

The “Objective” – What’s the Big Deal?

So we have a problem! What next?
Suddenly we have to take some action – make some decisions.
This requires us to have an objective!

But before we rush to clearly define the objective we need to ask ourselves the question – *why do we need to engage in this activity?* If we don’t have a clear understanding of the “*why*” we will start to second-guess our decisions, and may never get to the implementation phase.

We often believe we have a thorough understanding of the problem at hand; this may be true! But *understanding* the problem is not the same as having an *unambiguous* objective.

Like going on a journey, when dealing with problem solving and decision-making, the starting point is the “*objective*”. Your objective is like a map. If you start with a vague map, no amount of effort, or positive thinking, or diligence would get you to the desired destination. Of course, even an accurate map is of little value, if you are not diligent and persistent! Beware! An ill-defined objective will lead you to a sub-optimal or even a disastrous solution, because you will have candidates that do not represent your desired solution.

See if you can guess the *true* objectives of the entities shown in the box. Their *true* objectives are shown at the end of this article.

What business am I in?

1. *Movie Industry?*
2. *Kodak?*
3. *Retail Cosmetic Store?*
4. *Auto Repair Shop?*
5. *A Brokerage Firm?*
6. *A Politician?*

Real-world Examples

We can learn a great deal from real-world examples.

- When Ronald Reagan came to the White House, the American foreign policy was based on “*fighting communism*”. President Reagan replaced this with “*spreading democracy*”. One might ask, “what’s the difference?” Under the “*fighting communism*” objective, the United States funded many dictators and propped-up brutal regimes, in exchange for their support. But under the new definition of “*spreading democracy*”, this type of support was terminated.
- The US Army was focused on training soldiers to be “*excellent marksmen*”. However, a survey conducted during the Vietnam War showed that only 25% of the soldiers had fired at the enemy. The Army then changed the training objective to training in “*killing skills*” – six months later they noted that 100% of the soldiers had fired at the enemy.
- To meet the high demand for low-cost animal feed, the U.S. Dept. of Agriculture rushed to develop a *high-yielding* corn plant. It was a disaster because the newly developed plant could not survive in tight clusters. The objective should have been to increase the *yield per acre*, rather than *yield per plant* – they are not the same. Subsequently, they

modified the plant to be more tolerant to living close to each other – thereby allowing them to plant more trees per acre – even though the *yield per plant* in this case was less.

From the above, you can see the value of a well-defined objective?

Before we leave this section, let us review another famous real-world fiasco.

Burger King, the number two hamburger chain in the USA, saw a trend towards a healthy lifestyle: Growth of Fitness Centers, Health Food Stores, Vitamins Sales, etc. They introduced a “flame-broiled” chicken burger, arguing that customers were becoming more health conscious. Great idea you might think! They spent millions of \$\$ to launch it; but it was a dismal failure.

Strategists at B-K started with a wrong premise—they assumed that customers go to a fast-food outlet for a healthy meal. This led to the erroneous objective of “*adding a healthy meal to the menu*”. However, many surveys have shown the primary reason people go to a fast-food restaurant is for a “*fast, cheap, palatable*” product to satisfy their hunger.

Remember, we stressed that if we start with an ill-defined objective, we could have a disastrous outcome.

Controlled Studies

Even controlled studies have shown that, how we state our objective, has an impact on the outcome. Researchers *Tversky* and *Kahneman* gave twenty resumes to two groups. The objective was: “*To select candidates for an in-house interview*”.

Group A was asked to *accept* [objective] candidates who were *high* on the selection criteria. Group B was asked to *reject* [objective] candidates who were *low* on the selection criteria.

Results: Group A selected 8 candidates for interviews, while Group B selected 11 candidates. Which one should management accept?

Yes! “*The objective*” is indeed a big deal!

Make sure you have a **S.M.A.R.T.** objective:

1. Must be **Specific** & *unambiguous* -.
2. Progress should be **Measurable** in some way.
3. Must be **Attainable**; don’t start with an unreasonable objective that is not achievable with available resources
4. Must be **Relevant**; must be in harmony with the global objectives.
5. It must be **Time bound**.

You are not likely to have much success with an objective such as “*I want to be rich*”, because it is too arbitrary. Furthermore, the implementation timer-frame” could have a significant impact on the candidates you select.

Note that often the particular problem you are dealing with is part of a strategic objective. It is imperative that you consider the impact of this *short-term* objective – on the *long-term* strategic objective, and associated *consequences*. Too often management simply forgets the big-picture!

- Widening a particular road to ease traffic should consider the role of the roads upstream and downstream; population growth, including migration, etc.
- Building an electrical power plant should be tied to the available distribution network.
- A switch to bio-fuels should consider the impact on food stocks, alternate use for the land, the total energy used in the process, etc.

Looking for that elusive objective...

- *What is the problem?*
- *Is this a problem?*
- *Why is a solution required?*
- *Who is affected?*
- *When did it first manifest itself?*
- *How does it manifest itself?*
- *What triggers this problem?*
- *Is this a transient or recurring problem?*
- *Are there obvious causes?*
- *What are the consequences?*
- *Is the solution likely to be cost effective?*
- *Under what conditions does this occur?*

These may seem obvious – but today we are paying a heavy price for ignoring the consequences. Global warming and Pollution of our oceans, rivers and aquifers are sad examples.

Unfortunately, there is no rule or test to streamline the search for the *true* objective. First, we must recognize the need to pay attention to all the factors at play, without rushing into setting an objective. We have presented a series of questions that would aid your search for that elusive objective.

The Surrogate Objective

Most problems are seen from direct observations or from test results. Thus it is relatively easy to identify the culprit, and develop corrective measures.

At other times, problems are highlighted through statistical studies conducted by sociologists. These reveal valuable correlations, even though there is no real understanding of the mechanics of the process. *Lung cancer among cigarette smokers, the role of garlic in reducing levels of cholesterol*, etc. are examples of objectives that were set based on statistical correlations.

If progress is not measurable, we cannot determine the effectiveness of our actions. Yet, sometimes measuring progress or the final outcome can be difficult.

Consider this scenario: It is well known that narrowing of the arteries leads to cardiac problems. It is also known that cardiac problems are attributable to elevated levels of cholesterol that causes narrowing of arteries. So to address this – we need to find ways to *reduce plaque buildup*. If we set our objective as “*reduce plaque build-up*” we do not have any means to measure the success or failure of our actions; i.e. *to measure the level of plaque, or the size of our arteries*. Therefore we settle for a “*surrogate objective*” – a different end-point that we can measure; i.e. *to measure the cholesterol level* – before and after any action we take.

The True Objective:

1. *Movie Industry >> Entertainment, a social experience!*
2. *Kodak >> Preservation of memories!*
3. *Auto Repair Shop >> Assurance and Reliability!*
4. *A Brokerage Firm >> Gathering and retaining assets!*
5. *A Politician >> Getting elected!*

About the author...

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