

# How to Set SMART Goals

When renowned consultant George T. Doran introduced the concept of SMART goals in 1981, the objective was to inform the public about better ways of accomplishing business goals. After a few decades, many companies now use this method to improve and organize their processes. Entrepreneurs interested in [starting a business](#) are recommended to use this approach for more potent goal-setting. Before anything else, it is wise to better acquaint yourself with the ins and outs of this technique, which is what this article aims to provide you with.

## SMART Goals Defined

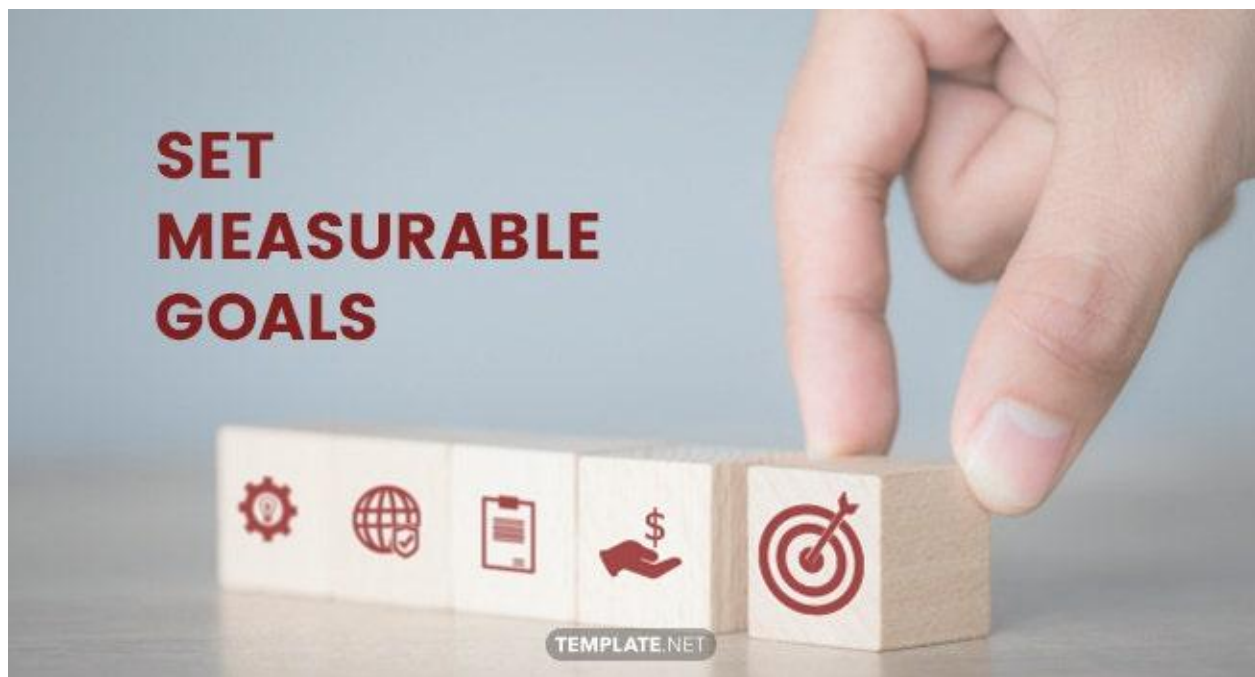
Companies have goals to meet, with some spanning a few weeks and others lasting up to months or even years. These goals—no matter the extent or duration—will only work if the people involved are motivated and knowledgeable. With that said, SMART goals have become essential to business in general. SMART, an acronym coined by George T. Doran, stands for *specific, measurable, assignable, realistic, and timely*. All these letters correspond to different methods that any company can utilize for their goal-setting processes. The approach is effective in handling management goals, employment plans, [product target plans](#), and more.

