

University of Nebraska - Lincoln

DigitalCommons@University of Nebraska - Lincoln

Historical Materials from University of Nebraska-
Lincoln Extension

Extension

9-1986

CC330 Goals for Business Operations and Family Life : Part IV Priority Setting

Paul H. Gessaman

Follow this and additional works at: <http://digitalcommons.unl.edu/extensionhist>

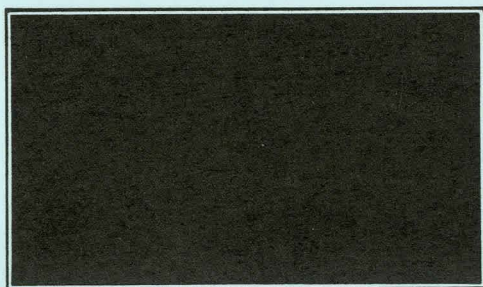
Gessaman, Paul H., "CC330 Goals for Business Operations and Family Life : Part IV Priority Setting" (1986). *Historical Materials from University of Nebraska-Lincoln Extension*. 3357.

<http://digitalcommons.unl.edu/extensionhist/3357>

This Article is brought to you for free and open access by the Extension at DigitalCommons@University of Nebraska - Lincoln. It has been accepted for inclusion in Historical Materials from University of Nebraska-Lincoln Extension by an authorized administrator of DigitalCommons@University of Nebraska - Lincoln.

AGRI
S
544.3
NA2C33Y

CC 330
September 1986



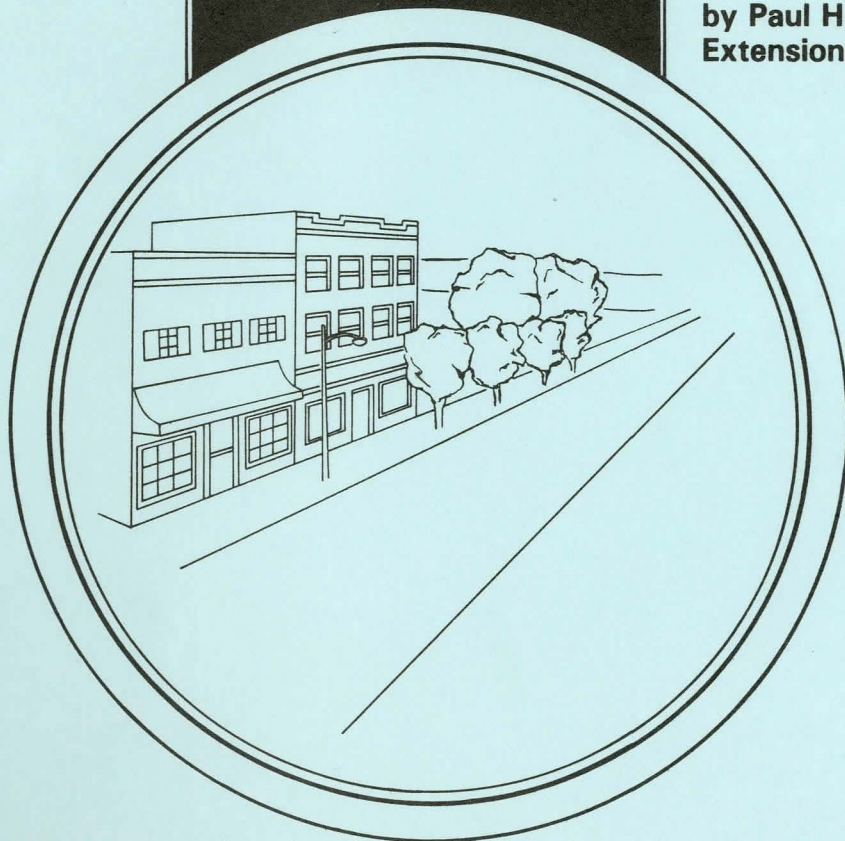
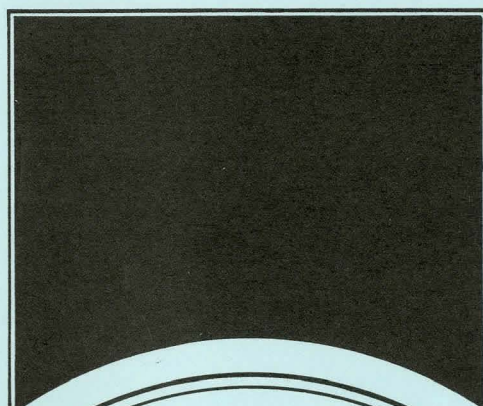
UNIVERSITY OF NEBR.
LIBRARY

