Goal-Setting:

A Brief Guide on How to Manage Success and Failure



James Clear

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Forget About Setting Goals. Focus on This Instead.

We all have things that we want to achieve in our lives — getting into the better shape, building a successful business, raising a wonderful family, writing a best-selling book, winning a championship, and so on.

And for most of us, the path to those things starts by setting a specific and actionable goal. At least, this is how I approached my life until recently. I would set goals for classes I took, for weights that I wanted to lift in the gym, and for clients I wanted in my business.

What I'm starting to realize, however, is that when it comes to actually getting things done and making progress in the areas that are important to you, there is a much better way to do things.

It all comes down to the difference between goals and systems.

Let me explain.

The Difference Between Goals and Systems

What's the difference between goals and systems?

- If you're a coach, your goal is to win a championship. Your system is what your team does at practice each day.
- If you're a writer, your goal is to write a book. Your system is the writing schedule that you follow each week.
- If you're a runner, your goal is to run a marathon. Your system is your training schedule for the month.
- **If you're an entrepreneur,** your goal is to build a million dollar business. Your system is your sales and marketing process.

Now for the really interesting question:

If you completely ignored your goals and focused only on your system, would you still get results?

For example, if you were a basketball coach and you ignored your goal to win a championship and focused only on what your team does at practice each day, would you still get results?

I think you would.

As an example, I just added up the total word count for the articles I've written this year. (You can see them all here.) In the last 12 months, I've written over 115,000 words. The typical book is about 50,000 to 60,000 words, so I have written enough to fill two books this year.

All of this is such a surprise because I never set a goal for my writing. I didn't measure my progress in relation to some benchmark. I never set a word count goal for any particular article. I never said, "I want to write two books this year."

What I did focus on was writing one article every Monday and Thursday. And after sticking to that schedule for 11 months, the result was 115,000 words. I focused on my system and the process of doing the work. In the end, I enjoyed the same (or perhaps better) results.

Let's talk about three more reasons why you should focus on systems instead of goals.

1. Goals reduce your current happiness.

When you're working toward a goal, you are essentially saying, "I'm not good enough yet, but I will be when I reach my goal."

The problem with this mindset is that you're teaching yourself to always put happiness and success off until the next milestone is achieved. "Once I reach my goal, then I'll be happy. Once I achieve my goal, then I'll be successful."

SOLUTION: Commit to a process, not a goal.

Choosing a goal puts a huge burden on your shoulders. Can you imagine if I had made it my goal to write two books this year? Just writing that sentence stresses me out.

But we do this to ourselves all the time. We place unnecessary stress on ourselves to lose weight or to succeed in business or to write a best-selling novel. Instead, you can keep things simple and reduce stress by focusing on the daily process and sticking to your schedule, rather than worrying about the big, life-changing goals.

When you focus on the practice instead of the performance, you can enjoy the present moment and improve at the same time.

2. Goals are strangely at odds with long-term progress.

You might think your goal will keep you motivated over the long-term, but that's not always true.

Consider someone training for a half-marathon. Many people will work hard for months, but as soon as they finish the race, they stop training. Their goal was to finish the half-marathon and now that they have completed it, that goal is no longer there to motivate them. When all of your hard work is focused on a particular goal, what is left to push you forward after you achieve it?

This can create a type of "yo-yo effect" where people go back and forth from working on a goal to not working on one. This type of cycle makes it difficult to build upon your progress for the long-term.

SOLUTION: Release the need for immediate results.

I was training at the gym last week and I was doing my second-to-last set of clean and jerks. When I hit that rep, I felt a small twinge in my leg. It wasn't painful or an injury, just a sign of fatigue near the end of my workout. For a minute or two, I thought about doing my final set. Then, I reminded myself that I plan to do this for the rest of my life and decided to call it a day.

In a situation like the one above, a goal-based mentality will tell you to finish the workout and reach your goal. After all, if you set a goal and you don't reach it, then you feel like a failure.

But with a systems-based mentality, I had no trouble moving on. Systems-based thinking is never about hitting a particular number, it's about sticking to the process and not missing workouts.

