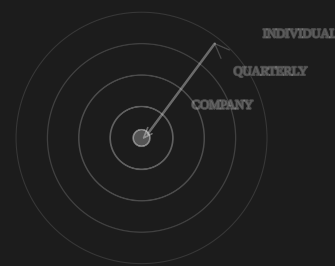
THE 50 FOR 50 GROWTH GUIDES · GROWTH FACTOR 32

The Target on the Wall: Goal-Setting

THE 50 FACTOR — GROWTH FACTOR #32

Setting Goals That Actually Get Hit

The Complete Implementation Guide



BY SCOTT SCULLY

Growth Factor #32: Setting Goals That Actually Get Hit

The Complete Implementation Guide

This white paper is a companion to Chapter 32 of The 50 Factor by Scott Scully. The book tells the story. This guide gives you the three-level goal system that turns ambitious targets into daily behavior — because goals that are set once and reviewed once are decorative. Goals that are visible, reviewed weekly, and connected to individual scorecards are the ones that get hit.

Why This Growth Factor Matters

A founder sat in his office looking at a whiteboard with fifteen goals written on it. Annual revenue target. Client retention target. Hiring goals. Product launches. Marketing metrics. Employee engagement scores. Awards to win. NPS numbers. System rollouts.

Fifteen goals. All of them important. None of them on track.

His mentor walked in, read the board with quiet patience, and said: "When everything is a priority, nothing is."

Then he walked to the whiteboard and erased everything.

The founder's stomach dropped.

"Relax. We're going to put better things up there."

Why Goal-Setting Fails

Goal-setting fails for three reasons — and most companies are making all three mistakes simultaneously:

Too many goals. The human brain can hold three to five priorities at once. Fifteen goals is not a plan — it's a wish list. When a VP has twelve objectives for the quarter, they make progress on all twelve and complete none of them. When they have three, they finish all three. The discipline is restraint — and restraint is the CEO's hardest job.

No connection to daily behavior. Saying "we want to hit $20M in revenue" is aspirational but useless if nobody knows what they need to do today to make it happen. The goal exists at the top of the organization. The behavior happens at the bottom. Without a mechanism connecting the two, the goal is a poster on the wall that everyone walks past.

No operating rhythm. Goals that are set in a January offsite and reviewed at a June offsite are goals that died in February. The energy of the offsite fades within two weeks. By month two, nobody can find the document. By month six, they do it again and wonder why nothing changed. Goals need a weekly heartbeat — a rhythm of visibility, accountability, and adjustment that keeps them alive every single week.

The Three-Level Goal Pyramid

Level 1: The Company Number

One number. For the full year. Everyone in the company knows it. It's on the wall — literally. Printed, framed, hung where every employee walks past it daily. When someone asks "how's the company doing?" the answer starts with this number.

The Company Number is usually revenue — but it doesn't have to be. It could be client count, net revenue retention, or EBITDA. The requirements are: singular (one number, not five), measurable (no ambiguity about whether you hit it), and meaningful (it captures what success looks like this year).

"$20M in revenue" is a Company Number. "$20M in revenue with 92% retention and 4.5 NPS" is three numbers — pick the one that matters most and make the other two supporting metrics that inform the primary target.

Level 2: Quarterly Rocks

Three to five goals per quarter that, if accomplished, move the Company Number. Each Rock has:

One owner. Not a committee. Not a team. One person whose name is next to the Rock on the weekly scorecard. When the Rock is yellow, Marcus explains why. When it's red, Marcus presents the recovery plan. When it's graded pass/fail at the end of the quarter, Marcus's name is on the result. Personal ownership transforms how people relate to goals — a Rock with Marcus's name gets executed. A Rock owned by "the leadership team" gets discussed.

A clear definition of "done." Not "make progress on sales training." Done: "Launch weekly practice sessions across all three sales teams with a certification ladder designed by March 31." You can grade it. It happened or it didn't.

Pass/fail grading. No partial credit. 80% complete is not done. This creates a culture of finishing — most companies have a finishing problem where they start a hundred things and complete thirty. Pass/fail grading trains the organization to commit to less and complete more.

How to pick Rocks: Ask three questions. What's the biggest bottleneck to hitting the Company Number this quarter? That bottleneck becomes Rock #1. What's the biggest risk to our progress? That risk, mitigated, becomes Rock #2. What's the highest-leverage investment we can make this quarter? That investment becomes Rock #3. Three answers, three Rocks. Never more than five. Five Rocks in 90 days is aggressive. Seven is fantasy.

Level 3: Individual Scorecards

Every person has a weekly number — their A-Player Score (Principle #6), their quality score (Principle #5), their activity metrics — that connects to a Quarterly Rock, which connects to the Company Number.

The chain must be visible: "My daily calls contribute to the Sales Rock, which drives the Company Number." When every person can trace their daily activity to the Company Number, you have alignment. When they can't, you have busywork.

The Cascade Question

The single most important test of your goal system: can every person in the company answer this question?

"How does what I do today connect to the Company Number?"

If a delivery associate can say "my quality score feeds the retention metric, which is Rock #2 this quarter, which protects the $20M Company Number" — you have alignment. If they say "I don't know what the Company Number is" — you have a goal system that exists at the top and dies before it reaches the bottom.

The cascade isn't a memo. It's a conversation. The manager explains it in the 1:1 (Principle #18). The captain reinforces it in the huddle (Principle #40). The CEO repeats it in every all-hands. Over time, the connection between daily work and company-level outcomes becomes the ambient understanding of the organization — not something people have to think about, but something they just know.

The Fast Start Principle

90% of companies that miss their annual goal can trace the miss to Q1. They carry holiday momentum into January. They ease into the year. They spend February "getting organized." By mid-March, they're 15% behind target with only 9 months to make it up.

