

Priorities-Strategies-Goals

A Proven System to Achieve Success

Leadership Version

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Agenda

- PSG Overview- The What and Why of the PSG
- Priorities
- Strategies
- Goals
- Summary

*As successful professionals, how many of you
would attribute your success to:*

*Focusing on the right outcomes
Executing the required strategies
Achieving the necessary goals*

in your education and career?

Today, we will discuss a system for business to
be successful.

Who Am I?

Engineer by Training- Business Builder by Passion

- **Boeing-** International Space Station (1990)
 - Systems Engineer and Design Engineer (Designed the Hatch Tracks on station now)
 - **Lesson Learned:** Appreciate systems and processes...they are the only way to allow a large organization to execute, adapt and grow

Discovered CAD, Internet and 3D Printing at the birth, so spent the 90's as a Tech Geek trying to commercialize 3D Printing
- **Fastec**
 - 20 year old family business in manufacturing
 - Broken, stubborn and pre-death company that required massive overhaul
 - **Lesson Learned:** Sometimes emotional decisions are made even when rational decisions are obvious

Manufacturing is a tough business, especially in Marketing and Sales
- **Rapid Tech Engineering (Founder)**
 - Engineering and Manufacturing Services
 - **Lesson Learned:** Focus and competitive advantages are the key to being the best

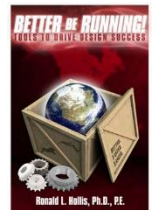
1998- Made conscious decision to be a Business Leader
- **Quickparts.com (Founder, President & CEO)**
 - In 1999, we committed to use technology and innovation to change the custom parts market
 - **Lesson Learned:** Being part of a team of achievers makes business fun even when things are tough!
- **Since 2011...**
 - Worked with CEO's to solve major business problems in Strategy and Organizational Management



My Passion

Leverage the power of business to positively affect people

Implementing and Executing Systems of Business to increase optimization of the organization



My Why for PSGs

- **As an entrepreneur, I learned (the hard way):**
 - The faster the business grows, the more “out of control” it can become
 - Building a strong foundation is critical for long term success
 - As resources become competitive (internally), then the business needs a method to decide where to invest
 - Getting maximum productivity from resources
 - Driving efficiency and effectiveness by each functional
 - A culture of A-players requires a purpose bigger than themselves
 - Alignment, Transparency, and Collaboration are optimum drivers for A-Players

PSGs were created to address this problem

A System to Achieve Success

Let's Get Started!

What's the Problem

- **Business is Dynamic!**

- A static business is a dying business
- All businesses come down People, Processes and Technology
(*assuming you have a product/service of value to your market*)
- Fast growing companies solve problems with people (hire more)
- Adding people to support growth increases complexity of the organization
- Teams (groups of people) need to be aligned on what is important to accomplish
- A-Players want to know the direction of the business so they know what is important so they can be successful

**How do you align the People so they invest their resources
(time and energy) to do the Right Things?**

A Solution

**Implement, Maintain and Execute a Framework for
Alignment, Transparency and Focus**

**PSG's
A SYSTEM to Achieve Success**

PSG = Priorities, Strategies, Goals

- **A framework:**

- To provide clarity and transparency in all areas of the business
- To provide focus on what's important at each level of an organization
- To provide an objective method for measuring performance and accountability
- To force each level to “think” and “decide” what is important
 - Reducing or eliminating “acting and reacting”
- To provide executive visibility into the areas of the business that are struggling so appropriate assessments can be made
 - People, Process or Technology issue
- Increase overall organizational productivity with alignment of priorities and resources
- To require discipline at each level to stay focused on what is considered important
 - Eliminate the “shiny object syndrome” especially at the C-level

What is important to get completed?
How do I get it completed?
How do I know it was completed?

Summary of PSG

- Applicable to all areas or functionals of a business or life
- Sets expectations for what is important
- Provides qualitative and quantitative information for clarity and accountability
- Drives Key Results or KPIs (Key Performance Indicators)
- Can be tracked, changed, adapted and updated as the business grows with orchestration by different functionals/teams/departments

PSGs are similar to OKRs (Objectives and Key Results) with the addition of the Strategies (How) to guide direction.

Priorities



Priorities

- **What are they?**
 - OUTCOMES that are considered important by the team for the upcoming period (month/quarter/year)
 - Typically driven to execute, change or improve the functional
 - Primary Functionals (Marketing, Sales, Operations) typically have 1-2 functional priorities and 1-2 innovation priorities
 - Sales
 - Increase Revenue (primary functional priority)
 - Expand into new market (innovation or change priority)
- **Why have them?**
 - Defining Priorities forces the team to intellectualize their desires/needs (since they are written)
 - Forces collaboration and transparency within the team and other areas of the business
 - Allows the team to focus on what is considered important in the current period while providing opportunity for future focus on other priorities (using a parking lot)
- **How to use them?**
 - Each team discusses, defines and decides what is important to be focused on during the period
- **Who owns them?**
 - Team/Functional Priorities are owned by the functional leader/manager

WHAT is important to accomplish?

