

**PLANNING TERMS:  
*DESIRED RESULTS VS.  
ACTIVITIES***

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# PLANNING TERMS: DESIRED RESULTS VS. ACTIVITIES

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Most organizations have a confusing array of planning terms. For example, employees when discussing commitments often use the word *result* (a business goal) and *objective* (activity) interchangeably. When they do, they can focus on activities – because they are easier – and get caught in the “activity trap.” Activities produce organizational results only if workers see how they are connected to a firm’s results.

To help clear up the confusion, the Figure below simplifies planning terms and puts them into two categories: those that define desired business *goals*, and those that deal with *activities*. Another reason for making the distinction is that activities that are undertaken without knowing why they are being done often produce compliance rather than commitment. Therefore, when managers, individuals, and teams plan, they should predetermine a level of performance they want and then determine what needs to be done to get there. Articulating a desired goal statement makes the work (activity) meaningful because it explains “why” the work needs to be done.

Study the left-hand column of the Figure; it defines goal areas. At the top of this column is the word *vision*. Vision is a fuzzy planning word, one that is hard to define, yet it expresses the way the organization “could be.” It is an envisioned result, something the organization might attain if articulated and communicated clearly. An *operating philosophy*, on the other hand, communicates how the organization plans to produce its goods and services, how it will treat employees, or the way it wants to interface with the end user. While these statements are rare, they can even be used to communicate how the organization wants to manage – for example

delegated decision-making, team structures, and exception reporting of results. Next are planning term pairs. *Strategy* communicates the desired direction of a firm and what it strives to be; *tactics* are the activities used to achieve a strategy.

To improve business operations, *projects* are undertaken. These projects always impact an ongoing area where metrics track how the business is doing. Another pair of planning terms is the *action plan*, which is implemented to achieve an *operating goal*. Looking at this pairing from the other direction, goal commitments need an action plan to make them a reality. The next example deals with *policy*. Consider this policy: “Employees must not accept a gift from a vendor.” This is a predetermined level of ethical behavior – a desired result. It is not subject to interpretation, and applies to the whole organization. *Procedure* on the other hand, prescribes how the work is done. Concreteness and clarity in both are essential. Lastly, a *task assignment* specifies what is to be done, where it’s to be done, by whom, and in what timeframe. Tasks are often given without an explanation of “why” the task needs to be done. The “why” is unexpressed and resides in the head of the person assigning the task – usually because they want it done a certain way.


When an organization focuses its attention on activities, accountability for results is weak, and workers often do the work not knowing why they are doing it. This leads to *compliance* behavior. On the other hand, when organizations focus on outcomes and people understand “why” the work needs to be done, *commitment* is improved because understanding and acceptance are negotiated. This is why negotiating U/A/C is so important to get commitments in a written form.

# PLANNING LOGIC AND TERMS

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When managers and teams plan they do two things. They predetermine the level of performance they want and then figure out how to achieve it. Therefore, all planning terms fall into one of two categories.

Note that "Levels Of Performance" explain and give meaning to the activities. When activities exist that aren't connected to a "why," people lose focus, motivation, and a sense of purpose. Productivity suffers as a result.

<i>Concreteness</i>	<b>Level Of Performance</b> <i>Why</i>	<b>What Or How</b> <i>Activity</i>
<b>SOFT</b>    <b>HARD</b>	Vision & Values	
	Operating Philosophy	
	Mission Statement	
	Strategic Goals.....Tactics	
	Performance Measures.....Project	
	Operating Goals.....Action Plans	
	Policy .....Procedures	
	Decision.....Task Assignments	
	<i>Commitment .....Compliance</i>	

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