The Fast Start principle: treat Q1 like Q4. Start the year at full speed. Set aggressive Q1 Rocks. Hold the first Rock review in the second week of January — not February. Create urgency before the urgency finds you.

Companies that hit their Q1 Rocks hit their annual target at 3x the rate of companies that miss Q1. The first 90 days determine the next 275. The founder who starts slow spends the rest of the year catching up. The founder who starts fast spends the rest of the year building on momentum.

The Weekly Rock Rhythm

In every leadership meeting (Principle #40): 5 minutes per Rock. Green (on track), yellow (at risk), red (off track). Status update. Blockers. Next steps.

Yellow for two consecutive weeks = a conversation. Something is stuck. The Rock owner and their manager sit down and identify the blocker: is it a resource issue, a priority conflict, a skill gap, or a scope problem? Resolve it this week.

Red for two consecutive weeks = an intervention. The Rock is at risk of failure. Options: shift resources, adjust scope, change the timeline, or (rarely) change the owner. Red is not a punishment — it's a signal that the current approach isn't working and something needs to change.

This rhythm creates accountability without micromanagement. The owner manages the Rock. The leadership team provides support and removes obstacles. The CEO tracks the pattern — not every detail, but the trajectory. The weekly cadence ensures that no Rock drifts for more than 7 days without attention.

The Quarterly Offsite: Grade and Reset

At the end of every quarter, the leadership team meets offsite (change of environment changes quality of thinking) for a half-day or full-day session:

Hour 1: Grade last quarter's Rocks. Pass or fail. Each owner presents: what happened, what worked, what didn't. No excuses, no rationalization — binary outcomes. Celebrate the passes. Learn from the fails.

Hour 2: Set next quarter's Rocks. The three questions: bottleneck, risk, highest-leverage investment. Three to five Rocks with owners and definitions of "done." Each Rock is debated, refined, and committed to — not brainstormed and forgotten.

Hour 3: Strategic discussion. Two to three questions that require longer thinking than a weekly meeting allows. "Should we enter the healthcare vertical?" "What happens if our largest client doesn't renew?" "Are we building toward an acquisition or organic growth?" These aren't Rocks — they're strategic explorations that inform the Rocks.

Common Mistakes and How to Avoid Them

Mistake #1: Too many goals. If you have more than 5 Rocks, you have too many. The constraint of 3-5 forces prioritization — and prioritization is the CEO's most important job.

Mistake #2: Goals without owners. A Rock owned by a committee gets discussed by everyone and executed by no one. One name per Rock.

Mistake #3: No weekly rhythm. Goals set in January and reviewed in June are dead goals. The weekly Rock review keeps them alive.

Mistake #4: Partial credit. "We made good progress" is not a grade. Pass or fail. The binary discipline creates a culture of finishing.

Mistake #5: The January slow start. Treat Q1 like Q4. The companies that miss their annual target almost always trace the miss to a slow first quarter.

Quick-Start Checklist

- ✓ ☐ Pick your Company Number for the year — one number, singular, measurable
- ✓ ☐ Write it on the wall. Print it. Frame it. Put it where everyone walks past it daily.
- ✓ ☐ Set 3-5 Q1 Rocks with named owners and specific definitions of "done"
- ✓ ☐ Build the weekly Rock review into the leadership meeting (5 min per Rock, green/yellow/red)
- ✓ ☐ Grade Rocks pass/fail at the end of every quarter — no partial credit
- ✓ ☐ Schedule the quarterly offsite: grade, set, explore
- ✓ ☐ Ask the cascade question: can every person explain how their daily work connects to the Company Number?
- ✓ ☐ Treat Q1 like Q4 — start at full speed

Implementation Tools

Ready-to-use templates for this Growth Factor

PDF **Company Number Display Template**
Printable wall poster, multiple sizes

XLSX **Quarterly Rock Planner**
Columns: Rock, Owner, Definition of Done, Wk1, Wk2, Wk3, +10 more

PDF **Rock Review Meeting Agenda**
5-minute format per Rock

PDF **Cascade Alignment Worksheet**
Map individual scorecards → Rocks → Company Number

PDF **Quarterly Offsite Agenda**
Grade, set, explore format

This is Growth Factor #32 of 50. The goal pyramid connects the CEO's vision (Company Number) to the leadership team's priorities (Quarterly Rocks) to every individual's daily behavior (Scorecards). When the chain is visible and the rhythm is weekly, the company moves as one organism toward one destination. When any link is broken — too many goals, no owners, no rhythm — you have activity without alignment. And activity without alignment is just busy.

Get the book: The 50 Factor by Scott Scully

What Changes When the System Works

When the three-level pyramid is running — Company Number on the wall, Rocks reviewed weekly, scorecards connected to Rocks — something changes in the energy of the organization.

People stop asking "what should I focus on?" because the focus is ambient. The Company Number is visible. The Rocks are reviewed weekly. Their personal scorecard connects to both. The question "how does what I do today connect to the Company Number?" has an obvious answer — because the system makes the answer visible.

Meetings get shorter because the agenda is the scorecard and the Rocks — not a free-form discussion of whatever feels urgent. Decisions get faster because every option can be evaluated against the Rocks: "Does this help us hit Rock #2 this quarter? No? Then it waits." Prioritization becomes a shared language instead of a CEO-level judgment call.

And at the end of the quarter, when you grade pass/fail and the team sees that they completed 4 of 5 Rocks — they feel something that most growing companies never create: the momentum of completion. Not the momentum of activity. The momentum of finishing. That feeling — "we set it, we did it, it's done" — is the fuel that powers the next quarter.