

# BHAG (Big Hairy Audacious Goal)

## Workfront an Adobe Company

A Big Hairy Audacious Goal (BHAG) forces a company or an organization to think big and create a plan for long-term success. It sets a huge goal that drives progress forward, defines a vision for the future, and gets everyone working toward achieving it.

## BHAG

- What is a BHAG?
- How to create your own BHAG:
- Why is a BHAG important for your business?
- Questions to ask yourself while making your own BHAG.

## What is a BHAG?

A BHAG is a huge, long-term target or **goal** that energizes an organization and focuses its people, rallying them to a common cause and leading them through a process of transformation.

The term was originally coined by Jim Collins and Jerry Porras in their book *Built to Last: Successful Habits of Visionary Companies*, first published in 1994. **Collins** says, "The power of the BHAG is that it gets you out of thinking too small. A great BHAG changes the time frame and simultaneously creates a sense of urgency. "

A true BHAG requires a long-term commitment and cannot be achieved in three or five years. Plan on a minimum of ten years to accomplish a BHAG, possibly even two or three decades. Make sure your BHAG is doable, however—not a long shot or pipedream. It should, at a minimum, have a 50% chance of being achieved.

But because it is so big, hairy, and audacious, it can really energize everyone in an organization. "You look at it and say, 'Oh my goodness, if we're going to bring the world into the jet age or transform education or put a computer on every desk, then we have to get to work today with a level of intensity that is unrelenting,'" adds Collins.

An example of a BHAG is President Kennedy's 1961 declaration: "This nation should commit itself to achieving the goal, before this decade is out, of landing a man on the

moon and returning him safely." Of course, this national commitment resulted in the historic moon landing in 1969.

Other prominent BHAGs include:

- Google: "Organize the world's information."
- Tesla: "To accelerate the world's transition to sustainable energy."
- Microsoft: "A computer on every desk and in every home."

There are four broad categories of BHAG:

- **Role model**—Here, you would emulate the traits of another well-known and highly successful company. For example, you might aim to become the Uber or Nike of your industry.
- **Common enemy**—This is the intention to overcome the top companies in your industry to become the leader yourself.
- **Targeting**—This type of BHAG is about setting a clearly defined quantitative or qualitative goal, such as becoming a billion-dollar company or No. 1 in an industry.
- **Internal transformation**—This category is usually best for a large, established company seeking to overhaul systems, processes, or positioning. What makes a good BHAG?

A great BHAG is as the name suggests:

- **(B)ig**—It's so big that it's not something that your organization can accomplish in a year, or three years, or five. It takes a minimum of ten years to accomplish something this ambitious.
- **(H)airy**—The idea seems wild and crazy because it's so forward-looking and so out of the box. It's something you've never done before.
- **(A)udacious**—It should have a gasp factor that makes you sit up and listen when you first think about or hear it. The next emotion should be that it's exactly the right idea for your company to pour its heart and soul into.
- **(G)oal**—The BHAG must have a clearly articulated goal (or goals) connected to the company's strategy, which can be measured so that success can be defined and celebrated.

## **How to create your own BHAG:**

Creating your own BHAG requires some soul-searching. The first question to ask is what your organization is passionate about. For the organization members to fully embrace a BHAG, it needs to speak to their hearts and minds.

Also ask what you have the potential of doing better than anyone else in your field. You're not the best in the world at this yet, but you could get there someday. It's important to aim high, or it's not worth the long-term commitment.

And then you should look at the one economic factor that would have the greatest impact on your business if improved. Collins asks in his book *Good to Great*, "If you could pick one and only one ratio—profit per X—to systematically increase over time, what X would have the greatest and most sustainable impact on your economic engine?"

Keep in mind that the BHAG must be:

- Compelling and exciting
- Action-oriented
- Innovative
- A ten-year plan at a minimum

As you contemplate this process, you'll need to create a vision of what your company will look like once it has achieved its BHAG many years down the road. Define your BHAG goals so that they're clear. Clarity is important for creating a realistic roadmap and helping you outline concrete measures for what success looks like.

Finally, your organization must pull together and fully commit to achieving the BHAG, starting right away. While ten years is a long way off, a BHAG requires hard work and full attention. The long-term aspirations need to garner immediate focus and become the driving influence in your annual and 3-to-5-year plans.

## **Why is a BHAG important for your business?**

Committing your business to a BHAG can create a sense of urgency that gets things done, eliminates narrow thinking, and encourages people to see the bigger picture. It can also influence a company's strategy and help redefine its mission and how it sees itself. To help you decide whether you have a truly great BHAG idea, which will do

wonders for your organization, Collins says you need to be able to answer “yes” to all the following questions:

- Do you find this BHAG exciting?
- Is the BHAG clear, compelling, and easy to grasp?
- Does this BHAG somehow connect to the organization’s core purpose?
- Will this BHAG be exciting to a broad base of people in the organization, not just those with executive responsibility?
- Is it undeniably a big, hairy, audacious goal, not a verbose, hard-to-understand, convoluted, impossible to remember mission or **vision statement**?
- Do you believe the organization has less than a 100% chance of achieving the BHAG (50% to 70% chance is ideal), yet at the same time believe the organization can achieve the BHAG if fully committed?
- Will achieving the BHAG require a quantum step in the capabilities and characteristics of the organization?
- In 25 years, would you be able to tell if you have achieved the BHAG?

## **Questions to ask yourself while making your own BHAG.**

Because a BHAG requires such a substantial resource commitment, it’s important to ask certain questions to ensure you’re on the right path with your BHAG goals. Your questions might include:

- Is the BHAG realistic?
- Does it connect to my business?
- Does it create forward progress?
- Are my team members ready to throw their creative energy and commitment into it?
- What will my business look like with and without it?
- What would need to happen to make it a reality?

- What obstacles stand in the way of completing the BHAG?
- How would I overcome these obstacles?
- What does success look like, and how do I measure it?

If you ask the right questions of a BHAG and see your plan through to fruition, the eventual payoff could be the most transformative thing to ever happen to your company—until you set your next BHAG, that is.