

# Program Design & Customer Experience – Set Goals & Objectives

## Description

Defining goals and objectives will help you know what you want your program to achieve and help you keep it on track over time. Goals and objectives also help you communicate the value of your efforts to your customers, partners, and stakeholders.

Goals are one or more statements that identify what your program will accomplish over the long term (e.g., increasing the energy efficiency of homes in your community, helping residents save money on utility bills, creating jobs, improving local sustainability). Your goals may be very specific to your community's characteristics and needs and may differ from the goals of residential energy efficiency programs in other communities. They should reflect and reinforce your organization's [vision and mission](#), which describe the desired future state your organization is working toward and your organization's purpose and function.

In some cases, program goals will be driven by regulation or policy, such as a utility program that complies with Public Utility Commission rules or a state program whose goals are defined by legislation or agency policy. Some programs may have goals that aim for long-term transformation of residential energy efficiency markets, while others are focused on shorter term resource procurement of energy efficiency to meet energy savings goals.

Objectives are specific and measurable, include targets and timelines, and are tied to one or more goals. You should establish over-arching program objectives (e.g., "upgrade 2,000 homes in one year") as well as establishing objectives for individual program components (e.g., "reach 50% of homeowners through marketing campaigns in the program's first year"). These objectives will help you track progress and measure results. Additional information on setting objectives is available for [Marketing and Outreach](#), [Financing](#), and [Contractor Engagement & Workforce Development](#).

The process for using organizational mission and vision to develop program goals and then using goals to develop specific objectives for driving demand, financing, and workforce is illustrated below.

### Illustration of Using Organizational Mission and Vision to Develop Goals and Objectives

#### Program Design & Customer Experience

##### Stages:

##### [Overview](#)

1. [Assess the Market](#)
2. [Set Goals & Objectives](#)
3. [Identify Partners](#)
4. [Make Design Decisions](#)
5. [Develop Implementation Plans](#)
6. [Develop Evaluation Plans](#)
7. [Develop Resources](#)
8. [Deliver Program](#)
9. [Assess & Improve Processes](#)
10. [Communicate Impacts](#)



Source: U.S. Department of Energy, 2014.

Find related information across other program components:

- **Market Position & Business Model – Set Goals & Objectives**  
*Establish or update your organizational mission, vision, and goals to encompass energy efficiency programs.*
- **Marketing & Outreach – Set Goals & Objectives**  
*Establish specific marketing and outreach goals, objectives, targets, and timeframes.*
- **Financing – Set Goals & Objectives**  
*Establish goals, objectives, and timeframes for your financing activities.*
- **Contractor Engagement & Workforce Development – Set Goals & Objectives**  
*Establish objectives, targets, and timeframes for your program to support local contractors and the type and quality of service they provide to help meet your program's goals.*

## Step-by-Step

Defining program goals will form the basis of your program's design, guide decisions as you refine your program over time, and help communicate what you are seeking to accomplish. Objectives based on the goals will help you choose strategies and tactics for implementing specific components of the program.

Although getting input from stakeholders is listed as the last step, you should not wait until you've set your program's goals and objectives to engage stakeholders. Rather, engaging stakeholders in developing goals and objectives is a good strategy for building buy-in and support.

## Set long-term program goals

Program goals identify what your program aspires to accomplish over the long term. These goals may vary from program to program depending on community needs, organizational mission, program budget, and other factors. Most residential energy efficiency programs have goals related to saving energy and saving customers' money. You may also want to set goals related to other aspects of your program, such as reducing peak electricity demand, creating jobs, enhancing local economic development, reducing greenhouse gas emissions, conserving water, improving health, strengthening communities, increasing community resilience, or others. Be careful not to set too many goals for a single program, because each will require specific attention and program strategies.

- For information on community resilience, explore the NASEO report "[Resiliency through Energy Efficiency: Disaster Mitigation and Residential Rebuilding Strategies for and by State Energy Offices](#)." This resource describes how several state and local programs set goals to make communities more resilient to disasters and increase energy efficiency through proactive planning and program alignment.

Program goals should be consistent with your organization's vision and mission. They should be informed by your program's [market assessment](#), which identified the needs and opportunities in your community. Goals may also be influenced by policies that govern your program or organization. For example, state or local agencies or utilities may need to meet goals or targets set in legislation or regulation to reduce energy use, alter consumer demand patterns, reduce system-wide costs, and/or improve system reliability.

#### [Sustainable Works' Goals Follow from its Vision and Mission](#)

[Sustainable Works](#), a nonprofit organization in Washington State that conducted home energy assessments and upgrades had a "triple bottom line" mission that included creating quality jobs, reducing the region's carbon footprint, and building stronger communities. The organization's program goals were reflected in how it described its accomplishments. It didn't just describe energy saved and assessments and upgrades conducted, it also described how many full-time jobs the work created and how many million pounds of carbon emissions were reduced annually through Sustainable Works upgrades. These results tied Sustainable Works' goals back to its triple bottom line mission.

