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As CEO, my goal is to start the year feeling confident about my company’s success plan.

I created this guide so you can do the same. If you’re like most chief executives, you’re looking to the future with a mix of excitement and concern. Your company probably had some great wins last year, but maybe there were some troubling misses, too.

Perhaps you aren’t entirely certain your team is on the same page. Maybe it seems like they aren’t always working on the right things. Maybe you felt helpless to do much about it.

The following exercises are designed to help you address those issues head-on. You’ll get clear on priorities, set the stage for predictable performance, and move forward with confidence.

After serving as CEO of various companies for over two decades, I’ve found that the kind of reflection and planning included in this guide is an extremely valuable activity. In the daily hustle of running a company, it’s easy to put off the simple task of sitting down and thinking strategically about the future. Yet this is a critical responsibility of every CEO.

For further thoughts on how to bring your best to your role as chief executive, you can read my book, The CEO Tightrope, which offers a methodology based on the five key responsibilities of every CEO.

Here’s to setting yourself and your organization up for predictable performance. Good luck!

—Joel Trammell
Founder and Chairman, Khorus Software

Free executive summary
The following pages will help you set a success plan for the year. Use Khorus to help your team stick to it.

Using the Khorus tools and methodology, our customers achieve 80% of their strategic goals on average. Set up a demo today!

"Khorus gives me exactly what I need as CEO. I get a visual indicator of where we stand on our strategic objectives, and can keep our whole team accountable to our commitments."
—VICKI SPRIGGS, CEO, TEXAS CASA

"The visibility and alignment Khorus gives is worth the price alone. I was thrilled to find a tool that was built for me as a CEO."
—DAN SHARP, CEO, INFOWARE

Communicate strategy and goals to every employee

Build an actionable playbook for the quarter—and engage everyone directly in company success.

Keep execution predictable

Khorus is the only software that gathers predictive performance updates from the entire workforce—giving you an invaluable early-warning system.

Give your managers an operating system

Khorus supports managers in their fundamental duties—including setting expectations, delivering feedback, and building accountability.
1. Retrospective

Build a foundation for great results this year by taking a candid look at the past.

Answer these questions yourself, then ask your leadership team for their thoughts on the same.

Once you’ve collected their ideas, see how they mesh with yours. Highlight any successes or failures that you think hold the most significance for the future of the company.

What were the team’s 3 biggest accomplishments last year?

•

•

•

What can you do to capitalize on the dynamics that led to these success? Which of these accomplishments can be built upon this year?

•

•

•
What were the team’s 3 biggest misses last year?

• __________________________________________

• __________________________________________

• __________________________________________

What were the causes? (Poor communication? Lack of foresight? Uncontrollable circumstances? Something else?)

• __________________________________________

• __________________________________________

What can be done to prevent similar mistakes next year?

• __________________________________________

• __________________________________________
2. Company Priorities

What is the plan? These four simple words make up one of the toughest questions a CEO has to answer—but you’ll get started on it here.

Work through this section on your own first. Then, arrange meetings with your leadership team and the board to share your ideas and gather theirs. Once you’ve received input, revise your answers and record the final plan on p. 9.

Where do you want to be by year’s end?

What should be done by the end of the year? What outcomes will enable you to say this year was a success? Describe this in the space below, painting a picture, too, of how you’ll feel when these objectives are accomplished.

Summarize the above. Big-picture priorities for this year:

Need to step back and clarify long-term company strategy? Download our strategy guide and answer the 10 key strategy questions.
What will the rallying cry be?

Now that you’ve started thinking about priorities for the year, see if you can pull out the single most important theme.

This is Patrick Lencioni’s concept of a “thematic goal” or “rallying cry”: what is the one thing that matters most for your company in the next 3–12 months?

The rallying cry is intended to create a sense of focus for everyone, and to drive all decisions and actions.

An ideal rallying cry is:

- **singular**—one thing
- **qualitative**—not specifically measurable
- **temporary**—lasting 1–4 quarters
- **shared**—supportable by all members of the leadership team

Rallying cry ideas:

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<th>想法</th>
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Sample rallying cries

- Become a leading voice in our industry
- Win market share with XYZ acquisition
- Eliminate internal waste
- Commit to clarity
What quarterly goals will get you where you want to go?

Given what you wrote on the previous pages, what should the specific objectives of the team be for the current quarter?

The approach I recommend is setting 5–7 company goals every quarter. Of course, you’ll want to use the rallying cry to surface the most important ones.