JUN 17 1988

GOALS FOR BUSINESS OPERATIONS AND FAMILY LIFE

PART IV: PRIORITY SETTING

by Paul H. Gessaman
Extension Agricultural Finance Economist



Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Leo E. Lucas, Director of Cooperative Extension Service, University of Nebraska, Institute of Agriculture and Natural Resources.



The Cooperative Extension Service provides information and educational programs to all people without regard to race, color, national origin, sex or handicap.

GOALS FOR BUSINESS OPERATIONS AND FAMILY LIFE

PART IV: PRIORITY SETTING

by Paul H. Gessaman
Extension Agricultural Finance Economist

This document provides narrative discussion and worksheets that you can use to examine your business and family life goals, and to set priorities for your goal attainment efforts. Prior to completing the priority setting activities in this part, you should have studied Part I, and completed appropriate versions of Parts II and III (of the Business GOALS materials). If you have not already worked with Parts I, II, and III, please complete them before using this document as you set priorities.

PRIORITY SETTING

Background:

Using the version of Part III that was appropriate for your circumstances, you identified business goals and family life goals. If you are like most persons, some of your goals conflict with others. Conflicts often result from time constraints, and from resource limitations. It's likely that if you attempt to simultaneously attain all of your goals, it would result in claims on time, effort, money, and management skills that would be greater than you could supply.

Some of your goals may directly conflict with others because they call for activities that cannot be carried out at the same time. For example, if your goals for a spring and summer are: (1) to complete an expansion of your business, (2) to carry out the responsibilities of being a regional or state officer of a service club organization, and (3) to sponsor and coach a youth baseball club, it's likely you will have continuing (and pressing) goal conflict problems.

It's likely that you must make at least some choices between attaining family goals and attaining your business goals. Since family life and your business are closely linked, it's important that these choices reflect your best thinking about questions like these:

- Which goals are most important for family well-being?
- Which goals are most important for business progress?
- Which short-term goals, if attained, would contribute to the attainment of long-term goals?

- Which short-term goals conflict with, or impede, attainment of long-term goals?
- Which goals are so important or urgent that they should be attained even when doing so will prevent attainment of other goals?

Priority setting will help you identify your most important and urgent business goals and family life goals. Keep in mind that giving high priority to a goal does not mean that you must ignore other goals. High priority usually means that, in decisions that allocate time, money, and other resources, you give preference to activities and enterprises that directly support attainment of your high priority goals.

Because people vary widely in their willingness to put time and effort into priority setting, this document provides two approaches:

Goal Analysis — Priority setting based on: (1) systematic examination of the relationships between short-term and long-term goals, (2) your responses to a series of evaluation questions about each goal, (3) your knowledge of the business and family situations. This approach is the most comprehensive and often is best when there are many goals, or when numerous goal conflicts are evident.

Goal Evaluation — Priority setting based on your responses to a series of evaluation questions about each goal, plus your knowledge of business and family situations. This approach is less complete than the first, but will give useful results for persons who prefer not to invest time in the more complete Goal Analysis.

Before deciding which approach to use, look ahead through the rest of this document to gain an understanding of the nature of each. Then, select the approach that seems best for your business and family life situation.

