

CDW's Stretch Goals



By setting specific challenging goals for its employees, CDW Corporation has become a leading provider of technology products and services to business, government, and education. "We set BHAGS—which are big, hairy, aggressive goals," says CDW president and CEO John A. Edwardson. Edwardson explains that one stretch goal was called "5432," which referred to \$5 million in bonuses for \$3 billion in sales by 2000. CDW employees exceeded that goal, which nearly tripled the company's revenue from three years earlier. More recently, Edwardson promised his staff that he would shave his head if they exceeded their third-quarter goals. After employees reached those objectives, Edwardson's barber joined him on stage during a pep rally to cut off his locks while a barbershop quartet sang in the background.

Companies can learn from this example, Management by Objective (MBO) generally identify organizational objectives, then cascade them down to work units and individual employees.

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