Seagate’s Goal Alignment Cascade

June 2010
COPIES AND COPYRIGHT

As always, members are welcome to an unlimited number of copies of the materials contained within this handout. Furthermore, members may copy any graphic herein for their own internal purpose. The Corporate Executive Board Company requests only that members retain the copyright mark on all pages produced. Please contact your Member Support Center at +1-866-913-6447 for any help we may provide.

The pages herein are the property of The Corporate Executive Board Company. Beyond the membership, no copyrighted materials of The Corporate Executive Board Company may be reproduced without prior approval.

LEGAL CAVEAT

CLC Human Resources has worked to ensure the accuracy of the information it provides to its members. This report relies upon data obtained from many sources, however, and CLC Human Resources cannot guarantee the accuracy of the information or its analysis in all cases. Furthermore, CLC Human Resources is not engaged in rendering legal, accounting, or other professional services. Its reports should not be construed as professional advice on any particular set of facts or circumstances. Members requiring such services are advised to consult an appropriate professional. Neither The Corporate Executive Board Company nor its programs are responsible for any claims or losses that may arise from a) any errors or omissions in their reports, whether caused by CLC Human Resources or its sources, or b) reliance upon any recommendation made by CLC Human Resources.
Uncoordinated, static goal-setting processes make it difficult to obtain and maintain goal alignment, hampering achievement of business goals.

- Siloed geographies, functions, and businesses and a general disconnect among goals at different employee levels often prevent organizations from obtaining goal alignment.

- Further, once organization-wide alignment is obtained, static goal systems make it challenging for organizations to maintain alignment as conditions and needs change over time.

**GOAL MISALIGNMENT HAMPERS ACHIEVEMENT OF BUSINESS GOALS**

**Obtaining Goal Alignment**

**Challenge #1: Failure to Identify Conflicts and Shared Opportunities**

- Siloed geographies
- Siloed functions

**Challenge #2: Failure to Link Individual Goals to Managerial, Functional, and Corporate Goals**

- Siloed functions

**Challenge #3: Goals Remain Static or Change Unevenly in Response to External Changes**

**Maintaining Goal Alignment**

**Challenge #3: Goals Remain Static or Change Unevenly in Response to External Changes**

Impact of Changes in Dow Jones Industrial Average

- External Change
- Internal Adjustment
- Functional, managerial, and individual goals no longer aligned

**RESULTS**
Seagate facilitates goal alignment so that the organization works cohesively, even during times of change, to achieve business objectives.

- Seagate created a goal alignment cascade in 2002 to address pervasive goal misalignment.
- Since establishing a process to achieve and maintain goal alignment requires extensive up-front investment, many of the changes Seagate has made are a result of the process maturing.
- Look for IMPLEMENTATION TIP...at the bottom of the following pages for suggestions on how to implement Seagate’s process.

SEAGATE’S APPROACH TO GOAL ALIGNMENT

Seagate’s Solution

Obtaining Goal Alignment

Collective Assessment of Executives’ Goals
Executives refine their individual goals together and ensure that all corporate goals are adequately supported by existing executive goals.

Goal Transparency
Full upwards and downwards goal visibility demonstrates the link between individual and corporate goals, ensuring employees understand how their goals support and align with corporate goals.

Supported Goal Setting at All Levels
Self-service support facilitates effective goal setting at all levels, preventing goal dilution as goals are communicated downwards and ensuring that the link between individual and organizational goals remains clear.

Maintaining Goal Alignment

Liberal Goal Adjustment
Liberal goal adjustment for all employees enables the workforce to refine goals in-the-moment as changes occur, speeding the organization’s response to change.

Goal Alignment Recalibration
Visible goal tracking, real-time goal reporting, and periodic goal reviews facilitate appropriate goal adjustments and help recalibrate goal alignment post-adjustments.

From CLC HUMAN RESOURCES™
www.clc.executiveboard.com

© 2010 The Corporate Executive Board Company. All Rights Reserved. CLC02098144W
The Executive Committee begins the goal-setting process, providing firm direction on corporate goals to ensure an effective cascade.

- Seagate’s Executive Council (EC) meets in March to determine annual corporate goals.
- Corporate goals are communicated to the Corporate Management Committee (CMC) in early April so CMC members can develop individual goals aligned to corporate goals.
- The EC and CMC convene for a goal alignment workshop in May to test and improve the strength and quality of all executives’ goals.

Goal Alignment Begins with Corporate Goals to Provide Common Direction

Executive Goal-Setting and Alignment Process

<table>
<thead>
<tr>
<th>Corporate Goal Setting</th>
<th>Executive Homework</th>
<th>Goal Alignment Workshop and System Entry</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>March</strong></td>
<td><strong>April</strong></td>
<td><strong>May</strong></td>
</tr>
<tr>
<td>- The Executive Council (EC), composed of the CEO and top EVPs, meets to discuss Seagate’s vision and mission and determine annual corporate goals.</td>
<td>- In early April, the CMC meets for a pre-workshop briefing to learn the year’s corporate goals and review key learnings from the previous goal alignment cascade cycle.</td>
<td>- The CMC, workshop facilitators, and executive coaches gather for the annual Goal Alignment Workshop, hosted by the CEO, to ensure goal quality and assess alignment.</td>
</tr>
<tr>
<td>- Corporate goals are communicated to the Corporate Management Committee (CMC), composed of all employees who are SVPs or above.</td>
<td>- CMC members conduct “homework” by collecting bottom-up feedback on corporate goals and creating corresponding individual goals (See page 6).</td>
<td>- Senior executives refine measurements and targets and add new goals, as needed, based on feedback from the workshop.</td>
</tr>
<tr>
<td></td>
<td>- The CMC reconvenes in late April to review “homework” and further prepare for the workshop.</td>
<td>- All SVPs and above (approximately 20 employees) enter their goals online by early June.</td>
</tr>
</tbody>
</table>

Implementation Tip—HR should be heavily involved in facilitating and supporting the executive goal alignment process initially, but aim to step back as the process evolves; HR originally spurred and heavily supported the executive goal-setting process at Seagate, helping facilitate the EC-level discussion and running the workshop, but it has now become more of a business-facilitated process.
Prior to the workshop, senior executives collect bottom-up input to surface potential conflicts and create accurate personal and functional goals.

- Executives utilize team feedback and input to create clear goals and measures that reflect how value is added to the organization.
- This "homework" prepares executives to make better use of workshop time, as all participants begin with clearly written, well-vetted individual goals.
- The emphasis on collecting bottom-up feedback also ensures that there is broad participation in the goal-setting process—and, thus, investment in achieving goals.

Seagate’s Corporate Goals
- Maximize profitability
- Deliver industry-leading products and technology
- Optimize revenue
- Strategically position Seagate and our people for future growth

GOAL-SETTING “HOMEWORK” PREPARES EXECUTIVES TO TEST GOALS IN WORKSHOP

Corporate Goals and Pre-Workshop Goal Alignment Template

Executive Goal Alignment Template (to be completed prior to workshop)

Executive’s Name: Lynne Johnson

<table>
<thead>
<tr>
<th>Corporate Goal</th>
<th>Your Aligned Goal</th>
<th>Goal Description</th>
<th>Measures of Success</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategically position Seagate and our people for future growth</td>
<td>Engage and retain a team of high-performing employees</td>
<td>Cultivate a diverse, high-performance team environment that attracts, develops, recognizes, and retains the best people</td>
<td>1. Ninety-five percent of direct reports have SMART goals and development plans entered in iMAP by September 18</td>
</tr>
<tr>
<td>Deliver industry-leading products and technology</td>
<td>Improve reliability and predictability</td>
<td>New interface test deployment along with improved compatibility strategy using new test suites will enable us to make better predictions</td>
<td>1. MTBP—Top six customer charts to align with our reliability project</td>
</tr>
</tbody>
</table>

Executives create personal goals and measures based on input and feedback gathered from their teams and direct reports.

Note: See Appendix D for other tools Seagate provides to help executives fine-tune goals and identify and resolve alignment problems.
Workshop Ensures Collective Alignment to and Support of Corporate Goals

In-Depth Goal Alignment Workshop Model

1. Goal Posting and Voting (2.5 hours)
   - Executives post individual goals beneath relevant corporate goal
   - Small groups ‘vote’ on goals using color-coded Post-Its™:
     - 10 green notes—Goals with greatest impact; must be fully supported
     - Five red notes—Goals that belong under a different objective
     - Five yellow notes—Goals that are unclear

2. Goal Evaluation (1.5 hours)
   - A small break-out team is assigned to each corporate goal to assess for clear and comprehensive alignment with individual goals
   - The team first responds to green notes on goal impact, then yellow notes on clarity, and, finally, red notes on realignment

3. Goal Refinement and Finalization (1.5 hours)
   - Each break-out team finalizes wording for its assigned corporate goal
   - Team determines if additional executive goals are needed to fully support the corporate goal or if existing executive goals aligned to the assigned corporate goal need revisions
   - If revisions are necessary, new goals are reviewed by the original owner

4. Goal Presentation (2.5 hours)
   - Each team presents the final wording of its corporate goal and the corresponding executive goals and metrics
   - As a whole, the group discusses failure risks and identifies next steps

Implementation Tip—Expect that the workshop will take longer the first year or two. More time will be needed initially to familiarize participants with the process and surface perennial conflicts, which can then be resolved for good, enabling a more streamlined process for future cycles.

From CLC Human Resources™
www.clc-executiveboard.com
© 2010 The Corporate Executive Board Company.
All Rights Reserved. CLC5220309SYN

See Appendix B for an overview of Seagate’s streamlined workshop.

Senior executives convene for the Goal Alignment Workshop to assess goal quality and ensure that all corporate goals are fully supported by aligned individual executive goals.

- After sharing individual goals, teams of executives ensure that each corporate goal is adequately supported by existing individual goals and recommend revisions as needed.

- Executives’ goals are clearly articulated and well-aligned coming out of the workshop, ensuring that the top-level goals used as the basis of the cascade are SMART.

- Once executives have developed excellent goal-setting skills through repeated participation in the in-depth workshop, Seagate streamlines the workshop.

“The most important thing in a goal alignment process is the quality that goes into it at the beginning.”
SVP HR, Seagate Technology

1 See Appendix B for an overview of Seagate’s streamlined workshop.
Goals are cascaded through the organization level by level for all of Seagate's professional employees, embedding organizational strategy in individual goals.

- After corporate goals are set and executives have entered their workshop-created goals into the system, the goal cascade begins.
- Responsibility for goal setting and alignment rests with the individual; managers act as “checks and balances” and agree to direct reports’ goals to ensure alignment is obtained.

PHASED ROLLOUT FACILITATES LEVEL-BY-LEVEL ALIGNMENT

Outline of the Goal Cascade Rollout

**Organizational Unit**
- EVP
- VP
- VP
- VP

**Groups**
- VP
- Dir.
- Dir.
- Dir.

**Teams**
- Dir.
- Mgr.
- Mgr.
- Mgr.

**Individuals**
- Mgr.
- Employees

**Late June to Early July**
Employees VP-level and above attend half-day Goal Alignment Workshops to review corporate and senior executive goals and ensure alignment of their own goals. They then enter individual goals, measures, and targets into the online system.

**July**
The VP-level team leader leads this level of the cascade at his/her own discretion, often conducting two-hour goal alignment workshops for line leaders. Directors view EVP and VP goals to create their own goals, measures, and targets.

**August**
At each additional level down, employees can view their managers’, directors’, VPs’, and EVPs’ goals. Individuals create their own aligned goals, measures, and targets and enter them in the system.

**Implementation Tip**—Have HRBPs work with client groups to help cascade goals, ensure alignment, and utilize provided tools and resources. As business leaders and managers build skills in goal alignment and cascading over time, HRBPs can scale back their involvement.

**Seagate’s fiscal year begins in July**

HR recommends—but does not require—the use of particular resources and methods for the goal cascade; the actual process varies by business unit and manager according to what fits best for each situation.

Seagate®

From CLC HUMAN RESOURCES™
www.clc-executiveboard.com

© 2010 The Corporate Executive Board Company. All Rights Reserved. CLC5220309SYN
Seagate’s online goal application provides upwards and downwards goal transparency for employees, illustrating the link between corporate and individual goals.

- While employees at most companies understand the connection between individual and manager goals, iMAP enables subordinates to view their superiors’ goals all the way to the CEO, demonstrating how individual goals connect to corporate goals.

- This transparency helps employees tangibly understand how individual actions contribute to the achievement of larger goals, while also providing employees with examples that help them set effective and aligned individual goals.

- Employees can also search and navigate through iMAP to see how other departments, functions, or teams aligned with corporate goals.

Note: Seagate worked with Softscape to create this application.
Seagate prevents goal dilution by providing employees at all levels with the information and tools needed to set effective goals, helping maintain the link between individual and corporate goals.

- Even with the executive workshop and iMAP in place, Seagate experienced residual goal dilution, which weakened the individual-organization goal link.

- Recognizing that the kind of support provided in the workshop was not scalable—especially with a lean HR team—Seagate empowers employees with direct access to a suite of self-service resources that guide them in setting effective, aligned goals.

“With these resources we’re trying to help replicate what happens at the top level [in the executive goal alignment workshop] for all employees.”

Global Performance Management
Operations Manager
Seagate Technology

WIDELY ACCESSIBLE SUPPORT PREVENTS RESIDUAL GOAL DILUTION

Individual Goal-Setting Resources Prevent Goal Dilution
Increased Goal Dilution Risk and Weaker Individual-Organization Link with Each Cascade Level

Key Resources to Mitigate Risk

- **Suggested Goal-Setting Team Meeting Agenda**—This document guides managers in conducting effective goal-setting team meetings for their direct reports during the cascade. While managers are not required to conduct this team meeting, this agenda helps replicate the executive-level process.

- **Goal-Setting Process E-Learning**—Seagate’s “Virtual Coach” includes a short e-learning module (less than three minutes) to guide employees through the goal-setting process. Virtual Coach provides more than 30 other e-learning modules, including the Performance Evaluation Process and Writing SMART Goals.

- **Customized Calendar of Key HR Dates**—Each Seagate employee’s HR Portal page, customized by his/her role and location, provides an overview of key dates and deadlines to help the employee create, align, and enter his/her goals on time.

Note: Appendix E provides Seagate’s Goal Setting Team Meeting Agenda.

**Implementation Tip**—Do not over focus on self-service resources at the expense of a thorough and effective executive goal alignment process; top-level goals provide the foundation for the whole cascade and are, thus, the most important to get right first.

1 Seagate’s Virtual Coach is an informal learning environment that offers direct access to practical resources, aligned to performance tools and processes, to use on the job right now.
Seagate facilitates rapid organizational adjustment to change by enabling all employees to liberally adapt individual goals as needed.

- Dynamic goal adjustment speeds the organization’s response time to external changes, enabling the workforce to refine goals in-the-moment as changes occur.

- Employees can close, defer, or add goals and change targets and measurements for existing goals as needed to remain aligned to corporate goals.

“These processes helped us respond to marketplace changes quickly as an organization and prevent the kind of strategy confusion and goal misalignment that hinders so many other organizations.”

HR Employee, Seagate Technology

LIBERAL GOAL ADJUSTMENT ENABLES RAPID RESPONSE TO CHANGE

In-the-Moment Goal Adjustment

LYNN JOHNSON: My Goal Alignment

Corporate Goal: Optimize Revenue

<table>
<thead>
<tr>
<th>Goal #1</th>
<th>Start Date: 5 Sept.</th>
<th>End Date: 1 Nov.</th>
<th>Status: Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal #2</td>
<td>Start Date: 5 Sept.</td>
<td>End Date: 25 May</td>
<td>Status: In Progress</td>
</tr>
</tbody>
</table>

Corporate Goal: Strategically Position Seagate and Our People for Future Growth

<table>
<thead>
<tr>
<th>Goal #3</th>
<th>Start Date: 5 Sept.</th>
<th>End Date: N/A</th>
<th>Status: Closed</th>
</tr>
</thead>
</table>
| Action: Add Goal

Goal #4: Start Date: 30 Nov. 20X5 | End Date: 23 June 20X6 | Status: In Progress |

Goal Details

<table>
<thead>
<tr>
<th>Description</th>
<th>Status</th>
<th>Security</th>
<th>Start Date</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Added for alignment to new/changed corporate goals, targets, and measures</td>
<td>In Progress</td>
<td>Public</td>
<td>30 Nov.</td>
<td>23 June</td>
</tr>
<tr>
<td>Goal: Strengthen existing client relationships through...</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Importance: 3-Important

Goal Adjustment—iMAP is open for changes until performance review time, so employees are able to easily and immediately adjust targets, add new goals, or alter measurements as needed. This enables employees to remain aligned to corporate goals despite market changes or adjustments in corporate goals.
Visibly tracking goal status ensures that employees do not change their goals unnecessarily and helps them understand when and how to make individual goal adjustments.

- Seagate’s goal status tracking makes individual goal adjustments visible to an employee’s manager, peers, and direct reports, ensuring that he or she does not misuse the goal adjustment capability.

- The ability to see when and how supervisors and peers adjust their goals, provides employees with concrete examples to help them determine which goals to adjust and when.

GOAL STATUS VISIBILITY FACILITATES APPROPRIATE GOAL ADJUSTMENT

Advantages of Goal Status Visibility

Illustrative

1. Guards Against Abuse of Goal Adjustments
   
   Goals are marked as deferred, achieved, closed, on track, or in progress, rather than deleted, and changes are publicly visible—ensuring that employees adjust goals appropriately and do not misuse the capability.

   Goal Alignment for Lynn Johnson

   Corporate Goal: Optimize Revenue
   
   Goal 1  Start Date: 5 Sept.  End Date: 1 Nov. Status: Achieved
   Goal 2  Start Date: 5 Sept.  End Date: 25 May Status: In Progress

   Corporate Goal: Strategically Position Seagate and Our People for Future Growth
   
   Goal 3  Start Date: 5 Sept.  End Date: N/A Status: Closed
   Goal 4  Start Date: 30 Nov.  End Date: 23 June Status: In Progress

2. Helps Employees Understand How to Adjust Individual Goals
   
   Goal status visibility shows employees how and when their managers and peers respond to change, helping them determine when they should deprioritize, close out, or adjust their own goals.
Real-time goal reports and periodic goal reviews help recalibrate alignment, ensuring that adjustments do not impede alignment.

- iMAP’s team goal reports aid managers’ oversight by providing an in-the-moment overview of direct reports’ goal alignment and execution.
- In times of change, team goal reports allow managers to spot-check the speed and quality of employees’ goal realignment, helping them identify issues so they know where targeted support may be needed.
- Periodic goal reviews between managers and their direct reports help ensure continuous organization-wide alignment by guaranteeing that each employee discusses goal adjustments with the support and guidance of her direct manager.
- Employees and managers are expected to meet quarterly to review progress against goals and development plans.

**RECALIBRATION ENSURES ONGOING GOAL ALIGNMENT**

Real-Time Team Goal Reports
Illustrative

<table>
<thead>
<tr>
<th>Team Goal Report</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>My Direct Reports’ Goal Alignment Report</strong></td>
</tr>
<tr>
<td><strong>30 November</strong></td>
</tr>
<tr>
<td><strong>Goal</strong></td>
</tr>
<tr>
<td>Employee</td>
</tr>
<tr>
<td>Goal 2</td>
</tr>
<tr>
<td>Goal 3</td>
</tr>
<tr>
<td>Goal 4</td>
</tr>
<tr>
<td>Goal 5</td>
</tr>
<tr>
<td>Missing Goal for Deliver Industry-Leading Products and Technology</td>
</tr>
</tbody>
</table>

Misalignment Identification

- Direct reports lack aligned goals to “deliver industry-leading products and technology”
- Recent goal adjustments for “strategically position Seagate and our people for future growth”

Targeted Alignment Support

Join us for a conversation with Jordan Douglas, VP, Marketing: **Strategically positioning Seagate and our people for future growth.**

Periodic, One-on-One Goal Reviews
Illustrative

<table>
<thead>
<tr>
<th>One-on-One Goal Review</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Explain any changes in corporate goals or associated targets/metrics</strong></td>
</tr>
<tr>
<td><strong>Review any changes in functional/team-level goals and discuss implications</strong></td>
</tr>
<tr>
<td><strong>Review and approve direct report’s recent goal adjustments</strong></td>
</tr>
<tr>
<td><strong>Discuss employee’s progress against goals</strong></td>
</tr>
</tbody>
</table>

Note: Appendix F provides more information regarding real-time team performance reports.
Seagate’s well-utilized goal alignment cascade has resulted in widespread employee role clarity, driving employee engagement and business results.

- While the downturn created confusion about job expectations and objectives, data from Seagate’s employee engagement survey indicated that 92% of Seagate employees had a clear understanding of how their job supported corporate goals despite many changes.

“Launching the [goal alignment cascade] process was challenging, but every year since we’ve seen improvements and added benefits.”
Karen Hanlon, SVP HR
Seagate Technology

CLC Human Resources research indicates that connection between work and organizational strategy is the largest driver of discretionary effort and, thus, employee performance.

---

**EMPLOYEE ROLE CLARITY AND WIDESPREAD ADOPTION DEMONSTRATE SUCCESS**

Employees Retain Role Clarity Despite Rapid Changes
*Percentage of Employees Agreeing with Statement (2008)*

I clearly understand how my job supports Seagate’s corporate goals

- Yes: 92%
- No: 8%

---

**iMAP Utilization Rates**

<table>
<thead>
<tr>
<th>iMAP Utilization and Participation Rates</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of iMAP users (FY10)</td>
<td>16,100</td>
</tr>
<tr>
<td>Percentage of Employees with Goals (June–September FY 2010)</td>
<td>97%</td>
</tr>
<tr>
<td>Percentage of Employees Acknowledging their Evaluation (FY2009)</td>
<td>94%</td>
</tr>
<tr>
<td>Percentage of Employees Completing Self-Evaluations (FY2009)</td>
<td>96%</td>
</tr>
</tbody>
</table>

APPENDIX A: KEY CHANGES SINCE ORIGINAL IMPLEMENTATION

Three Key Changes in the Goal Alignment Cascade Process

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Change</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rapid Change</td>
<td>Goal Adaptability for All Employees</td>
<td>Seagate can adjust corporate goals to remain competitive in the face of change, and can do so with confidence that the organization will align with and execute against said adjustments.</td>
</tr>
<tr>
<td>1. External changes such as the economic downturn, scramble organizational goals and threaten organizational alignment and ability to achieve objectives.</td>
<td>Seagate enables in-the-moment goal adaptability for all employees and puts guardrails in place to ensure appropriate ongoing alignment.</td>
<td></td>
</tr>
<tr>
<td>Lean HR Team</td>
<td>Increased Self-Service Resources for Employees of All Levels</td>
<td>These resources provide all employees with access to the information and support needed for high-quality goal creation, alignment, and communication, ensuring that the individual-organization link remains clear as goals are cascaded.</td>
</tr>
<tr>
<td>2. While lower-level employees need help creating and cascading goals to prevent residual goal dilution and the weakening of the individual-organization link, Seagate’s lean HR team is unable to offer the hands-on support provided in the executive workshop.</td>
<td>Seagate provides self-service information, resources, and tools, to improve creation of aligned goals throughout the organization.</td>
<td></td>
</tr>
<tr>
<td>Process Redundancy</td>
<td>New Streamlined Workshop Model</td>
<td>The streamlined model ensures that executives’ goals are aligned to corporate goals, using a process that requires less time, but realizes the same benefits of the in-depth workshop.</td>
</tr>
<tr>
<td>3. The in-depth workshop is a cumbersome time commitment for seasoned executives who developed strong goal-setting skills during multiple cycles of the process.</td>
<td>Seagate creates a streamlined Executive Goal Alignment Workshop model.</td>
<td></td>
</tr>
</tbody>
</table>

1 Appendix B provides more information on the streamlined workshop model.
Seagate streamlines the workshop in recognition that executives developed excellent goal-setting skills through repeated participation in the in-depth workshop.

- Executives utilize their skills and awareness of common alignment issues to do more pre-work for the streamlined model, eliminating the need for some of the in-depth goal refinement activities.

- Business unit leaders still utilize the in-depth model on a case-to-case basis if leaders are new to the process, lack goal-setting skills, or are part of a newly formed team.

- The streamlined model must be preceded by the in-depth model, as the success of the streamlined model depends on the skills and knowledge executives gain through the in-depth workshop.

APPENDIX B: ENHANCED GOAL-SETTING SKILLS ENABLE STREAMLINED WORKSHOP

Streamlined Goal Alignment Workshop Model

The streamlined model relies upon executives’ independent goal-setting skills, developed at Seagate through participation in multiple cycles of the in-depth workshop, and should only be considered under the following conditions:

- Mature goal alignment cascade
- Seasoned executives familiar with the process
- Relatively stable organizational structure

Streamlined Executive Goal Alignment Workshop Agenda

All participants are expected to bring their individual goals, already evaluated and refined by team members and direct reports to the workshop.

9:00 a.m.–11:15 a.m.  Informal Presentations

Executives informally present their top-level goals and aligned metrics, highlighting potential conflicts between their goals and other executives’ goals.

12:15 p.m.–2:30 p.m.  Goal Finalization

The group discusses and resolves goal conflicts and creates an action plan to address missing targets. Then, they finalize goals, ensuring that each corporate goal is adequately supported by existing executive goals, and revalidate Seagate’s mission and vision.
Seagate directly inserts employee-created goals into the performance review and reward process, instilling personal investment in goal achievement.

- An employee’s performance against individual goals determines 70% of his or her total performance rating, which is used in bonus calculation.
- Seagate provides the following recommendations for the composition of employees’ goals:
  - One financial performance goal (when appropriate)
  - One performance management/talent goal
  - Two to five functional goals

“My words go directly into my performance evaluations; I’m eventually evaluated based on performance against the goals I create, so I’m personally invested in the goal-setting process.”

HR Employee
Seagate Technology

APPENDIX C: PERSONAL INVESTMENT IN GOAL ACHIEVEMENT

Example of the Role Employee-Created Goals Play in Performance Reviews and Compensation Illustrative

### Seagate Performance Review Illustrative

#### Employee Name

<table>
<thead>
<tr>
<th>Goals</th>
<th>Competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal Type</td>
<td>Goal Description</td>
</tr>
<tr>
<td>Financial Performance</td>
<td>Recommended for all employees who manage projects or programs with budget</td>
</tr>
<tr>
<td>Performance Management/Talent</td>
<td>Recommended for all employees</td>
</tr>
<tr>
<td>Functional</td>
<td>Two to five functional goals are recommended for all employees</td>
</tr>
<tr>
<td>Functional Goal B</td>
<td></td>
</tr>
<tr>
<td>Functional Goal C</td>
<td>Total: X%</td>
</tr>
</tbody>
</table>

70% Goal Rating + 30% Competency Rating = Total Performance Rating

$ Compensation
The Goal Alignment and Refinement Checklists provide lists of common alignment problems to aid executives in problem identification and resolution.

- These checklists outline common issues or problems, provide practical and concrete examples, and suggest viable solutions.
- Click here to access Seagate’s complete Goal-Alignment Checklist and a corresponding template. This checklist helps executives prioritize goals and ensure that they are clear, results-based, and measurable, with appropriate targets.
- Click here to access Seagate’s complete Goal-Refinement Checklist and a corresponding template. This checklist helps executives prioritize goals and ensure that they are clear, results-based, and measurable, with appropriate targets.

### APPENDIX D: GOAL-ALIGNMENT AND REFINEMENT CHECKLISTS

#### Sample Goal Alignment and Refinement Checklists

**Seagate Goal-Alignment Checklist**

**Instructions:** Review the companywide goals. Determine if the problems listed in the template apply, and use the guidance below to improve your goals and measures.

<table>
<thead>
<tr>
<th>Issue/Problem</th>
<th>Examples</th>
<th>How to Improve</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are too many measures for the same corporate objective</td>
<td>A review of the executive goals aligning with “Employer of Choice” uncovers 20+ unique potential measures.</td>
<td>Creating the data Select an appropriate target to achieve. Whose needs are this target designed to fulfill? Will it measure the right outcomes?</td>
</tr>
<tr>
<td>There are gaps in measurement</td>
<td>One EVP has written goals that align to five of the seven corporate objectives. The VPs reporting to this EVP have written goals aligning to only three corporate objectives.</td>
<td>The case corporate needs to fill the goal. Should the EVP support this? Should the VP support this? What is the EVP’s role?</td>
</tr>
<tr>
<td>There is a lack of agreement with another department that supports your goals</td>
<td>An SVP creates a goal that will require an HR employee survey to measure the results. This goal does not align to the IT resources and budget to support this goal.</td>
<td>Any goal needs to: Be clear about the resource needs. Do all departments agree? Have the resources? If they do not, how do you obtain them?</td>
</tr>
<tr>
<td>Timelines and/or quality criteria are misaligned</td>
<td>Department A plans to finish installing a new computerized process in Q2. Department B (who will use the software) has set its goals assuming that the software will be operational in Q1.</td>
<td>If one department is late with their work. Resources against this goal.</td>
</tr>
<tr>
<td>There is redundant or overlapping work</td>
<td>A production department has staff working on design work just in case the design department is late with their work.</td>
<td>Resource against this goal.</td>
</tr>
</tbody>
</table>

**Seagate Goal-Refinement Checklist**

**Instructions:** Evaluate and refine your goals/measures using this checklist. Determine if your goals include any of these common issues/problems, and use the questions below to improve your goals and measures.

**First Checkpoint:** Are these four to seven goals truly my highest priority goals for the upcoming fiscal year in adding value to the corporate objectives? Are my time and resources really focused on these priorities? Am I running my part of the business, and myself, based on these priorities? Or is there a different list of goals and priorities that I use for my day-to-day work?

<table>
<thead>
<tr>
<th>Issue/Problem</th>
<th>Examples</th>
<th>How to Improve</th>
</tr>
</thead>
<tbody>
<tr>
<td>The goal is activity- and results-based rather than skills-based</td>
<td>Activity: Train three black belts. Result: Remove three calendar weeks from the work process. Activity: Complete order entry software installation by Q2. Result: Reduce direct labor for order entry while reducing order-processing cycle time by 25%.</td>
<td>This goal describes what actions are to be taken or what tasks are to be done, but not the value-added result of these actions: Who is the customer of these actions? What does the customer need from these actions? If the actions are done well, what is left behind? Why are the actions being done? If this task/project is successful, how will Seagate/the customer benefit?</td>
</tr>
<tr>
<td>The goal is too vague and therefore not measurable or verifiable</td>
<td>Vague: Ramp up production more quickly. Measurable Increase: Number of units shipped. Vague: Improve teamwork through skip-level meetings. Verifiable: Roles and responsibilities are defined with no gaps and overlaps between the two teams. Customers do not experience last-minute rework due to product plans not agreed to. Team members are not complaining about each other to the director but are able to work out differences without manager intervention.</td>
<td>There is no way to tell if this goal has been achieved or if progress is being made toward the goal: What is the unique value do you add? Is this worth measuring at your level? What number would you track to evaluate this factor? What level of performance would be good enough? If you cannot measure the goal with a number, describe good performance: What would we see about the result that means it was done well? How would things be better if this effort was successful? What would we hear people saying about the result that means it was produced well?</td>
</tr>
<tr>
<td>The goal is written at the wrong level for the organization (manager versus subordinate level)</td>
<td>EVP Goal that should be a VP’s goal: Release product XY2 to manufacturing by Q3. EVP Goal: Assure workflow processes are improved to improve time to market for all new products.</td>
<td>These are goals you will delegate to someone in your organization: Is this worth measuring at your level? What unique value do you add? What is the result you contribute to the effort?</td>
</tr>
<tr>
<td>A measure is listed but there are no targets</td>
<td>Measure only: Improve high performer turnover rate. Measure * specific target: High performer turnover rate of a 5–7%.</td>
<td>There is a measure for this goal but no specific target to be achieved: How many or what percent do we need to achieve to consider this a success?</td>
</tr>
<tr>
<td>The cost (time and resources) of tracking the measures will exceed the value of the data</td>
<td>Review of the measures for “Employer of Choice” shows 25 different possible measures. Creating reports for all of them will likely cost more than the data is worth.</td>
<td>Questions to consider to refine the goal: Will an existing tracking system be “good enough” to use? Will the value of the data from a new tracking system be worth the cost of collecting the data?</td>
</tr>
</tbody>
</table>
APPENDIX E: GOAL SETTING TEAM MEETING AGENDA

Seagate's Recommended Goal Setting Team Meeting Agenda

1. **Review Organization Goals**—Review your organization’s goals and objectives for the coming year. Begin drafting SMART goals with your team using the Goal-Setting Worksheet. Draft 4–7 SMART goals. It is recommended that you have one financial performance goal, one performance management goal, and two to five functional performance goals.

2. **Share and Discuss the Drafted Goals**—Ensure employees understand how their goals are related to strategic objectives.

<table>
<thead>
<tr>
<th>Checklist to Assess Drafted Goal</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are the goals relevant to the business?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is the scope of the goal appropriate?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are there too few or too many measures?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are the goals coordinated with others’ goals?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are the goals results-based and measurable?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are measures of success set at the right level?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are goals practical and achievable?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is achievement of goals under the employee’s control?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the employee have the skills necessary to achieve goals?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is the goal truly a goal or is it a competency?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is the due date/time frame for completing the goal appropriate?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If you answered “No” to any of the above questions, review the resource for Writing SMART Goals.

3. **Evaluate Individual Contributions**—Give team members the opportunity to consider how they each can support the team goal. This includes identifying key projects and duties. Discuss each contribution to see where it might fit in supporting the goal. Be sure to record their contributions as they give them.

4. **Evaluate the Effectiveness of the Drafted Goal**—Answer the following questions to ensure your goals are effective:

<table>
<thead>
<tr>
<th>Is your goal SMART?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific: Does the goal answer the questions: who, what, when, which, and why?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measurable: Can you measure the goal using either quantitative or qualitative assessments?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievable/Aattainable: Can you achieve the goal given the resources that are at your disposal?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relevant/Realistic: Is the goal in alignment with the goals of your manager, department, and the organization as a whole?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time bound: Do you have a clear start and end date for your goal?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If you answered “No” to any of the above questions, review the resource for Writing SMART Goals.

Utilize the Tips for Resolving Common Goal Creation Issues to identify common issues/problems that you may be experiencing when writing your goals, and ways to resolve them.

5. **Repeat the Process**—Repeat the process until your team has drafted approximately four to seven goals. Refer to the resource Create Goals in iMAP for instructions on entering your goals into the iMAP system.

**APPENDIX F: REAL-TIME iMAP GOAL REPORTS**

Goal Reports Available from iMAP Workforce Analysis

<table>
<thead>
<tr>
<th>Report Title</th>
<th>Report Description</th>
<th>How to Run the Report</th>
<th>Report Results Description</th>
</tr>
</thead>
</table>
| PM: My Goal Details Report                       | Provides an employee’s own goal detail information.                               | • Select Reports in the top toolbar.  
• Select Workforce Analysis and locate report name.  
• Select the criteria for the report, then click on the Run Report button. | The report includes the goal name, goal description, goal status, goal start and end dates, measure description/project, measure due dates, measure results, aligned goal name, and aligned employee information. |
| PM: My Direct Reports' Goal Details Report       | Provides the goal detail information for a manager’s direct reports.              | • Select Reports in the top toolbar.  
• Select Workforce Analysis and locate report name.  
• Select the criteria for the report, then click on the Run Report button. | The report includes the employee name/QID, goal name, goal description, goal status, goal start and end dates, measure description/project, measure due dates, measure results, aligned goal name, and aligned employee information. |
| PM: Organization Goal Details Report             | Provides managers with the goal detail information for a selected manager and their direct reports. | • Go >> Reports.  
• Select Workforce Analysis and locate report name.  
• Select the criteria for the report, then click on the Run Report button. | The report includes the goal detail information for the selected manager and his/her direct reports: employee name/QID, goal name, goal description, goal status, goal start and end dates, measure description/project, measure due dates, measure results, aligned goal name, and aligned employee information. |
| PM: Progress Reviews - My Goals/Development Details Report | Provides an employee’s own goal and development plan detail information in a single report. | • Select Reports in the top toolbar.  
• Select Workforce Analysis and locate report name.  
• Select the criteria for the report, then click on the Run Report button. | The report includes all the information provided in the PM: My Goal Details Report and PM: My Development Details Report. |
| PM: My Direct Reports' Goal and Development Plan Creation Compliance Report | Provides the number of goals and development plans created by each direct report. | • Select Reports in the top toolbar.  
• Select Workforce Analysis and locate report name.  
• Select the criteria for the report, then click on the Run Report button. | The report includes the employee name/QID, number of goals, and number of development plans. |