

Finding your BHAG

**BIG HAIRY AUDACIOUS GOAL**



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# Finding Your BHAG

## Why have a BHAG?

The right visionary BHAG allows you to engage both the hearts & heads of XYZ COY (& people outside XYZ Coy), providing them with a visionary goal to work towards. A great BHAG should:

- Have the 'gulp' factor
- Cause you to stretch beyond the status quo or where you are now
- Draw XYZ COY together
- Make you become innovative – it's the only way to break out of the norm



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# BUILT TO LAST

SUCCESSFUL HABITS OF  
VISIONARY COMPANIES

**JIM COLLINS**

(Bestselling author of **GOOD TO GREAT**)

**JERRY I. PORRAS**

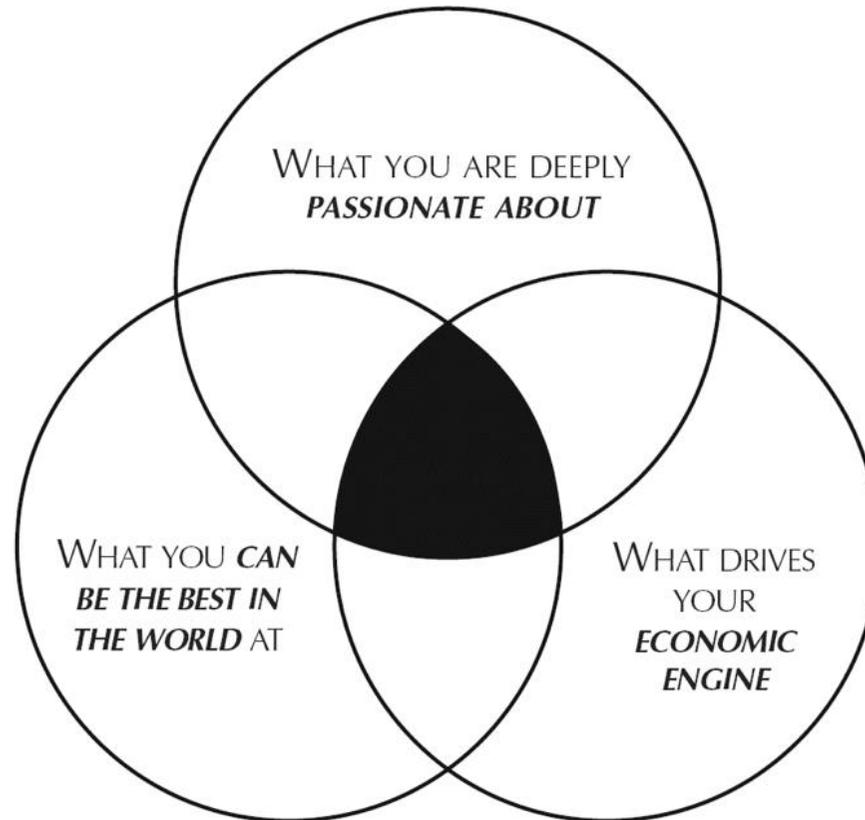
## The Hedgehog Concept

- What are you deeply passionate about
- What can you be the best in the world at
- What drives your economic engine

Get these 3 parts in sync & experience what Collins calls the 'flywheel effect'. This is when 'good to great' comes about by a cumulative process – step by step, action by action, decision by decision, turn by turn of the flywheel – that adds up to sustained & spectacular growth.

Getting your BHAG right isn't something that will happen overnight – but it will never happen if you don't start!

# The Hedgehog Concept



THREE CIRCLES OF THE HEDGEHOG CONCEPT



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# The Hedgehog Concept

## What are you deeply passionate about

For a XYZ Coy to be great, XYZ COY must be fully committed & engaged. This requires engaging both hearts & heads.

Understanding the purpose of your work, the passion of your people & intentional about pursuing opportunities that align with your purpose & passion, is an important piece of understanding your Hedgehog Concept.

It is not so much getting people passionate about what they do, but **make strategic decisions** that naturally inspire passion in your people.



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# The Hedgehog Concept

What can you be the best in the world at

The question is not what are you 'best at now', but what **can you** be the best at.

This is not so much setting a goal to be great at something, this is having the desire, the drive, the belief & understand with certainty what you have the ability to become the best at.

On the other hand, you need to understand what you can NOT become the best at.



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# The Hedgehog Concept

## What drives your economic engine

This is more than KPIs, it is understanding what one thing can cause you to make more money than any other ratio or denominator in your business.

Collins asks, 'if you could pick one & only one ratio – profit per X – to systematically increase over time, what X would have the greatest & most sustainable impact on your economic engine?'

This may not be the ratios you measure now, it may have to be something new, something that takes you to the future



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# BHAG test questions



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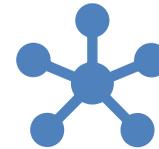
# BHAG test questions



Do you find this BHAG exciting



Is the BHAG clear, compelling & easy to grasp



Does the BHAG somehow connect to your core purpose



Will this BHAG be exciting to a broad base of people within XYZ Coy, not just those with executive authority



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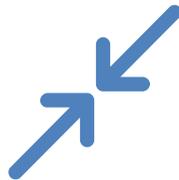


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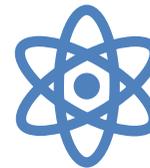
# BHAG test questions



Is this BHAG verbose, hard to understand, convoluted, or impossible to remember. Does it pass the 'Mt Everest standard' (that is everyone understands exactly what you are trying to achieve)



Do you believe XYZ Coy has less than 100% chance of achieving your BHAG (50% to 70% chance is ideal), yet at the same time believe XYZ Coy can achieve the BHAG if fully committed



Will achieving the BHAG require a quantum step in the capabilities & characteristics of XYZ Coy



In 25 years, would you be able to tell if you achieved your BHAG



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# Some BHAG examples



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# BHAG examples



Sony in the 1960's and 70's is to change the image of "Made in Japan" from poor quality to high quality



Starbucks is to overtake Coke & become the world's most recognised & respected customer brand



General Electric – become #1 or #2 in every market they serve & revolutionise the company to have the speed & agility of a small enterprise



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# BHAG examples

The Amazon logo, featuring the word "amazon" in a lowercase, sans-serif font with a curved orange arrow underneath it.

Amazon – every book, ever printed, in any language, all available in less than 60 seconds



Microsoft – a computer on every desk in every home

The SpaceX logo, featuring the word "SPACE X" in a white, sans-serif font with a stylized white swoosh underneath it.

Space X – enable human exploration & colonisation of Mars



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# BHAG examples

"I believe that the nation should commit itself to achieving the goal, before the decade is out, of landing a man on the moon and returning him safely to earth."

John F. Kennedy



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**There is a big difference between  
merely having a goal & becoming  
committed to a huge, daunting  
challenge**

**Jim Collins – Built to Last**



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