Goals can be quantitative or qualitative, although quantitative goals are easier to measure. Either way, they should clearly articulate what success looks like for your program and community. If you are setting goals in multiple areas, you should understand how they relate to each other. For example, goals related to reducing costs to consumers may need to be balanced with goals related to quality of work and achieving high customer and contractor satisfaction.

#### [In Their Own Words: Creating a Program That Supports Community Goals](#)



Source: U.S. Department of Energy, 2012.

## Set specific and measurable program objectives

Program objectives tie directly to one or more of your program goals. They set specific and measurable targets and timelines for overall program accomplishments and the quality of your customers' experience. Examples include:

- Upgrade 1,000 homes in the community within two years
- Save a specified amount of energy (or achieve a percent reduction in energy use) every year
- Achieve a customer satisfaction rating of 95% every month
- Reduce greenhouse gas emissions by a specific number of tons per year.

These objectives will help you track progress. For example, the [EnergySmart](#) program in Boulder County, Colorado completed over 8,000 residential upgrades by the third quarter of 2013, exceeding its target of 6,610 homes. Over the same period, the [Beacon Communities Project](#) in New Hampshire upgraded 1,100 homes, surpassing its target of 808 homes. Tracking progress against objectives will help you understand how well the various components of your program are working together to produce results. You should also set objectives for specific program components, as discussed in the next step.

### SMART Objectives

A useful framework for developing objectives is to make them “SMART”:

- **Specific:** *What will you do?*
- **Measurable:** *How will you know if you have succeeded?*
- **Achievable:** *Why is it realistic?*
- **Relevant:** *How will this help you meet your program goals?*
- **Time-bounded:** *When will this be completed?*

As your program is implemented, you will want to assess progress toward your objectives to help you understand what’s working in your program and what isn’t. You can also use objectives to [communicate about program progress and accomplishments](#).

When establishing objectives, be realistic about your expectations. Objectives that are too easy to meet don’t motivate staff or stakeholders; however, an ambitious and well-publicized objective that isn’t met can harm goodwill and support. Recognize that objectives may end up changing over time as you refine your program’s design and as you influence your market.

## Set objectives for individual program components

In addition to setting overall program objectives, you should set objectives for each individual program component to indicate how it will contribute to program goals. You may need to make some decisions about program design before setting component-specific objectives. For example, your specific objectives about marketing and outreach may depend on the type of marketing strategies you pursue. Program design and objective-setting is an iterative process.

### **Marketing and Outreach**

Depending on your approach to creating demand for your program services, you may want to set objectives for:

- Raising consumer awareness
- Bringing new customers into the program
- Changing specific behaviors.

More information on setting objectives for driving demand can be found [here](#).

### **Financing**

Depending on your approach to financing, you may want to set objectives for:

- Transforming financing markets (e.g., so financial institutions don’t require credit enhancement or there are an increasing number of financial institutions providing residential energy efficiency financing)
- Ensuring that contractors are effectively marketing financing products to customers
- Expanding the availability of financing products for all customers or certain market sectors.

More information on setting objectives for financing can be found [here](#).

### **Contractor Engagement and Workforce Development**

Depending on your approach for engaging your workforce, you may want to set objectives for:

- Customer satisfaction with their contractors and the services provided
- Training and certification of home performance professionals and contractors
- Jobs created

- Support for local economic development (e.g., the amount of work for small, local businesses)
- Help contractors expand into another line of business as a profit center, creating a stable, independent workforce apart from program delivery.

More information on setting objectives for contractor engagement and workforce development can be found [here](#).

## Get input from stakeholders

Seeking stakeholder input on your program's goals and objectives—even as they are being developed—can help build ongoing support and buy-in for your work and potentially identify program [partners](#) that can help you administer and deliver your program.

Getting stakeholder feedback gives you an opportunity to align your goals with those of other organizations that can help support, promote, and implement your program—and help them align their work with yours. Stakeholders may include:

- Community leaders
- Your local utility
- State and local energy agencies
- Financial institutions
- Nonprofit organizations
- Community colleges or vocational schools
- Energy consultants
- Contractors
- Environmental groups
- Companies that employ a large segment of the community.

In addition to engaging with stakeholders that support your program, also talk to those who may not support it. For example, talk to low-cost insulation contractors that may compete with your program's building performance contractors to understand your program's competitive environment.

### Stake Out Your Stakeholders!

[Seattle's Community Power Works \(CPW\)](#) engaged more than 40 public, private, and nonprofit partners during early program design. The effort drew on Seattle's large network of "green" and energy-related organizations.

