

MBO – Management by Objectives

Adapting MBO to conservation management

CSS 385
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MBO is a Philosophy

Reflects 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**).

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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.

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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 general organizational objectives.

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Four Basic Principles

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

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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)

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Goal-Achievement Management

- **Goals:**
 - Broad statements of intent, direction & purpose
- **Objectives:**
 - Statements that describe specific things to be accomplished to achieve the goals
 - Specific, Measureable, Appropriate, Realistic & Time-bound
 - Foundation of Management by Objectives

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Goal-Achievement Management

Management mechanisms:

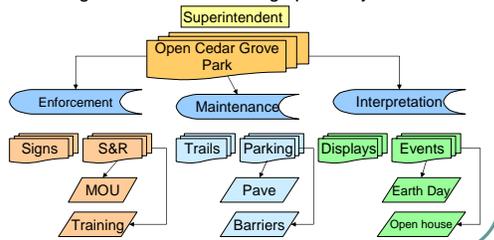
- **Policies:** legally guide or constrain actions
- **Programs:** appropriate sets of related actions (*Interp prgm, Recruiting prgm.*)
- **Actions:** specific things which need to be done to achieve objectives
- **Criteria:** specific protocols for monitoring progress

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Hierarchy of Goals & Objectives

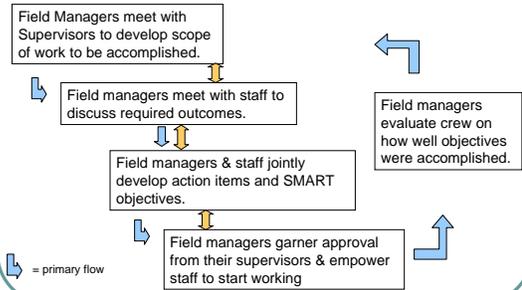
- Goals & Objectives are tiered under appropriate levels of management with increasing specificity



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The MBO process



↑ = secondary flow

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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**?

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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?

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Smart Objectives -- examples

Sound objectives should tell what is to be accomplished, by whom, WHY, and when.

Objective 3a *(taken from actual mgmt. plans)*

- Interpreters will spend 15% of their time cleaning up the area.

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

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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.

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Smart Objectives -- examples

Objective 3b

- To improve ½ mile of the overlook trail for the handicapped.

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

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Smart Objectives -- examples

Objective 3b

- To provide access to the elderly, the maintenance crew will designate 3 handicapped parking places, install a curb cut, three trailside benches, & 3 new interpretive signs on the first ½ mile of the overlook trail by July 1st.

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Smart Objectives -- examples

Objective 3c

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

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

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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.

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Smart Objectives -- examples

Objective 3d

- To enhance public involvement in setting the new grazing allotment.

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

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Smart Objectives -- examples

Objective 3d

- The resource mgmt. staff will design & conduct 3 field trips for diverse stakeholders to be hosted by range & wildlife specialists to see the conditions & problems on the new grazing allotment, once each month of June, July & August.

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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).
- Evaluation includes assessment of how to improve. Evaluation catalogues yearly accomplishments.

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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.

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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.

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