Typically, one or two of the 5–7 goals are initiative goals (new things to do or try, such as “Launch product XYZ”) and the remaining are sustaining goals (core operations to maintain or approve, such as “Improve Net Promoter Score.”).

The popular SMART goal-setting guideline remains a useful tool for making sure goals are well formed. MIT’s description of the SMART guideline is one of the best.

Particularly important is the M in SMART—measurable. For a revenue goal, measuring achievement or non-achievement is simple (you made the number or you didn’t). For more qualitative goals, you’ll need to clarify the measurement.

For example, if you have a goal to improve employee engagement, specify how this will be measured and what the target is—perhaps you’ll use Gallup’s Q12 survey and want to see a GrandMean exceeding 4.0.

Possible company goals for Q1:

1. 
2. 
3. 
4. 
5. 
6. 
7. 

Sample set of company goals

1. Grow revenue by 30%
2. Measure and improve customer satisfaction
3. Launch XYZ product
4. Improve employee engagement score
5. Continuously improve operations
Two exercises for generating goal ideas

1. Create psychological distance.

When I talk to CEOs, especially new CEOs, I often ask: What would you tell someone else in your position to do? Nearly every time, they lay down several concrete recommendations. I follow up with my standard reply: So why aren't you doing those things?

Try this on yourself. Create psychological distance by imagining yourself separate from your situation.

Were you removed from this time and place, with the outcome uncertain, what would a capable person do as the head of this company? Jot down your ideas and see if you surface any smart ideas.

2. Consider the six core areas of the business.

Here’s another way to generate ideas: think through these six areas of the business.

- **Product**—e.g., “Release mobile app by 10/1,” “Develop strategy for new service offering.”
- **Sales**—e.g., “Close $15M in new bookings,” “Launch sales plan for Product A.”
- **Marketing**—e.g., “Generate 2,000 marketing qualified leads,” “Optimize marcom website.”
- **Employees**—e.g., “Become the employer of choice in our industry,” “Retain 90% of top performers this quarter.”
- **Customers**—e.g., “Improve NPS to over 45%,” “Reduce churn by 5% in Q3.”
- **Shareholders**—e.g., “Achieve 25% net margin,” “Build 5-year financial plan What are the goals around new or existing offerings?”

The case for goal setting

<table>
<thead>
<tr>
<th>COMPANIES THAT USE QUARTERLY GOAL SETTING:</th>
<th>COMPANIES WHERE EMPLOYEES CAN EASILY SET CLEAR GOALS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5x as likely to be in the top performance quartile¹</td>
<td>4x as likely to be in the top performance quartile²</td>
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Want more goal ideas? Download our ebook: Example Goals and Metrics.
The Plan for the Quarter
(agreed upon by CEO, leadership team, and board)

Rallying Cry

______________________________

Company Goals

1. ________________________________
2. ________________________________
3. ________________________________
4. ________________________________
5. ________________________________
6. ________________________________
7. ________________________________

Khorus users

Input your Current Theme (the rallying cry) and company goals straight into Khorus. Be sure to briefly describe each goal and associate a measurement.
3. Team Alignment

What if the head coach of a football team just ran out on the field and said “Go win!”?

It wouldn’t be very effective—but this is the equivalent of what many CEOs do. Instead, they should be spending time with their teams to ensure that everyone knows their assignment and how it fits into the bigger picture.

Now that you have some clarity on the top-level priorities of your company, it’s time to ensure that your entire team has what they need to align their own work with the mission.

Based on many years in the trenches, I can guarantee you that this is a prerequisite for getting the right things done in an organization.

Candidly answer the five questions below. If the answer is “No,” use the related suggestions to build alignment into your operations.

1. Will all employees set aligned goals for the quarter?

☐ Yes  ☐ No

Once the rallying cry and company goals are in Khorus, ask everyone to create their own goals.

Start with the leadership team; then have their respective teams create goals as well. These aligned goals will be visible to everyone, offering clarity on how each team and employee ties into broader company priorities.

Khorus users

Ask everyone on your leadership team to create their own set of 5–7 goals for the quarter, using company goals as a starting point.

Which ones can each leader best contribute to? Ensure that these goals are recorded and regularly followed up on in the quarter.

Continue alignment by having leaders do the same throughout their teams, asking each employee to set a handful of specific, achievable, measurable goals for the quarter.

(To help with this process, consider sharing the SMART guideline companywide.)
Aligning Goals: The Lite Option

If your organization is larger than a few dozen people, the goal-alignment exercise can be tricky. Some people may spend too much time setting goals, preventing the next organizational layer from setting their own. If your company is large or doesn’t have established goal-setting practices, keep this process simple:

Ask everyone, at every layer in the company, to look at the rallying cry and the company goals, and then work with their manager to set just one or two goals for the quarter.