## Set Specific Goals



In setting the objectives, the first step is determining particular key points in the business. The points usually answer questions—who, what, where, when, and why—about the company information. It starts with the people who have significant roles and responsibilities in the business. Next, the discussion is on what the company wants to accomplish and what scope of work is permissible. Then it talks about the location where the goals are applicable; whether it is for internal or external purposes. After that, the focus is when [project management](#) will initiate the proposed plan. As for the most crucial part, the relevance of the goal and why it matters to the company. When these things are set, the business proceeds to the next step.

## Set Measurable Goals



Businesses should choose tangible goals that are quantifiable using different measurement methods. Having a metric makes it easier to pinpoint the ways the goals are achievable for the company. For instance, an objective that centers on higher revenues for the next fiscal year is more manageable than choosing goals that concentrate on intangible materials. [Training](#) and [development plans](#) are a measurable goal because the company can assess the growth of the employees. Moreover, the business must set indicators to determine the progress of the enterprise, especially if the goal is complete with the given time frame.

## Set Achievable Goals



Companies need to look at the state of the business before selecting goals. By observing the conditions of the enterprise, the firm has to make sure that the immediate business goals are attainable. It may require changes in the business structure or skill set, but the company should know what areas they can adjust to reach the target. The corporation has to understand the capabilities of the workers, as well as the resources accessible to the company. The business tools also consist of plans, strategies, graphical representations, and [schedule](#) of activities. Again, the focus of the company should be goals that are achievable through processes that the business can efficiently manage.

## Set Relevant Goals



Instead of focusing on different objectives at the same time, the business can select a goal that pushes the growth of the company. For example, training that boosts the morale and motivation of the employees can positively affect the processes of the business. These activities can influence the people working for the company, which in turn helps in the development of the enterprise. These goals and plans coincide with [improving the business](#), and tracking them using [worksheets](#) and [time sheets](#) are crucial. The planners can assess the results of the activities after some time to determine the changes in the business.

## Set Timely Goals



Being timely can mean two things here. First, it talks about the [timeline](#) and the duration of the proposed plan. Second, it centers on how the plan is favorable for the business at this moment. For instance, launching winter products—clothes, food, and items—for the upcoming winter season is an excellent move for the company. Another example would be enhancing the employee retention plans of the enterprise. This plan, which could last for three to six months, would be useful if the company experiences a surge of exits in the last couple of months. Time constraints matter in this setup.

# How to use SMART Planning in Business

According to Investopedia, ineffective [business plans](#) are one of the reasons that companies fail. If the foundation of the company has loopholes, the business will experience difficulties. To improve the situation and to avoid losing the business, companies turn to SMART goals planning. SMART planning involves the input of data from different sources for [business analysis](#). Researchers can gather information from the assessment of customers, employees, and competitors. From the data, planners can create a [status report](#). The result will be the basis for the direction of the plans. Using the definition of SMART as a guide, the planners can come up with strategies for the company. With the approval of heads, the proposed plan will be used for business project estimates and marketing plans.

## Importance of SMART Goals

Bloomberg reports that within the first 18 months in the industry, eight out of ten business owners experience more setbacks than gains from the investment. Several factors affect the procedures of the business. From hiring unqualified workers to misplacing trust in inefficient [marketing tools](#), the business can only suffer so much. That's when SMART goals become a useful instrument for the company. The approach encourages planners not only to look at [progress reports](#), but also to see the importance of technology to the business. It entails the creation of an [organizational chart](#) for the convenience of the people in the company. SMART goals planning is a practical technique that looks at different sides in the business to find ways to meet the target in an appropriate and efficient time.

Growing your business means taking on new challenges—going beyond your comfort zone and confronting different ideas and people. But companies should not go to battle unarmed. With that said, enterprises must equip themselves with practical [business tools](#) like [market analysis](#), [business proposals](#), and [plans](#). And topping all of that off with the SMART goal approach is one of the best ways to get what you want. Never forget that the development of an enterprise depends not only on the people running the company, but also on the materials that they use. Take time to assess the various tools available to you, along with those that seem best fitted to suit your company's needs.