MODULE 8 - Targets

This module summarizes what targets are and the purposes they serve. In addition, information for setting targets and attributes of good targets is provided. Examples are provided at the end of the module.

Targets determine what level of performance is needed to achieve goals and objectives. They express the aims of the line of business/program. It is essential to set goals, objectives, and targets, as these can provide a basis for the organization to decide what to measure and which activities to embark upon. Targets help to answer the question "where do we want to be?".

Targets can serve a number of purposes:

- Achieving a set level of output (number of inquiries addressed);
- Achieving a set level of quality (number of complaints below a set level);
- Realizing long-term outcomes (improved shareholder value, services etc).[1]

Crown agencies are under constant pressure to improve performance. Targets are useful tools to aid in this process by providing lessons learned, evidence of increased outputs and outcomes, and evidence of value for money.

Setting Targets

Setting targets is an important process for each organization. It is important that targets focus on what the organization has control over, whether it be the overall program performance or the factors which lead to outcomes. In addition, as with performance measures, targets should be reported in context, so that the reader can understand the level of performance. Baselines and explanatory information will inform the reader about the level of performance. Again, it is suggested that organizations provide a baseline (e.g., the previous year's performance) plus three consecutive targets – one for each year in the service plan reporting period.

Setting the right targets is just as important as selecting the right measures. It is crucial that targets are realistic (not a 'wish list') but at the same time challenging and ambitious for the organization to achieve. This should be balanced with the forecasted resources and/or capacity of the organization.

Definitions of terms used to describe targets should be clear and agreed upon. This is especially true in situations where targets are difficult to quantify. Using terms such as 'satisfaction' and 'milestones' need to be operationalized precisely so as to avoid a range of interpretations.

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[1] Office of Government Commerce, UK. Successful Delivery Toolkit: Setting Targets.
http://www.ogc.gov.uk/sdtoolkit/workbooks/performance/setting.html

Attributes of good targets are very similar to those of performance measures. These include:

- *Specific.* Clear, unambiguous and easy to understand by those who are required to achieve them;
- *Measurable.* There is no point setting a target for which success cannot be gauged by referring to a specific measure or measures;
- *Achievable.* Expressing specific aims that the organization feels can realistically be achieved, with some effort: 'out of reach, but not out of sight'. Unrealistic targets will not be able to withstand public scrutiny;
- *Relevant.* To those who will be required to meet them; they must have enough control over their work to be able to meet their targets, or their motivation will suffer; and
- *Timed.* There should be a set time scale for achieving a target; open-ended targets may not encourage focused effort on improving performance.[2]

Examples of targets:

	2002/03	2003/04	2004/05
• Net income ($ millions) *(BC Hydro)*	243	182	179
• % of employees participating in program *(Columbia Basin Trust)*	50	60	80

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[2] Ibid.