They don’t have to be the absolute perfect goals, but setting even one or two can help employees see the company mission reflected in their daily work, giving them a renewed sense of focus.

2. Can everyone access the company goals and their own goals in 30 seconds or less?

☐ Yes  ☐ No

Set up a system for giving everyone ongoing visibility into the company’s and their own priorities. Khorus offers a fast, companywide solution.

3. Are company goals reviewed on a weekly basis?

☐ Yes  ☐ No

Structure weekly operations meetings around the 5–7 company priorities. Go through the list, asking the leaders who own each one:

• Is your team still on track to meet this goal?
• How is it going overall?

If the leader identifies an issue in either of these areas, briefly explore how they plan to address it, and what they need from you or anyone else on the leadership team to make it happen. These are simple questions that should drive clear action items.

This process can help you drastically cut back on time spent in meetings and will surface developing problems quickly.
4. Can everyone access an up-to-date org chart in 30 seconds or less?

☐ Yes  ☐ No

**IF NO**

Update your org chart and put it where people can get to it easily. (An interactive org chart is especially useful here—also a part of Khorus.)

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**Resolve to run better meetings in 2019**

Weekly executive-team meetings can drain and demotivate attendees if they aren’t run with focus and efficiency.

Check out our 30-Minute Operations Meeting Blueprint—most weeks, these meetings should take you just half an hour.

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5. Does everyone have access to the mission, vision, and values?

☐ Yes  ☐ No

**IF NO**

Re-share the mission, vision, and values with the team, and place them where they will be seen often. (Use this mission-vision-values worksheet to help.)

These items solidify the broader purpose of what people work on from quarter to quarter and day to day. They’re the vital context for company goals and decisions. They’re also the bedrock of your culture.

Now is the perfect time to reinforce them for the team. Add your own thoughts on why this mission, why this vision, why these values. Call out examples of how the organization is living them, and where it may need improvement.

Then, ensure that these three cornerstones are easily accessed and consistently reinforced over the year.
I see CEOs make this mistake all the time: they fail to stay involved in the talent practices of the organization.

But the performance of the business is the aggregate of how its people perform. There’s no way around it.

That’s why I firmly believe that chief executives should devote significant time to assessing talent needs, sourcing and interviewing candidates, and proactively building existing talent in the organization. This will require a close partnership with human resources. For a great description of what that partnership looks like, read the Harvard Business Review article “People Before Strategy: A New Role for the CHRO.” I highly recommend sending that link to your HR leader and scheduling a lunch specifically to talk through the issues below.

As the authors of this article point out, it’s high time we begin treating HR as a key player in business planning and strategy, not as an administrative branch of the organization.

What are the organization’s known talent needs for the coming year?

Do you have the right leadership team in place?

If changes in the leadership team are needed, how will you carry them out?

Ask your leadership team about their own groups. What other strategic hires might you need to make this year?
Do all employees get formal feedback from their manager at least once a quarter?

☐ Yes  ☐ No

Ask all managers to set up a quarterly performance review with their direct reports. (The typical annual cycle is deeply inadequate for today's workforce and environment.) Share the guidelines below to help them make the most of the review—for the employee and the business.

Quick Performance-Review Guidelines

- **Begin by discussing the employee’s performance against goals** (see section 3). Feedback should not feel punitive or unduly focused on their behavior or habits—it should center around their ability to achieve agreed-upon priorities.

- **Recognize key achievements and be frank on where the employee can improve.** Most managers want to avoid demotivating employees and thus hand out largely positive feedback; however, research shows that the majority of employees want corrective feedback and believe it helps them improve their performance.

- **Offer clear suggestions for the future.** The most helpful feedback is usually “feedforward”—recommendations for how the employee can build on his or her strengths and solve performance issues in the coming period.

Most employees want feedback on how they can improve.

- **72%** Think performance would improve if manager gave corrective feedback.
- **57%** Prefer corrective feedback to praise.

Korus users

The Talent section of Khorus helps you and your managers give quarterly reviews to employees. Goal results are right there to serve as a starting point, and the whole process is fast, paperless, and documented.
Do you have a process for identifying the highest performers at your company?

