



WHY GOALS AREN'T REACHED AND PLANS FAIL: It's all in the process!

By Mike Ferrell



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It's the time of year where we begin to take inventory of the year; how did we do? Did we reach our goals? Did we execute our plan? Unfortunately more often than not the answer is no, in fact several studies have found that over 85% of business people don't reach their goals and that means in most cases they don't execute their plans.

THE FIRST PROBLEM IS IN THE WAY WE BEGIN

Most plans are developed at the beginning of the year or the tail end of the prior year and most plans are developed based on measurement criteria that I call dollar driven. What I mean by that is that the goals are specifically driven by numbers related to dollars, it could be revenue, sales, profits or any other benchmark that is based on dollars. Another problem with most plans is that they are annual plans and because of that the focus is on the annual goals. And finally most plans are tactical, meaning they are based on tools or tactics that will be utilized by the person or organization however they have no strategic basis.

WE SET OURSELVES UP FOR FAILURE

The problem with the process is that we set ourselves up for failure by focusing on the wrong things. When you are focused on dollar driven goals the minute it becomes apparent that you are either going to exceed the goal or not reach it the goal falls by the wayside. Also by setting up a plan on an annual basis you lock yourself into a period of time that could be unrealistic in achieving your objectives. Things change to quickly in business therefore by creating an annual plan you put yourself in a position of either not being able to react to changes or having your plan go by the wayside because you are reacting to changes. And the last point is by thinking tactically you have a tendency to do a whole bunch of "stuff" and just see what sticks. In addition you may fall into the trap of continuing to do things just because that's the way it's always been done or maybe it was successful at one point but isn't anymore.

IS THERE A BETTER WAY?

In working with businesses over the past 24 years what I have found is that focus is key and the more complicated the plan and the more it's based on dollar driven benchmarks the more likely it is to fail. In addition the bigger picture it is the more likely it is to fall by the wayside. Many businesses do strategic planning and they go through a process that creates this big picture plan of what they want to accomplish or what direction they are going in however where they miss the boat is adding a strategic action plan to the overall plan. They fail to break things down to bite-sized pieces that can be executed. And yes there is a better way, by creating a plan that focuses on a limited set of priorities and that measures actions and activities and moves away from focusing on dollar driven goals and breaks things down into bite sized pieces that can be easily executed based on overall strategic initiatives.

FOCUS ON ACTION NOT RESULTS

When most businesses or sales organizations create plans the focus as I said earlier is on dollar driven goals. However what that does is put the focus on the plan set squarely on results, I believe there's a better way! In creating a plan if you put the focus on the actions instead of the results and if those actions are correctly identified and measured and achieved then the overall goal is typically achieved if not exceeded. Every business or sales organization knows what types of actions they need to do to be successful and if you measure those actions on a monthly basis with some set objectives your plan can't fail. What this also does is help to measure the effectiveness of the person carrying out the actions. For instance is a sales persons actions to be measured are presentations and they consistently are hitting the stated objective but are not hitting their dollar driven goals you know that you either need to do some training on how they do the presentations or maybe you have the wrong person in the job.

FOCUS ON PRIORITIES

Most plans because they are dollar driven never get down to specific focus and if they do they typically focus on tactics. Another words let's throw as much stuff against the wall and see what sticks. There's a better way to do it! First identify the top 3 priorities for your organization to reach it's dollar driven goals. Next determine how you

will attack those priorities and as I said earlier break them down into bite sized pieces. And most importantly create a six month plan versus an annual plan, that way you can assess where you're at at the end of six months, determine if the priorities are the same or if they need to be changed and then create another six month plan. This allows you to stay focused on the priorities instead of changing directions everytime the wind blows. You don't chase success you plan for it and execute to achieve it.

ABOUT MIKE FERRELL

Mike Ferrell is President and CEO of The Pinecrest Group, Minneapolis, MN, he is also the author of the award winning book, *Ultimate Breakthrough Planning: The Business Funnel Approach*. He is also the co-collaborator of *What Are You Dealing With?*[®] (www.whatareyoudealingwith.com) Mike has spent the last 25 years working with businesses and sales organizations helping them achieve outstanding results. Mike has worked with small companies as well as large multi-national corporations and has spoke to numerous business and trade associations. Mike is based in Minneapolis, MN. Mike can be reached at mferrell@thepinecrestgroup.com