MBO – Management by Objectives

Adapting MBO to conservation management
CSS 385
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MBO is a Philosophy

A Proactive way of managing that is:
- Results oriented,
- Emphasizes accomplishments rather than inputs,
- Encourages participation at all levels of an organization (collaborative; shared power & self-management).

MBO is a Process

A process consisting of a series of interdependent and interrelated steps:
- The formation of clear, concise statements of objectives,
- The development of realistic action plans for their attainment,
- The systematic monitoring and measuring of performance and achievement, and
- The taking of corrective actions necessary to achieve the planned results.

Background

Objective setting and participative management are integrally linked by:
- Allowing employees to participate in the setting of objectives
- Encouraging everyone to work towards accomplishment of common objectives.

Four Basic Principles

1. Unity of mgmt action is more likely to occur when there is pursuit of a common objective.
2. The greater the focus on results on a time scale, the greater likelihood of achieving them.
3. The greater the participation in setting meaningful work with accountable results, the greater the motivation for completing it.
4. Progress can only be measured in terms of what one is trying to make progress toward.

Three Constituent Processes

- Participative Decision Process
- Goal Setting
- Objective Feedback

Research shows all three serve to increase productivity. Research shows MBO works well in the public AND private sector.

Drucker (1954, 1976)
Rogers & Hunter (1992)
Goal-Achievement Management

**GOALS:**
- Idealistic long-term statements of intent, direction & purpose

**OBJECTIVES:**
- Statements that describe specific things to be accomplished to achieve the goals

Foundation of Management by Objectives

Goals & Objectives Hierarchy

- **Goal:** To provide stimulating environmental interpretation to all residents and visitors of Idaho
- **Objective:** To create a junior ranger program in 2008 at all state parks with overnight camping
- **Objective:** Develop a logo & produce ball caps, tee-shirts & coloring books for 5-9 year-olds by May 2008

Hierarchy of Goals & Objectives

GOALS & OBJECTIVES are tiered under appropriate levels of management with increasing specificity

Goal-Achievement Management

Management mechanisms:
- **Policies:** legally guide or constrain actions
- **Programs:** appropriate sets of related actions (Interp prog, Recruiting prog.)
- **Actions:** specific things which need to be done to achieve objectives
- **Criteria:** specific protocols for monitoring progress

The MBO process

Field Managers meet with Supervisors to develop scope of work to be accomplished.

Field managers meet with staff to discuss required outcomes.

Field managers & staff jointly develop action items and SMART objectives.

Field managers evaluate crew on how well objectives were accomplished.

Field managers garner approval from their supervisors & empower staff to start working.

The test of SMART Objectives

Every objective must meet these criteria:
- Is it **Specific**?
- Is it **Measurable**?
- Is it **Appropriate**?
- Is it **Realistic**?
- Is it **Time-bound**?
The SMART test of Objectives

- **Is it specific?** Does it clearly talk about one thing, and both the staff member and the supervisor know exactly what output they are talking about?
- **Is it measurable?** Can the output be quantified?
- **Is it appropriate?** Does the staff member have the power to accomplish the task? Will it work?
- **Is it realistic?** Based upon experience & data, can the output be achieved in the allotted time with a given amount of resources?
- **Is it time-bound?** Is a specific, reasonable amount of time specified to accomplish each objective?

Smart Objectives -- examples

**Objective 3a**
- To maintain a comfortable & clean setting for people to have a rewarding interpretive experience, interpreters will spend up to 10% of their time each week cleaning the visitor center & up to 5% of their time cleaning the trails.

SMART

**Objective 3b**
- To improve ½ mile of the overlook trail for the handicapped.

SMART

**Objective 3c**
- Interpretive staff will work with law enforcement to make a pamphlet about protecting ancient rock art.

SMART
Smart Objectives -- examples

Objective 3c
To prevent people from damaging ancient rock art the Interpretive staff will work with the LEO to make a pamphlet that explains the significance of the rock art and the environmental & legal consequences of damaging it, and send mock-up to the printer by March 1st.

Specific, Measurable, Appropriate, Realistic, Time-bound?

Smart Objectives -- examples

Objective 3d
To enhance public involvement in setting the new grazing allotment.

MBO Includes Evaluation

- Preliminary evaluation may call for adjusting objectives.
- Performance evaluations focus on how well employees accomplish their specific unit objectives (not artificial criteria such as appearance, being on time, cooperativeness).

Main reason for failure of MBO

In both the public & private sector:
- Absence of a fully committed and involved top management.
- Dictatorial rather than participatory development of management objectives.
- Objectives which are not SMART

MBO Framework

- MBO provides the basis for making functional budget estimates.
- Evaluation of MBOs provides a way to communicate purpose & accomplishments to the public.
- MBO provides a way to involve & motivate staff.
- MBO provides the only fair way to evaluate workers & their accomplishments.