Priorities- Examples

Corporate	Marketing	Sales	Finance
Increase Revenue	Increase Leads	Increase Revenue for XYZ Product	Increase available cash
Increase Gross Profit	Grow Brand Awareness	Increase Gross Profit	Decrease AR
Launch new ABC product	Enhance strategic partnerships	Build new sales team for ABC product	Implement invoice automation

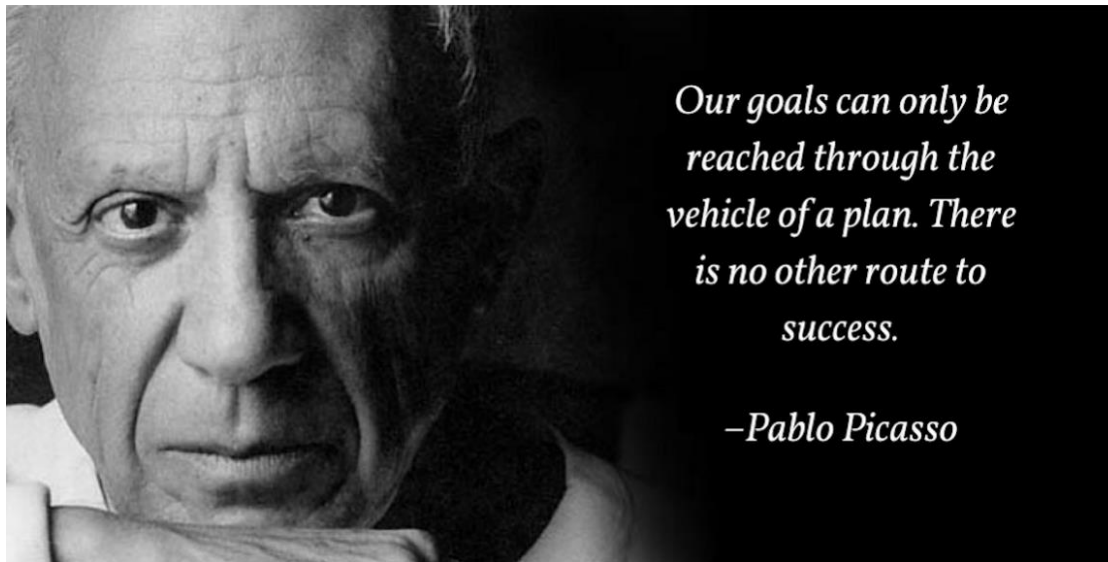
Health	Finance	Relationship
Be Physically Fit	Have financial freedom	Have strong friendships
Be Mentally Fit	Have schedule flexibility	Have close relationship with children
Be Emotionally Fit	Travel for new experiences	

What's an example for you?

Priorities-Other

- Corporate Priorities are typically longer-term periods (annual) and functionals have shorter periods (quarterly)
- Functional Priorities should “align” with the corporate Priorities
- Priorities are NOT goals or strategies, but require an adjective (expand, grow, build, improve, etc.)
- Priorities are owned by someone
- Can be big, visionary and/or future value desires
- 3-5 Priorities per team is a good balance

Strategies



Strategies

- **What are they?**
 - The APPROACH or method to be used to move toward accomplishing the Priority
- **Why have them?**
 - Forces the team to define methods to accomplish a defined Priority
 - Hope is not a strategy
 - Aligns readily available resources on what they should be executing (daily, weekly, etc.)
 - Forces discipline to execute the Strategy for the defined Priority
 - What is important (Priority)...How can it be accomplished (Strategy)
- **How to use them?**
 - Leverage the power of the team to determine approaches to achieve a Priority
 - Define the actions associated with the Strategy (Tactics) to provide clarity
 - Define appropriate Strategy goals to determine success
- **Who owns them?**
 - Each strategy must have an owner (not necessarily the Priority owner)

HOW do I get the Priority accomplished?