As part of a key program effort, CPW engaged stakeholders to establish a High Road Agreement governing contractor and workforce goals and policies for the program (e.g., to target job creation for low-income home professionals and assist women-owned and minority-owned businesses). The relationships established in developing the High Road Agreement helped the program maintain its partners' support as it made difficult decisions about balancing its multiple goals. For example, when considering options to boost the number of upgrades, the program had to decide whether to continue to focus on low income neighborhoods in the city (the original program focus), where there was less demand and therefore fewer jobs created, or expand demand by broadening the program to higher income neighborhoods in the city, which also increased the program's ability to create jobs. With the support of stakeholders, the city chose to expand the program to other city neighborhoods.

Source: [High Road Agreements: A Best Practice Brief](#), Green for All, 2012.

## Tips for Success

In recent years, hundreds of communities have been working to promote home energy upgrades through programs such as the Better Buildings Neighborhood Program, Home Performance with ENERGY STAR, utility-sponsored programs, and others. The following tips present the top lessons these programs want to share related to this handbook. This list is not exhaustive.

### Incentivize the action you want your customer to take

Successful programs know that it is not enough to get customers interested in their services. They know that homeowners that receive assessments but don't undertake upgrades don't receive the benefits of energy efficiency—and programs don't get credit for energy savings. Instead of emphasizing interim steps, these programs make sure their messages and incentives encourage customers to take actions that save energy—whether it is a home energy upgrade, updating heating system, or purchasing energy efficient appliances.

- Early in the [Michigan Saves](#) program, canvassers going door-to-door started their conversations with homeowners by emphasizing the “free stuff” that customers could get if they participated in the program (e.g., compact fluorescent light bulbs, sink aerators, and showerheads). When the canvassers passed leads on to contractors who then tried to market, other measures that customers would have to pay for (e.g., insulation, air sealing, duct work, furnace replacement), these customers felt like they had been signed up for something they didn't agree to. After that, the program modified its messages and incentive structure to reflect the ultimate goal—an energy upgrade. For more information on how Michigan modified the incentive structure of its program, see the case study [Experiment to Find the Right Mix of Incentives](#).
- Recognizing that the concept of home performance was relatively new in Cincinnati, the [Greater Cincinnati Energy Alliance](#) (GCEA) promoted low cost energy assessments through its contractors to generate interest for the program. GCEA found that a high percentage of homeowners took advantage of the low-cost assessments with no intention of proceeding to a home energy upgrade. This resulted in a lower-than-expected conversion rate of assessments to completed upgrade projects. In response, GCEA increased the cost of assessments, which excluded homeowners that were merely curious. As a result, the program's conversion rate increased. At the same time, the program realized that homeowners in the region were not prepared to pay the full market cost for an assessment. GCEA suggests that programs establish a price for home energy assessments that is high enough to reduce the number of homeowners pursuing assessments out of curiosity with little intention to upgrade their homes, but low enough to generate a demand sufficient enough to support a home performance industry. Multiple programs across the country have settled on an assessment price around \$100.
- The goal of [Enhabit](#), formerly Clean Energy Works Oregon, was to achieve at least 15% energy savings in each home, but it designed its rebates to reward even greater energy savings. For example, when rebates for 15% energy savings were \$500, rebates were \$1,000 for 25% energy savings, and \$1,500 for 30% energy savings. These incentive levels contributed to the fact that 85% of those participating in Enhabit's program reduced their energy use by more than 30%. Enhabit's Executive Director reported that “our incentive structure gets customers excited about aiming high and gives contractors a lever to encourage a more comprehensive scope of work.” To learn more about Enhabit's experience, see the case study [Use Incentives to Get Attention and Encourage Deep Savings](#). [Austin Energy](#) offered a similar tiered rebate system.

### Set realistic expectations for launching and scaling up your program

Many program administrators have found that launching and scaling up a program often takes longer than planned for, especially when forming partnerships with contractors and lenders. New energy efficiency programs often need at least 2-3 years to launch and become fully operational. Across programs, the amount of time it takes to get to full operations depends on many factors, including the number of qualified contractors working in the area, the availability of funding, the level of stakeholder and partner support that is available, the program's goals and strategies, and the presence of unique program features that may take time to develop, such as community workforce agreements or loan products. Many program administrators found it helpful to set realistic expectations internally—and with key partners and stakeholders—about how long it takes to get programs fully up and running. And, they suggest celebrating and communicating achievements along the way.

- [emPowerSBC](#) in Santa Barbara, California, found that launching its program and scaling up took more time than expected. The launch of the program was delayed more than a year as the program modified its financing strategy from one that relied on residential PACE to one focused on a loan-loss reserve. Following the launch, hiring delays kept the program from being fully staffed for around six months. Contractors working with the program reported that it took three to twelve months for a lead to turn into a signed contract for upgrade services because homeowners took their time deciding whether to invest in energy efficiency.