The Nature of Priorities:

When goals conflict, as they nearly always do, priorities guide the resource commitments needed to attain business and family goals. (Remember, that time is one of your scarce resources.) As you set priorities, keep in mind that there are no "right" or "wrong" answers to priority questions. You need priorities that you believe in, and will use to guide your management.

Priority decisions can be relatively simple when goals fall into a readily evident hierarchy of importance and/or urgency. However, when one goal represents business ambitions of the first person and another goal is the second person's lifetime dream, no such hierarchy is evident. Intense goal conflict often emerges. If you're in this situation, before you hire an attorney or give up achieving your favorite dreams and ambitions, consider again the nature of priorities. Priorities can reflect at least these three types of rankings:

- Absolute numerical order (first, second, third, and so forth), where the numbers indicate an order of preference. Goals with lower prior-

ity numbers are disregarded until high priority goals are attained. (In this approach, you are working with the "first this, then that" rankings that usually are thought of when priorities are mentioned.)

- Limited numerical order, where the numbers represent levels of priority, but efforts toward attainment of higher priority goals are limited so partial or complete attainment of lower ranking goals can occur.
- Side-by-side, where goals are placed in groups, and the groups are ranked in absolute or limited numerical order.

When you, your family, and/or business associate(s) are discussing priorities, the whole process will go better if you follow the ground rules suggested for discussion of self-assessment responses and goal statements:

- Be open and honest with yourself and one another.
- Resist the temptation to make value judgments about each other's statements or perspectives.
- Don't react until the other person has fully expressed his/her ideas and/or point of view.

Remember, you are identifying goals and setting priorities so you'll know WHERE you are going, HOW you are to get there, and WHEN you are to arrive. You need to know WHERE, HOW, and WHEN to be effective in managing business and family life activities.

Listing of Business and Family Life Activities:

Start your priority setting by completing the "Business and Family Life Activities Worksheet" on the next page. Start with a first column listing of major business and family life activities planned for this year. Then, estimate the timing of each activity and the claims it will place on time, effort, funding, and management resources. Enter your estimates in the appropriate columns. In cases where an activity is one that you've done before, your records and/or memory will guide your estimates of resource commitments. In other cases, you may need to enter estimates based on your best judgment, or on information from friends, work associates, or other sources (e.g., estimates or bids from contractors or suppliers). Two example entries illustrate the intended approach.

When you have completed the "Business and Family Life Activities Worksheet," go on to page 5 and its descriptions of priority setting approaches. After reading the descriptions, look at the worksheets for each. Then select and use the approach that seems most suitable.

BUSINESS AND FAMILY LIFE ACTIVITIES WORKSHEET

Activity (describe in a few words)	To Be Carried Out In What Months? (indicate the starting & ending months)	Effort (Time) Commitment (man/woman months required)	Money (Funding) Commitment (total dollars & amount borrowed)	Special Management Requirements (include your efforts & hired consultants)
Remodel Kitchen	December and January	2 persons @ 3 weeks = 1 1/2 months labor	\$10,400 with about \$6,000 from loan	Advice from architect and builder
Expand use of computer in business	January thru March of next year	2 hours per day for 10 weeks = 100 hours	\$1,300 (software) + \$800 (instruction)	Advice & coaching from computer consultant
TOTAL RESOURCE COMMITMENTS				

Overview of Priority Setting:

As you set priorities, use the four sets of information prepared in earlier parts of the Business GOALS process:

- Your INTEREST AND PREFERENCE STATEMENTS completed in Part II.
- Your responses to the RESOURCES AND ALTERNATIVES QUESTIONS of Part II.
- Your LONG-TERM AND SHORT-TERM BUSINESS GOALS and YOUR LONG-TERM AND SHORT-TERM FAMILY LIFE GOALS as recorded in Part III.
- Your BUSINESS AND FAMILY LIFE ACTIVITIES WORKSHEET from page 4, of this document.