Strategies-Examples

Sales P: Increase Revenue	Marketing P: Increase Leads	Finance P: Increase cash inflow
Expand into ABC region	Launch PPC on Google	Invoice faster
Increase sales team	Engage PR firm	Increase collection activity
Add XYZ product		

Health P: Be Physically Fit	Finance P: Have financial freedom
Sufficient cardio exercise	Execute a budget
Eat clean diet	Eliminate bad debt

Strategies-Other

- Strategies can be creative and have various levels of risk
- The strategies developed should create a roadmap to help guide the steps for how the priority will be accomplished
- Each Strategy should have a contribution to the Priority
- The results will be measured by the quality of the Strategy and how well you executed the strategies
 - Missed Priority Goals are bad strategy OR bad execution of the strategy
- Big strategies are probably Priorities (instead of strategies)
- Strategies do not contain numbers (typically)
- 3-5 strategies per Priority is a good balance
- Strategy break down into Tactics
 - Tactics are the aligned activities that result in the successful execution of the Strategy
 - Each tactic must have an owner and due date
 - Tactics are Binary (yes/no) on completion
 - Strategies and Tactics can be interchangeable, but typically not

Goals

**DREAMS DON'T
COME TRUE.
GOALS DO.**

—COMPETE EVERYDAY.COM—

**FIRST STEP:
SET GOALS.**
GYMQUOTES.CO

**SECOND STEP:
MAKE SHIT HAPPEN.**

Goals

- **What are they?**
 - A desired result for a measurable outcome that includes numbers and deadline
 - All goals must be SMART
 - Specific
 - Measurable
 - Action-oriented
 - Realistic
 - Time/Budget constrained
 - Assessing a goal must be binary (yes/no) when asked if it was achieved
- **Why have them?**
 - Provides an objective and measurable approach to assess performance and progress towards a defined Priority or Strategy
- **How to use them?**
 - Each Priority should be able to be assessed for success, the goal provides the assessment or test of success
 - Communicate the goals to everyone (drives transparency and alignment)
- **Who owns them?**
 - Each goal is owned by the Priority or Strategy owner

How do I know it was accomplished?

Goals-Examples

Sales P: Increase Revenue	Finance P: Increase cash inflow
Product Line X revenue of \$XM by 12/31/2020	Have \$XM in liquid assets by 4/1/20
Have 5 sales people by 3/31/20	

Health P: Be Physically Fit	Finance P: Have financial freedom
Weight XXX by 5/1/20	Add \$XX to 401K each pay period
Eat less than 100g carbs per day	Have \$0 credit card debt by 3/1/20

Goals-Other

- Goal are the “results” or the “how do I know I got it done”
- Goals without numbers and dates should be challenged
- Assessing the achievement of a goal should NOT be debatable (it’s yes or no by everyone)
- There are goals for BOTH priorities and strategies
 - There should always be goals for the Priorities while some strategies may not have defined goals
- Be able to easily track the progress toward the goal so the results are transparent
 - Avoid end of period assessing to see if you made it
- 1-3 Goals per Priority is a good balance
- People HATE goals and will resist putting numbers and/or dates on the goals (drives accountability)
- All goals have to be accepted and owned by the team
 - You can’t just assign a goal but the goal has to be accepted and owned
- When missing the goals, then assess the Strategies or Execution (it’s typically one of them)

Goals Supplement (Be SMART!)

- **Specific**
 - Well defined, clear and unambiguous
 - Who is involved?
 - What do I want to accomplish?
 - Where is this goal to be achieved?
 - When do I want to achieve this goal?
 - Why do I want to achieve this goal?
- **Measurable**
 - How many or much?
 - How do I know if I have reached the goals?
 - What is my indicator of progress?
- **Achievable**
 - Attainable and not impossible to achieve (but can be a stretch)
 - Have others done this successfully before?
 - Do I have the resources and capability to achieve this goals?
- **Realistic**
 - Within reach, realistic and relevant to the purpose or Priority
 - Is this goal realistic and within reach
 - Is this goal reachable given the time and resources
 - Are you able to commit to achieving the goal?
- **Timely**
 - With a clearly defined timeline with deadline
 - Does the goal have a deadline?
 - By when do I want to achieve the goal

Summary

P



Action
Expresses
Priorities
Gandhi

Nobody
is too busy,
it's just a
matter of
priorities.

S



STRATEGY
- IS A FANCY WORD -
FOR COMING UP WITH
a long-term plan and
PUTTING IT INTO ACTION
... OLIVER HOLLIS
BELLADONNE.COM

G



a goal without
a plan is just
a wish
- Antoine de Saint Exupéry

PSG

- **Priorities** provide the focus for the team
 - What is important to accomplish?
- **Strategies** provide the plan or approach to achieve the Priority
 - How to accomplish it?
- **Goals** provide the metrics to assess success of the Priorities and Strategies
 - How do I know it was accomplished?