- The [Virginia State Energy Program](#) (SEP) found that it was difficult for its three programs around the state—the [Local Energy Alliance Program](#) (LEAP), the [Richmond Region Energy Alliance](#), and Community Alliance for Energy Efficiency (Cafe2)—to meet their upgrade targets in three years because the home performance industry in the state was still developing when the programs were initiated. These in-state programs started with little to no infrastructure in place and had to address barriers such as lack of qualified contractors before they could even begin offering home energy upgrades. For example, the programs found that contractors were reluctant to modify their business models and agree to undertake the paperwork and data collection the programs required. Over time, the programs developed strategies to work more effectively with contractors, such as holding monthly contractor meetings (in the case of LEAP) and establishing written Memoranda of Understanding with contractors to clarify mutual expectations (in the case of Cafe2). Virginia SEP advised that programs' goals and timelines should reflect the starting conditions and the work that needs to be accomplished in order to achieve program goals.
- [Enhabit](#), formerly Clean Energy Works Oregon, began with modest goals for a [pilot project](#) in Portland and then ramped up its ambitions as it expanded statewide. The goals for the program's pilot project were to upgrade 500 homes in Portland, build a qualified workforce, and test its approach to service delivery. After the pilot, the program expanded to all of Oregon and upgraded over 3,000 homes around the state in three years.

## Examples

The following resources are examples from individual residential energy efficiency programs, which include case studies, program presentations and reports, and program materials. The U.S. Department of Energy does not endorse these materials.

### Case Studies

#### [Creating a Program that Supports Community Goals](#)

Author: U.S. Department of Energy

Publication Date: 2014

In this video interview segment, Yvonne Kraus of Conservation Services Group describes how the program aligned its goal of increasing energy efficiency with the community's goal to avoid building a new electrical substation.

#### [Spotlight on Seattle, Washington: Community Partnerships Work to Extend Program Reach \(5 MB\)](#)

Author: U.S. Department of Energy

Publication Date: 2011

This case study shares how Seattle's Community Power Works engaged a vast network of partners to build on existing capacity and knowledge, extending the reach of its program in a short period of time.

### Program Presentations & Reports

None available at this time.

### Program Materials

#### [Energy Upgrade California Marketing and Communications Plan \(2 MB\)](#)

Author: Energy Upgrade California

Publication Date: 2010

This marketing and communications plan from Energy Upgrade California includes a goal to reduce aggregate greenhouse gas emissions through energy and resource-saving upgrades of existing building stock. The plan also outlines several objectives the program developed to help them meet this goal.

## Toolbox

The following resources are available to help design, implement, and evaluate possible activities related to this handbook. These resources include templates and forms, as well as tools and calculators. The U.S. Department of Energy does not endorse these materials.

### Templates & Forms

None available at this time.

### Tools & Calculators

#### [Co-Benefits Risk Assessment \(COBRA\) Screening Model](#)

Author: U.S. Environmental Protection Agency

Publication Date: 2012

A tool that estimates the air quality, human health, and related economic co-benefits (such as energy efficiency) of initiatives that reduce air emissions.

#### [EPA Greenhouse Gas Equivalencies Calculator](#)

Author: U.S. Environmental Protection Agency

Publication Date: 2014

A calculator that converts greenhouse gas emissions into everyday equivalencies. It can be used to help clearly communicate information about energy savings initiatives aimed at reducing greenhouse gas emissions.

## Topical Resources

The following resources provide additional topical information related to this handbook, which include presentations, publications, and webcasts. Visit [Examples](#) for materials from and about individual programs.

### Topical Presentations

#### [High Road Agreements: A Best Practice Brief by Green For All](#)

Author: Green For All

Publication Date: 2012

This report covers how to create high road standards and use the momentum of energy sector projects to create safe, well-paying, long-term careers for a diverse group of people. It includes case studies on Community Power Works in Seattle, Washington, and Clean Energy Works Oregon's (now Enhabit's) efforts to use community high road agreements.

### Publications

#### [Local Climate Action Framework: A Step-by-Step Implementation Guide](#)

Author: U.S. Environmental Protection Agency

Publication Date: 2015

This online guide provides step-by-step guidance and resources for local governments to plan, implement, and evaluate climate, energy, and sustainability projects and programs to reduce greenhouse gas emissions and adapt to climate change impacts. It captures lessons learned and effective strategies used by local governments, breaks down program implementation into concrete steps, and curates resources to help local governments find the information they need. The framework was developed with extensive input from local government stakeholders, including EPA's Climate Showcase Communities.

### Webcasts

None available at this time.