As previously indicated, this document provides two approaches to priority setting:

The First Approach — GOAL ANALYSIS PRIORITY SETTING — In this approach, you start by completing the "Goal Analysis Worksheet" on page 7 of this document. This worksheet will help you determine whether attainment of your short-term goals will help you attain your long-term goals.

Then, complete the "Goal Evaluation Worksheet" (pages 8 and 9), following its instructions. Use insights gained from these two worksheets as you complete the "Priority Listing Worksheet" (page 10) in which you assign priorities to your short-term and long-term goals. You are then ready to go on to the Part V document. It contains a "Management Plan Worksheet" for your use in developing a management plan for business operations and family life.

THIS IS THE MORE COMPREHENSIVE APPROACH, AND IS RECOMMENDED FOR SITUATIONS WHERE: (1) THERE ARE MANY GOALS, (2) BUSINESS OPERATIONS INVOLVE TWO OR MORE PERSONS, OR (3) CONSIDERABLE GOAL CONFLICT IS EVIDENT.

The Second Approach — GOAL EVALUATION PRIORITY SETTING — In this approach, you skip the "Goal Analysis Worksheet," and go directly to the "Goal Evaluation Worksheet" (pages 8 and 9). You then use that worksheet with your your highest ranked long-term and short-term business goals and family life goals.

Use insights gained from the "Goal Evaluation" as you complete the "Priority Listing Worksheet" (page 10) in which you assign priorities to your short-term and long-term goals. You are then ready to go on to complete the Part V document and its "Management Plan Worksheet." When completed, it will contain a management plan for business operations and family life.

THIS APPROACH IS LESS COMPREHENSIVE THAN THE "GOAL ANALYSIS PRIORITY SETTING," BUT WILL GIVE GOOD RESULTS FOR PERSONS WITH A CLEAR HEIRARCHY OF GOALS AND LITTLE (OR NO) CONFLICT BETWEEN PERSONS AND/OR GOALS.

As you complete the priority setting activities and work on your goal-directed management plan, it may help to remind yourself of the nature of priorities by occasionally re-reading the earlier pages of this document.

GOAL ANALYSIS

Relationships Between Goals:

In this approach to priority setting, start by examining your short-term and long-term goals to determine the nature of the expected relationships between them. In some cases, conflicts such as those described in the examples below will be evident. In other cases, a short-term goal may support attainment of one or more long-term goals. Or, it may be that no effect is evident. In each instance, record the expected relationship and use that information in your priority setting activities. When conflicts are present, identify the type of expected conflict by making a short entry to ensure that you will be able to readily recall the nature of the conflict. Examples of goal conflict include:

1. Short-term goals do not contribute to, and may actually conflict with, the attainment of important long-term goals.

EXAMPLE: Suppose that an important long-term goal is the accumulation of savings for retirement. Further suppose that a short-term goal is the purchase of an expensive new automobile each year. For most people, these goals will directly conflict with each other. If the short-term goal is attained through the yearly purchase of an expensive auto, it may be impossible to attain the long-term goal.

2. Efforts toward the attainment of short-term and long-term goals, as a group, will require more time, effort, money, or management skill than is available for business activities and family life.

EXAMPLE: Time required for completing a business expansion that's now underway (a short-term goal), for carrying out the responsibilities of being state president of an organization of service clubs (a long-term goal that you're now attaining after working toward it for many years), and for sponsoring and coaching a youth baseball team (a short-term goal) present conflicting claims on your time. Problems are almost inevitable unless there is a way to involve additional persons in your business expansion and/or in coaching the team.

One of the ways of recognizing the relationships between short-term goals and long-term goals is to examine them in pairs. This can be done by completing the rectangular array set up in the Goal Analysis Worksheet on page 7. Long-term goals are listed by number and short description at the side of the table. Short-term goals are listed by number and short description across the bottom of the array. (See the description of the suggested goal numbering below.) In each "cell" where a row and a column intersect, you can enter your appraisal of the extent to which attainment of each short-term goal would support, have no effect on, or conflict with attainment of the long-term goal for that row. In the cases where you believe conflict will occur, put in a few words that describe the nature of the expected conflict. The example from item 1, above, is repeated here with an illustration of the type of entry that might be made.

