill or career advancement. This publication is designed to introduce a sequential process for goal-setting. It begins by defining a goal and identifying the reasons important to the organization for achieving those goals. It then describes a process for setting and implementing goals based on the acronym “SMART” that can be used to evaluate outcomes.

## Defining Goal

A goal is a statement of a desired future an organization wishes to achieve. It describes what the organization is trying accomplish. Goals may be strategic (making broad statements of where the organization wishes to be at some future point) or tactical (defining specific short-term results for units within the organization). Goals serve as an internal source of motivation and commitment and provide a guide to action as well as a means of measuring performance. Defining organizational goals helps to conceptualize and articulate the future direction of the organization, thus allowing those responsible for setting that direction to develop a common understanding of where the organization is heading. Goals provide a way of assuring that the organization and individuals within the organization will get where they want to go.

## Setting Goals

How goals are set is as important as the goal itself to measure success (Terpstra and Rozell 1994). Thus, it is important that goals meet specific criteria to easily assess results. One way of doing this is to use the acronym “SMART” as a

1. This document is FE577, one of a series of the Food and Resource Economics Department, UF/IFAS Extension. Original publication date October 2005. Revised July 2019. Visit the EDIS website at <https://edis.ifas.ufl.edu> for the currently supported version of this publication.

2. Derek Farnsworth, assistant professor; Jennifer L. Clark, senior lecturer, Food and Resource Economics Department; Henry Cothran, retired associate-in; Allen Wysocki, associate dean and professor; UF/IFAS Extension, Gainesville, FL 32611.

way of evaluating a goal. When first introduced, “SMART” thinking paved the way for managers to frame their business goals and objectives (Doran, 1981). While the exact wording associated with “SMART” goals has evolved over time, this method is still effectively used as a way to create results. The following words define a “SMART” goal:

- Specific
- Measurable
- Attainable
- Relevant
- Time-bound

A goal is **specific** when it provides a description of what is to be accomplished. A specific goal is a focused goal. It will state exactly what the individual or organization intends to accomplish. While the description needs to be specific and focused, it also needs to be easily understood by those involved in its achievement. It should be written so that it can be easily and clearly communicated. A specific goal will make it easier for those writing objectives and action plans to address the following questions:

- Who is to be involved?
- What is to be accomplished?
- Where is it to be done?
- When is it to be done?

A goal is **measurable** if it is quantifiable. Measurement is accomplished by first establishing the situation at hand or by obtaining baseline data. The goal will have a target toward which progress can be measured, as well as benchmarks designed to measure progress along the way. A measurable goal will answer questions such as:

- How much?
- How many?
- How will you know when it is accomplished?

There should be a realistic chance that a goal is **attainable** and can genuinely be accomplished. This does not mean or imply that goals should be easy. On the contrary, according to Locke and Latham (2002), goals energize employees and challenging goals lead to higher employee effort as compared to easy goals. Therefore, when a goal is challenging, it should be set by or in concert with the person responsible for its achievement. The organization’s leadership, and where appropriate its stakeholders, should agree that the goal is important and that appropriate time and resources will be focused on its accomplishment. An attainable goal

should also allow for flexibility and if the time comes when it can no longer be achieved, it should be altered or abandoned.

Goals should be **relevant**, meaning that they should be appropriate to and consistent with the mission and vision of the organization. Each goal adopted by the organization should be one that moves the organization toward the achievement of its vision. It is important that all short-term goals be relevant (e.g., consistent) with the longer-term and broader goals of the organization. Truly relevant goals will not create conflict between short-term or long-term organizational goals or conflict with the overall mission statement.

Finally a goal must be **time-bound**; that is, it must have a starting and ending point. It should also have some intermediate points along the way, at which time progress can be evaluated. Limiting the time in which a goal must be accomplished motivates the organization’s ability to monitor performance results and focus efforts on effective goal achievement.

## References

- Doran, G.T. 1981. There’s a S.M.A.R.T. way to write management’s goals and objectives. *Management Review* 70(11) p. 35-36. Retrieved from Business Source Premier Database.
- Locke, E.A., and G.P. Latham. 2002. Building a practically useful theory of goal setting and task motivation: A 35-year odyssey. *American Psychologist* 57(9):705-717.
- Terpstra, D.E., and E.J. Rozell. 1994. The relationship of goal setting to organizational profitability. *Group & Organization Management* 19(3):285-295.