

BHAG – Big Hairy Audacious Goals

Background: The phrase **BHAG - Big Hairy Audacious Goal** was coined by James Collins and Jerry Porras in their 1996 article entitled *Building Your Company's Vision* and advanced in chapter 5 of their 2002 book *Built to Last: Successful Habits of Visionary Companies*. A BHAG (Bee-HAG) is a form of vision statement "...an audacious 10-to-30-year goal to progress towards an envisioned future."

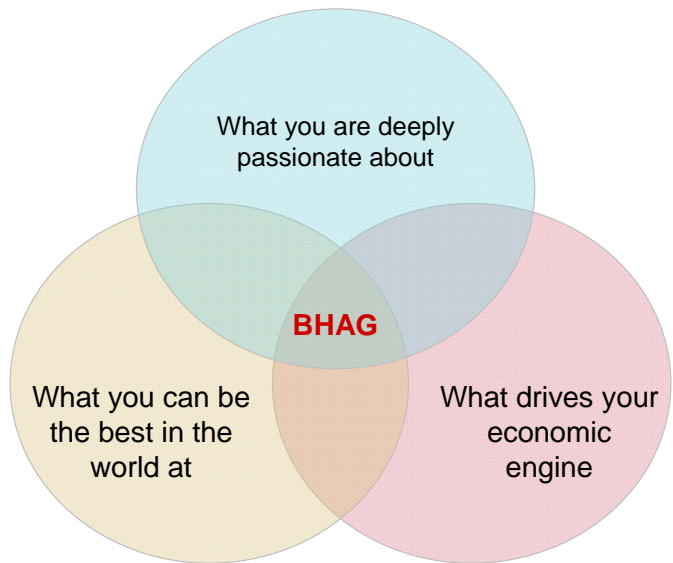
In their book, *Built to Last: Successful Habits of Visionary Companies*, Collins and Porras studied 18 visionary companies and contrasted them against 18 of their direct competitors. They analyze companies who successfully defined the industry standard for their products (like Ford, Sony, Nordstrom, Walmart, IBM) and their less visionary (but frequently economically successful) counterparts (like General Motors, Texas Instruments, and so on) and then suggest what qualities make visionary companies visionary.

Collins and Porras outline a number of characteristics that they find shared among these successful visionaries. One of the key characteristics they found was that the visionaries used ambitious, seemingly unattainable goals to motivate their work.

What makes a goal a BHAG?

Where are five criteria for a good BHAG:

1. Are set with understanding, not bravado.
2. Fit squarely in the three circles of your Hedgehog Concept.
3. Have a long time frame—10 to 30 years.
4. Are clear, compelling and easy to grasp.
5. Directly reflect your core values and purpose.



As Collins and Porras describe it, "A true BHAG is clear and compelling, serves as a unifying focal point of effort, and acts as a clear catalyst for team spirit. It has a clear finish line, so the organization can know when it has achieved the goal; people like to shoot for finish lines." (1996).

BHAGs are also expressed in an action-oriented way. It is also organized as a SMART goal; clearly stating who, what, where, and by when it will be achieved. Because a BHAG is clear, compelling, and gripping, people "get it" right away.

What is the difference between a bad BHAG and a good BHAG?

Bad BHAGs are set with *bravado*; good BHAGs are set with *understanding*. Indeed, when you combine quiet understanding of the three circles with the audacity of a BHAG you get a powerful, almost magical mix.

Four types of BHAG's

Facilitator's Body of Knowledge Research Project

- ❖ **Target BHAG:** a goal focused on a specific market segment. e.g. Ford: "Democratize the automobile" (early 1900's)
- ❖ **Common Enemy BHAG:** a goal focused on "crushing" the competition. e.g. Nike: "Crush Adidas" (1960s)
- ❖ **Role-Model BHAG:** a goal that uses another respectable organization as a role-model e.g. Giro Sport Design: "Become the Nike of the cycling industry" (1986)
- ❖ **Internal Transformation BHAG:** a goal to change or alter how the organization is perceived. e.g. General Electric: "Become number one or two in every market we serve and revolutionize this company to have the strengths of a big company combined with the leanness and agility of a small company" (1980s)

Writing a BHAG

- ❖ Big, but simple and understandable
- ❖ There is no right or wrong goal.
- ❖ It focuses on results vs activity.
- ❖ Highly focused energizing and tangible.
- ❖ Something to shoot for – stimulates progress
- ❖ Challenges and excites the people of the organization because it is something outsiders deem as foolish.

Process for Creating BHAGs

1. Imagine and brainstorm BHAGs: Break into groups of 4 to 6. Select one type of BHAG. Brainstorm BHAGs for 10 minutes – report results.
2. Winnow BHAGs: Each group select 2 to 4 BHAGs that will guide their work and meet the criteria above.

3. Determine what is required to accomplish your BHAGs. Make a list of what needs to be done to be successful. Create a visual representation of your BHAG.

Application:

In strategy and vision development more often than not goals are lack luster and audacity. Facilitators can bring a number of development options to the process that can make the group more effective and goals more BHAG. Facilitators should also consider and bring long-term implementation activities that will allow a group to keep the BHAGs center stage in their quest for the future.

Resources:

BHAG Definition:

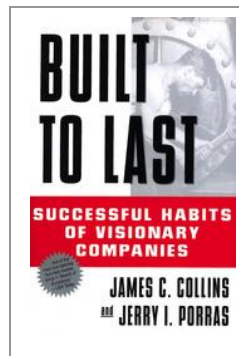
[http://en.wikipedia.org/wiki/BHAG_\(Goal\)](http://en.wikipedia.org/wiki/BHAG_(Goal))

The original authors website:

<http://www.jimcollins.com/lab/buildingVision/p3.html>

Bonner Curriculum on facilitating BHAGs:

http://www.bonner.org/resources/modules/modules_pdf/BonCurBHAGS.pdf



Built to Last: Successful Habits of Visionary Companies

by Jim Collins, Jerry I. Porras

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