

There's no denying the importance of business goals; they allow small business owners to prioritize objectives and set benchmarks to evaluate performance. As you're gearing up for 2017, this is a great time to take a step back, reflect on your long-term objectives, and set clear guidelines for a more productive year ahead. Let's review tips to determine your mission, set business goals, and devise a plan to help you get results.

Big Picture: What is Your Long-Term Objective?

In business, a mission statement is an important purpose that is accompanied by strong conviction. When a mission statement is well-written, it doesn't just define a company; it sets the strategy of the business. Take the time to articulate the long-term goals of your small business by reflecting on why you started your company in the first place. Craft a mission statement that answers the following questions:

- Who is your company?
- What problem do you solve for your customers?
- How do you provide that solution?
- Why do you provide that solution?
- What market do you serve?

Your mission statement is your north star. But, as the saying goes, "Rome wasn't built in a day". To achieve your big picture business goals, you'll first need to set some short-term objectives.

Setting SMART Business Goals

Once you have set what you want in the long-term, you're now ready to figure out how to get there. These are your short-term objectives, aka business goals. A great strategy for setting—and achieving—business goals is to use the acronym SMART:

- **Specific:** Provide concrete details.
- **Measurable:** Put a figure or value that sets a clear goal.
- **Action-oriented:** Lay out the who, what, and when for the goal.
- **Realistic:** Keep the goal down-to-earth and down-to-business.
- **Time specific:** Set a deadline to keep a sense of urgency.

Two Examples of SMART Business Goals

First, let's assume that you own a barbershop and that you want *to grow your business*. Since that's too broad of a goal, you'll need to give it the SMART treatment.

- Specific: I will get 15 new clients.
- Measurable: I will get 15 new clients and maintain my current number of clients.
- Action-oriented: By asking for referrals to existing clients, promoting discount to first-time customers on social media, and providing a coupon on a local publication, I will get 15 new clients and maintain my current number of clients.
- Realistic: The maximum discount to new clients can't exceed 20% of current price of any service.
- Time specific: I will get 15 new clients within three months.

Here's the SMART business goal for your barbershop: I will get 15 new clients within three months by asking for referrals to existing clients, promoting a discount to first-time customers on social media, and providing a coupon on a local publication. The maximum discount to new clients can't exceed 20% of current price of any service.

Second, let's tackle another goal that doesn't provide a clear path of action or way to evaluate performance: *to decrease cost of servicing small clients*. In this case, let's imagine that you're the owner of boutique marketing agency.

- Specific: I will identify all customers with contracts under \$1,500 per month.
- Measurable: I will decrease the cost of servicing contracts under \$1,500 per month by 25%.
- Action-oriented: By finding a reliable outsourcing company that can meet my price point, and developing or finding a templated—or "white label"—service offering, I will decrease the cost of servicing contracts under \$1,500 per month by 25%.
- Realistic: The prices and service terms of the outsourcing company and templated service offering have to remain the same for at least one year.
- Time specific: I will outsource—or transfer to a templated service offering—all contracts under \$1,500 per month within six months.

Here's the SMART business goal for your marketing agency: I will identify all customers with contracts under \$1,500 per month and decrease the cost of servicing those contracts by 25%. I will find a reliable outsourcing company that can meet my price point, and develop or find a templated service offering. Under both options, I will secure pricing and service agreement for at least one year. I will outsource or transfer to a templated

service offering all contracts under \$1,500 per month within six months.

Setting Up a Schedule for Your SMART Business Goals

Because it's easier said than done, you need to develop a clear list of steps to complete your business goals. This is particularly important when you're delegating a task to an employee. Set your employee—and yourself—up for success by laying out the major action steps.

Let's layout a schedule for our first example of a SMART business goal: "I will get 15 new clients within three months by asking for referrals to existing clients, promoting a discount to first-time customers on social media, and providing a coupon on a local publication. The maximum discount to new clients can't exceed 20% of current price of any service."

Major Action Steps	March 2017	April 2017	May 2017
Set a standard process to ask referrals to existing clients.	X		
Train all barbers in standard referral asking process.	X		
Schedule end-of-month meeting to identify best practices with barbers and recognize barbers doing the best job.	X	X	X
Research rates with local publications to identify best option to provide a printed coupon that first-time clients can use.	X		
Run print coupon ad for first-time clients.		X	X
Determine strategy to promote a discount to first-time customers through social media and set a schedule of content for April and May.	X		
Implement content schedule for social media channels.		X	X
Establish process on POS system to redeem print coupon and social media discount code. Train all barbers on POS process.	X		
Verify that POS system is properly tracking discounts.		X	X
Evaluate and report results.			X
Optional: Set a prize for barber that provides most referrals and give reward on last day of period.			X

By developing such a detailed to-do list, you—or your employee—will have a much clearer strategy in place to reach your business goals. You'll also have a much easier time making progress on a day-to-day basis. Take a cue from Facebook COO Sheryl Sandberg, who is famous for sticking to an 8-hour day schedule despite running one of the biggest companies

in the world, and [keep a specific list of action items for the day in a notebook](#).

Keep documentation of all processes so that you can refer back to them at any time to evaluate how things went. Set the time to have a post-mortem of the entire project and identify the good, the bad, and the ugly. By identifying best practices, areas of opportunity, and red flags of larger issues, you'll broaden your management and operation skills and become better at setting future business goals for your small business.

A Word on Involving, Training, and Rewarding Employees

If you paid close attention to the schedule above, you noticed the following three action items:

- Set a prize for barber that provides most referrals and give reward on last day of period.
- Schedule end-of-month meeting to identify best practices with barbers and recognize barbers doing the best job.
- Establish process on POS system to redeem print coupon and social media discount code. Train all barbers on POS process.

The more buy-in from employees, the more likely the success from your SMART business goal. Don't just *say* that you have an actionable plan; instead, involve your employees from the start of the project. Set clear expectations, gather feedback, present updates on progress, reward outstanding performance, and take the time to reflect (and celebrate when appropriate!) on results.

Building a goal-oriented [company culture](#) provides a sense of direction to employees, but simply piling on new objectives immediately after achieving a milestones will often backfire on you. Have a plan to answer the "what's in it for me?" question of your employees before they even start to wonder about it. Keep everybody motivated to work hard...and play hard.

More from Bond Street:

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- [How to Stay on Top of Your Small Business Finances](#)
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