Focus- Transparency-Alignment-Accountability-Engagement

Example – Business

Owner: Bill (VP Sales)		Period: Q1-Q2 2020	Last Update: 12/5/2019
Priority <div> <div></div> <div></div> <div></div> </div>			
Increase Revenue for XYZ Product Line			
<div> <div>Priority Goal</div> <div>Have \$20M in revenue by 6/30/2020</div> </div>			
<div> <div>Priority Goal</div> </div>			
<div> <div>Priority Goal</div> </div>			
Strategy One	Strategy Two	Strategy Three	
Increase sales team	Increase inbound leads for Product (partner with Marketing)	Implement Sales procedures for product line	
Goal	Goal	Goal	
Hire and onboard 2 new sales people by 1/31/2020	Have 1000 inbound leads for Product line per month	Have documented Sales presentation by 1/31/20	
		Complete sales training by 3/1/20	
Tactics	Tactics	Tactics	
Hire recruiter Interview candidates	New sales literature	Determine value proposition Write scripts	

Example – Business

Owner: Mary (VP HR)		Period: 2020	Last Update: 12/5/2019
Priority <p style="text-align: center;">Have a positive, happy workplace culture</p> <p>Priority Goal Be recognized as Top 10 Workplaces by ABC for 2020</p> <p>Priority Goal Have employee retention greater than 95% at all times in 2020</p> <p>Priority Goal Have all employees rated as A or B players by their team and leaders after 6/15/2020 review</p>			
Strategy One		Strategy Two	Strategy Three
Communicate effectively with all team members		Train and Assess team members	Master criteria and implement plan for Workplace recognition
Goal		Goal	Goal
Complete team member feedback survey on Top Priorities by 2/1/20		Have formal team member assessment system implemented by 3/31/20	Have primary criteria determined by 1/31/20
Release HR Updates to team by 1st of each month		Complete training to everyone by 5/1/20	Apply for award by 6/15/20
		Complete formal reviews by 6/1/20	
Tactics		Tactics	Tactics
Develop updates Design feedback system			Engage award leader at ABC Develop attributes for success Communicate to leaders and team

Example - Life

Owner: John Doe		Period: 2020	Last Update: 12/6/19
Priority Have optimum body composition (weight/bmi) for frame Priority Goal Weight less than 199lbs by 6/1/2020 Priority Goal Have waist size less than 36 by 3/31/2020 Priority Goal Have a BMI less than 20% by 6/30/2020			
Strategy One	Strategy Two	Strategy Three	
Exercise/Activity	Eat Low Carb/Health focused Diet		
Goal	Goal		
Have over 10,000 steps per day	Consume less than 100 gms of carbs per day		
Cardio exercise at least 300 minutes per week	Never eat enriched flour		
	Consume less than 2 diet drinks per day		
Tactics	Tactics		
Join gym Develop schedule for week Track all activity Record workouts Use step tracker	Plan you meals each day Track all carbs consumed Count your drinks per day		

Sources of Priorities

- **Business**

- Functionals/Departments
- Customers
- Market Analysis
- Competition Analysis
- Products/Services
- Teams

- **Life**

- Career
- Health
- Finances
- Relationships
- Community/ Contribution
- Rest/ Play/ Hobbies
- Household

Use Parking Lots to capture and save Priorities

Tip: If stuck on an area, start with goals and work back to Strategies then to Priorities

Rhythm and Data

- Rhythm and accessible Data are required to make PSG effective
 - The Strategies and Goals should be part of the weekly functional reviews
 - Goals related Data should be easily compiled, tracked and shared
- Review and Update of the PSGs
 - Corporate PSG 1-2 times per year, depending on the rate of growth of the company
 - Functional PSG should be Quarterly
- The Teams need a tracking system
 - Excel or other online tools

Challenges of PSG

- Requires leaders to make decisions about what is important and then commit to that decision (defining Priorities)
- Requires time to think and develop
- Requires transparency and accountability
- Making Goals SMART
 - Having data available, trackable and accessible by the team
- Maintaining focus on the priorities and strategies after the planning is complete
 - Avoid folks going back to doing what they have been doing
 - Need interactive dashboard and system to daily/weekly tracking
- Requires rhythmic reviewing and assessing
 - If off track on goal progress, then assess the strategies and their execution

Requires success-driven, disciplined leadership to maximize the full power of the approach.

The What- Outcomes

- More people doing the ***Right Things Right***
- Increased efficiency of resources *by focusing what is considered important*
- Morale is better with clarity and communication...*everyone understanding their role in the organization through their PSGs*
- The organization actually gets important things accomplished *instead of progressing through too many initiatives that never get completed*



Questions?