EXAMPLE: Suppose that long-term Goal V is the accumulation of savings for retirement. Further suppose that short-term Goal VII is the purchase of an expensive new automobile each year. These goals generally will be directly in conflict with each other. If this were the case for you, your entry in the cell where the Goal V row intersects with the column for short-term Goal VII might be, "Conflict: auto purchases would limit savings."

Suggested System for Numbering Goals:

In the tables of the Goal Analysis Worksheet, space is too limited to allow writing in the full wording of your goals. Thus, the tables refer to your goals by number. Here is a short-cut method of assigning numbers to your goals that you can use as you complete the goal analysis and/or goal evaluation.

Start by turning back to the goals you identified in Part III. At the time you completed your goal identification, you placed ranking numbers in blanks to the left of each goal. In the analysis you are doing here, you will concentrate on the two top-ranked goals in each category. Examine your top-ranked goals to be sure that you still agree with the rankings previously assigned. If want to do so, revise the rankings. Now, assign numbers to them using a pencil to write the numbers on your "record copy" of Part III. Your first ranked long-term business goal will be Goal I. Your second ranked long-term business goal will be Goal II. Your first and second ranked short-term business goals will be Goal III and Goal IV, respectively. Use a similar approach to number your family life goals as Goals V thru VIII.

Enter Goal Descriptions On Goal Analysis Worksheet:

After numbering your goals, enter a brief description of each in the margin "block" of the Goal Analysis Worksheet (page 7) beside the appropriate printed goal identification number.

Complete Goal Analysis Worksheet:

Examine the short-term goal — long-term goal combinations for each cell of the rectangular array. Make judgments about whether the attainment of each short-term goal would "support," have "no effect," or "conflict" with attainment of each long-term goal. Record your conclusions by writing in a few words in each cell of the Worksheet. If the entry in a cell is "conflict," indicate the type of conflict that you foresee. When you complete this analysis, go on to Goal Evaluation on pages 8 and 9.

GOAL ANALYSIS WORKSHEET

L
O
N
G

T
E
R
M

G
O
A
L
S

GOAL I				
GOAL II				
GOAL V				
GOAL VI				
	GOAL III	GOAL IV	GOAL VII	GOAL VIII

SHORT-TERM GOALS

GOAL EVALUATION WORKSHEET

In completing this worksheet, you will examine each of your first- and second-ranked goals as you have identified them when you completed the Part III document, to decide whether they "fit" with your interests and abilities. In completing this worksheet, use the self-assessment information compiled when you completed Part II — your responses to the questions and the "Interest and Preference Statements." Each goal is evaluated through a series of questions that are answered "yes" or "no." If you don't have the answer for a question, or if you need more information, mark it with a question mark until you have the information you need. Answer these questions individually. Then, if you have a spouse, other family members, and/or business associate(s) present, discuss your answers to the questions as described in the "Summing Up . . ." instructions on page 9. Please answer the "summing up" questions only after you have completed and discussed the first four questions for all your goals. (If you didn't complete the "Goal Analysis Worksheet," you will need to read and use the "Suggested System for Numbering Goals" from page 6 before completing this worksheet.)

Questions on Goal I, your first-ranked long-term business goal:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

Questions on Goal III, your first-ranked short-term business goal:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

Questions on Goal V, your first-ranked long-term goal for family life:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

Questions on Goal II, your second-ranked long-term business goal:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

Questions on Goal IV, your second-ranked short-term business goal:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

Questions on Goal VI, your second-ranked long-term goal for family life:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

GOAL EVALUATION WORKSHEET
(continued)

Questions on Goal VII, your first-ranked short-term goal for family life:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

Questions on Goal VIII, your second-ranked short-term goal for family life:

Do you enjoy the type of work that must be done if this goal is to be attained? _____

Do you enjoy carrying out the management responsibilities that must be completed? _____

Will working toward this goal prevent you from earning income from other sources? _____

As you work toward this goal, will you be motivated to do your best quality work? _____

Summing Up — This is a good goal for me/us. _____ Agree _____ Disagree _____ Don't Know

Summing Up the Goal Evaluation:

Study, compare, and discuss your answers to these four-question groups with your family members and/or business associates (if any). Do this for each of the eight goals. Don't be surprised if a few disagreements are evident, as it's seldom that people have complete agreement on goals. However, if you disagree on everything, it may be a warning signal -- one that merits serious thought.

While only you can know the actual meanings of your answers, here are some ideas that may help stimulate your thinking: (1) If your answers indicate that attaining a goal will require that you do work and management that you do not enjoy, or (2) if you expect not to be motivated to do your best quality work, you may find it difficult to work consistently toward attaining that goal. If either of these conditions is present, you may want to look again at your selection of goals. Are there other goals that would be more closely in keeping with your interests? If you want to make changes, you may need to re-write some of your goal statements, or you may want to re-examine the goal rankings recorded in Part III. Then, use the appropriate worksheet(s) to analyze and/or evaluate your revised goals.

The final question of each goal-evaluation group is called a "Summing Up Question." Now that you have studied and (if appropriate) discussed responses to the first four questions, go back to each "Summing Up Question" and check the one answer that you think best describes your evaluation of the goal. If you are involved with others in this goal evaluation, and discover that you and they do not agree on the response to a "Summing Up Question," or if you are ambivalent about the goal, mark the "Don't Know," response. IN ANSWERING, BE AS OBJECTIVE AND HONEST AS YOU CAN. NOTHING LESS THAN FACTS WILL BE OF REAL VALUE IN THIS GOAL EVALUATION.

If you have checked "Disagree" or "Don't Know" for any of the goals, please recognize that this may be a sign that the goal is not appropriate for you. At the same time, a goal which your evaluation leads you to recognize as one that really is not appropriate can be one that you need to work toward for reasons not represented in these evaluation questions. Thus, you should consider the results of this evaluation to be important, but it does not provide the final answers for your selection of goals and identification of priorities.

PRIORITY SETTING WORKSHEET

Overview of Priority Setting:

In using this worksheet, start from information that you have already prepared: (1) your Interest and Preference Statements from the Part II self-assessment, (2) your responses to the Part II Resources and Alternatives Questions, (3) your Long-term and Short-term Business Goals and Family Life Goals recorded in Part III, and (4) the Business and Family Activities Worksheet from this document. If you completed the Goal Analysis Worksheet (pages 6-7) and/or the Goal Evaluation Worksheet (pages 8-9), use them also.

Your purpose here is to assign priorities to your most important and/or urgent long-term and short-term goals. Be sure that you have in mind the various items of information identified above. If needed, re-read the portions that don't come readily to mind. Then, turn to your listings of long-term business goals in Part III. Read them again, and discuss them again as needed. Decide which are the most important and/or urgent, and enter them as Goal I and Goal II on the lines below. Use the same procedures to examine your short-term business goals, and enter them as Goal III and Goal IV. Then follow the same pattern to set priorities for your long-term and short-term family life goals, and enter them as Goals V through VIII. When you have completed this worksheet, go on to Part V and its "Management Plan Worksheet."

Long-Term Business Goals

GOAL I: My first-priority long-term business goal is:

GOAL II: My second-priority long-term business goal is:

Long-Term Family Life Goals

GOAL V: My first-priority long-term family life goal is:

GOAL VI: My second-priority long-term family life goal is:

Short-Term Business Goals

GOAL III: My first-priority short-term business goal is:

GOAL IV: My second-priority short-term business goal is:

Short-Term Family Life Goals

GOAL VII: My first-priority short-term family life goal is:

GOAL VIII: My second-priority short-term family life goal is:
