Relative Targets: Concept overview

An open source social technology by Red42

10 principles of Relative Targets

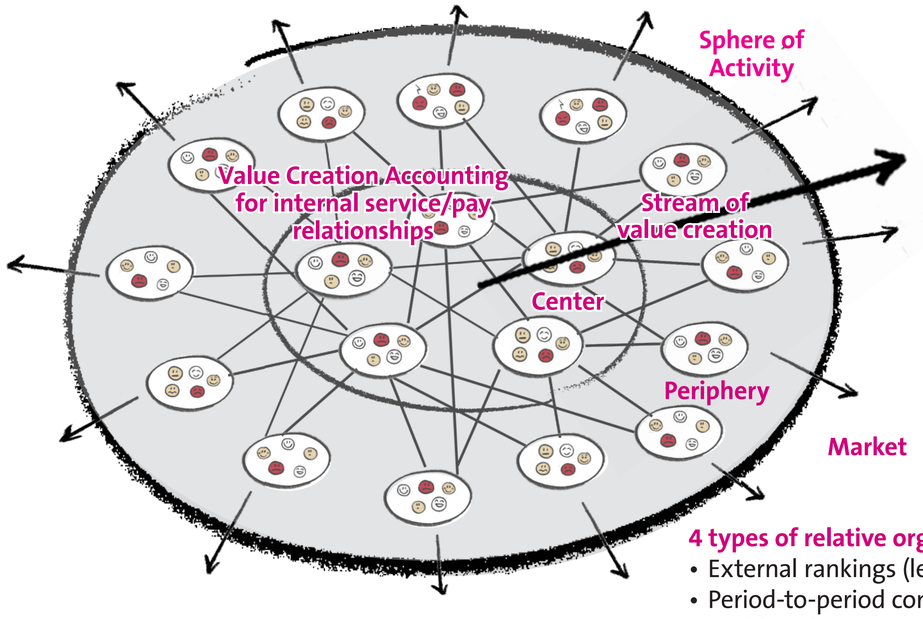
01. Measure actual performance at the organizational level and the team level only – instead of setting fixed targets for individuals, departments, products, layers, silos
02. Actual-actual comparisons for self-control within all teams – instead of plan-actual variance analysis for external steering and control by bosses
03. Constant preparation involving everyone – instead of calendar-based planning done by the few
04. Sporty, playful competition among internal teams – instead of rivalry between individuals
05. Discourse about identity and forging of agreements – instead of strategy-setting and decisions made by managers
06. Control through social density, principles and high performance standards – instead of rules, values and intrusive micro-management
07. Open books, Fast Close, "everyone sees the same numbers at all times" – instead of in-transparency, numbers games and "figures on a need-to-know basis, only"
08. Team P&Ls and few, relative trend indicators – instead of numerous, previously fixed data points
09. Market-like, outside-in resource coordination – instead of planned allocations from the top
10. Relative, fair base salaries, plus profit sharing – instead of minimized salaries, plus bonuses

12 principles of the BetaCodex

The BetaCodex® | version 2018 | www.betacodex.org

Law		Do this! (Beta)	Not that! (Alpha)
01.	Team autonomy	Connectedness with purpose,	not dependency
02.	Federalization	Integration into cells,	not division into silos
03.	Leaderships	Self-organization,	not management
04.	All-around success	Comprehensive fitness,	not mono-maximization
05.	Transparency	Flow intelligence,	not power obstruction
06.	Market orientation	Relative Targets,	not top-down prescription
07.	Conditional income	Participation,	not incentives
08.	Presence of mind	Preparation,	not planned economy
09.	Rhythm	Tempo & groove,	not fiscal-year orientation
10.	Mastery-based decision	Consequence,	not bureaucracy
11.	Resource discipline	Expedience,	not status-orientation
12.	Flow coordination	Value-creation dynamics,	not static allocations

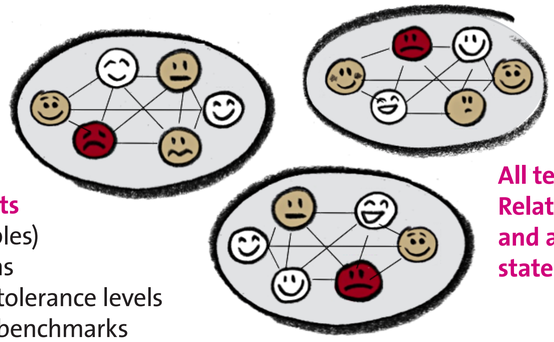
Relative Targets at the organizational level



4 types of relative organizational targets

- External rankings (league tables)
- Period-to-period comparisons
- Multi-period trends against benchmarks
- Snapshot comparisons with internal/external benchmarks

Relative Targets at the cell/team level



5 types of relative team targets

- Internal rankings (league tables)
- Period-to-period comparisons
- Multi-period trends against tolerance levels
- Multi-period trends against benchmarks
- Snapshot comparisons with internal/external benchmarks

All teams possess Relative Targets and a Profit and Loss statement ("P&L")

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