☐ Yes  ☐ No

I recommend having all managers rate each of their team members each quarter on:

• Performance (A, B, or C)
• Potential (high, medium, low)

See the table below for suggestions on how to determine these ratings. Ratings should be confidential, but delivered upstream to you and HR leadership. They’re a vital tool for ensuring that you have the talent you need, and they allow you to reward and retain the A-players on your team.

<table>
<thead>
<tr>
<th>PERFORMANCE</th>
<th>POTENTIAL</th>
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<tbody>
<tr>
<td>A</td>
<td>High</td>
</tr>
<tr>
<td>• An exceptional contributor</td>
<td>• Eager and able to take on more responsibility</td>
</tr>
<tr>
<td>• Brings significant competitive advantage to the company</td>
<td>• Advocates for company values</td>
</tr>
<tr>
<td>• Among the top 15 percent of peers in the industry</td>
<td>• A clear asset to the future of the company</td>
</tr>
<tr>
<td>B</td>
<td>Med.</td>
</tr>
<tr>
<td>• A valuable contributor</td>
<td>• Open to and interested in taking on more responsibility</td>
</tr>
<tr>
<td>• Consistently meets and may exceed expectations</td>
<td>• Lives company values</td>
</tr>
<tr>
<td>• Between the top 15 and 50 percent of peers in the industry</td>
<td>• Will likely play a key role in the future of the company</td>
</tr>
<tr>
<td>C</td>
<td>Low</td>
</tr>
<tr>
<td>• A below-average contributor</td>
<td>• Uninterested in taking on more responsibility right now</td>
</tr>
<tr>
<td>• Occasionally fails to meet expectations</td>
<td>• Understands company values</td>
</tr>
<tr>
<td>• Among the bottom 50 percent of peers in the industry</td>
<td>• May play a role in the future of the company</td>
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</table>

Khorus users

Ask managers to use the ratings feature in Khorus to confidentially document their Performance and Potential ratings of each employee. The Talent Dashboard rolls up these ratings, giving you and your HR leader a highly valuable view of talent levels across teams and the company.
Do you regularly take a pulse on employee engagement?

[ ] Yes  [ ] No

Plan to do an engagement survey soon. There are several on the market; at Korus, we use Gallup’s Q12 survey. The engagement score as close to an accurate gauge of culture as you’ll find.

Once you have the results of the survey, meet with your leadership team to discuss them, along with any strategies for improving the engagement and motivation of the team.

Schedule another survey for six months down the road. Did anything change?

Get further guidance in our ebook
Performance Management That Works.
5. Personal Development

The best leaders, CEOs included, constantly learn and grow, no matter how much they achieve.

Reflect on these questions to reveal your personal-improvement opportunities in the coming year.

Never become so much of an expert that you stop gaining expertise.

—Denis Waitley

What are you most proud of achieving last year?

What do you think you could have done better?

Review this post I wrote for Forbes about the 3Cs of leadership. Which of them—credibility, competence, or caring—do you feel strongest in? Which one should you focus on building this year? How will you do so?
Privately ask each member of your board to share at least two areas they think you could improve on as CEO. Collect them below, along with any actions you can take to address them.

**Improvement areas**

__________________________________________________________

__________________________________________________________

__________________________________________________________

**Action items**

__________________________________________________________

__________________________________________________________

__________________________________________________________

**How will you learn and grow this year?**

The world around us offers endless material for growth and learning. Three great sources are people you respect (including fellow CEOs), books, and events (training events, conferences, etc.). Below, list your priorities in these areas. Hold yourself accountable for following through with the items you write down.

**Events to attend**

1. ____________________________

2. ____________________________

3. ____________________________

**Books to read**

1. ____________________________

2. ____________________________

3. ____________________________

**People to meet with**

1. ____________________________

2. ____________________________

3. ____________________________

**Other development ideas**

1. ____________________________

2. ____________________________

3. ____________________________
The Predictable Performance Checklist

Predictability is the CEO’s Holy Grail.

Of course, the external world is deeply unpredictable. But you can give your organization the ability to perform consistently and predictably by taking the steps outlined in this guide.

Use this checklist to track your preparation activities.

- Mission, vision, values recomunicated to team.
- Rallying cry for quarter set and communicated to company.
- Company priorities for quarter set and communicated to entire group.
- All employees have at least one well-defined goal for the quarter that supports a company priority.
- Updated org chart easily accessible to everyone.
- All managers briefed on necessity of delivering formal quarterly feedback.
- System in place to identify and support top performers in the coming year.
- Employee engagement survey scheduled in the next few weeks, and six months down the road.
- Personal growth objectives in place.

2. Ibid.


4. Ibid.

5. Cover art: pikisuperstar