
Why Goals Are Fundamental To Your Success

When it comes to managing your company, there are two philosophical paths you can follow and your choice of which one you take will determine the kind of company you have. The two paths are:

- **Managing what happens**
- **Making things happen**

When you choose to *manage what happens*, you are always reactive – working on other people’s priorities. Whether you’re dealing with customers, employees, vendors or competitors, other people are driving your life and your business. Companies that work this way seldom have clear goals that are based on good metrics and thoughtful analysis. They also don’t have good measuring tools or systems in place and don’t measure the really important things that define their businesses. Seldom are operating budgets used in companies that *manage what happens*.

These companies seldom have strong managers in place and when they do, these managers are usually tied up dealing with problems or issues that keep them from driving performance ahead – often even outside their own area of responsibility and expertise. Training is low on the priority list for these companies and managers are stressed managing all the things that happen.

When you choose the other alternative, *making things happen*, as your management style you suddenly find that goals are the critical factor in your life. Reaching them is everything and you want people around you who understand this and are strong enough to take on the challenge of making things happen in their area of responsibility, so that individual and company goals will be achieved.

Accountability systems are developed, operating budgets become critical tools for all managers and goals are achieved a high percentage of the time. Managers in companies whose style is *making things happen* become innovators, constantly seeking new ways to do things and new things to do to achieve their goals.

Training and systems are high priorities in companies who *make things happen* because managers refuse to be tied up fixing things that should have been done right the first time and eliminating problems before they happen is an extension of this management style. Owners and managers want high-performance people to be on their teams so delegation can be done with total confidence in the outcome.

Sales Goals

Sales is the area where making things happen versus managing what happens is most visible. Most stores under-perform because sales goals are not used or are set far too low. When you think clearly about why people perform at the levels they do, you might come to the conclusion that they're doing the best they can with the customers they have to deal with. For some very high performing people, this is true, but for the vast majority it's simply wrong.

If you have a salesperson who has never earned more than, say, \$35,000, is it because that's all the customers would buy? Or, is it because he just doesn't know how to earn \$40,000 or \$50,000? And, if that person is satisfied with \$35,000, will he strive to get to \$40,000 or \$50,000? One of the biggest limiting factors to improved performance in retail furniture stores is the satisfaction of many salespeople with the status quo.

People will tell you they want to earn more and you might even set their goals there. Then, if you're a "*manage what happens company*", you'll add it all up at the end of the year and whatever happens, happens. If, on the other hand, you're a "*make things happen*" company, you'll mean those goals to be achieved and the following things will happen:

- You'll set interim, monthly goals based on store historical percentages
- You'll provide daily feedback on how things are going for each person
- You'll measure everything, all the time
- You'll determine the causes for any shortfalls
- You'll provide a clearly documented selling strategy aimed at achieving the goals
- You'll train everyone in how to deliver this strategy to customers
- You'll provide on-the-floor coaching every hour the game is being played

In the end, more people will achieve their goals more of the time and you'll feel the satisfaction of making it happen.