Of course, I know that if I never miss a workout, then I will lift bigger weights in the long-run. And that's why systems are more valuable than goals. Goals are about the short-term result. Systems are about the long-term process. In the end, process always wins.

3. Goals suggest that you can control things that you have no control over.

You can't predict the future. (I know, shocking.)

But every time we set a goal, we try to do it. We try to plan out where we will be and when we will make it there. We try to predict how quickly we can make progress, even though we have no idea what circumstances or situations will arise along the way.

SOLUTION: Build feedback loops.

Each Friday, I spend 15 minutes filling out a small spreadsheet with the most critical metrics for my business. For example, in one column I calculate the conversion rate (the percentage of website visitors that join my free email newsletter each week). I rarely think about this number, but checking that column each week provides a feedback loop that tells me if I'm doing things right. When that number drops, I know that I need to send high quality traffic to my site.

Feedback loops are important for building good systems because they allow you to keep track of many different pieces without feeling the pressure to predict what is going to happen with everything. Forget about predicting the future and build a system that can signal when you need to make adjustments.

Fall In Love With Systems

None of this is to say that goals are useless. However, I've found that goals are good for planning your progress and systems are good for actually making progress.

Goals can provide direction and even push you forward in the short-term, but eventually a well-designed system will always win. Having a system is what matters. Committing to the process is what makes the difference.

Thanks to Scott Adams for his Wall Street Journal article, which helped prompt this piece

Measure Backward, Not Forward

We often measure our progress by looking forward. We set goals. We plan milestones for our progress. Basically, we try to predict the future to some degree.

We do this in business, in health, and in life at large.

- Can we increase our quarterly earnings by 20 percent?
- Can I lose 20 pounds in the next 3 months?
- Will I be married by 30?

These are all measurements that face forward. We look into the future and try to guess when we will get somewhere.

There is an opposite and, I think, more useful approach: measure backward, not forward.

Here's what I mean...

Measuring Backward vs. Measuring Forward

Each week, I sit down at my computer and fill out a little spreadsheet to track the essential metrics in my business. Traffic, email subscribers, revenue, expenses, and so on. I have the process down pretty well by now, so it only takes about 15 minutes.

In those 15 minutes, however, I get very clear feedback on whether or not I'm making progress in the areas that matter to me. I can tell which direction things are moving. And, if the numbers in one area are moving the wrong way, I can make adjustments the following week.

Basically, I measure backward (What happened in my business this week?) and use that backward measurement as a way to guide my actions for the next week.

I use a similar strategy in the gym. I lift every Monday, Wednesday, and Friday. When I show up at the gym, I open my notebook and look at the weights I lifted during my last workout or two. Then, I plan my workout by slightly increasing the sets, reps, or weight from where they were last week. I go for tiny increases, of course. I'm interested in <u>one percent gains</u>.

In the gym, just like in my business, I measure backward and use that measurement to determine my next move. I am constantly looking to improve, but I base my choices on what has recently happened, not on what I hope will happen in the future.

The Chains of Habit

The chains of habit are too weak to be felt until they are too strong to be broken.

—Samuel Johnson

When it comes to building good habits and breaking bad habits, one of our greatest struggles is maintaining awareness of what we are actually doing. The more automatic a behavior becomes, the less likely we are to notice it. This helps to explain how the consequences of bad habits can sneak up on us. By the time the repercussions of our actions are noticeable, we have already become hooked on a new pattern of behavior.

However, measuring backward can call attention to these invisible patterns by making you aware of what you are actually doing. Measuring backward forces you to take notice of your recent actions. You can't live in a fairly tale world of hopes and dreams. You have to look at the feedback of what has recently happened in your life and then base your decisions and improvements on those pieces of data.

The good news is that you can now base your decisions off of what you're actually doing, not off of what you project your future self to be doing.

The Importance of Short-Term Feedback

The best way to change long-term behavior is with short-term feedback.

—Seth Godin [1]

There is one caveat to this strategy: when you measure backward, your data needs to come from the recent past.

If I used data from two years ago to make business decisions, my choices would be off. The same is true for lifting weights or other areas of improvement. I don't want to base my actions on what I achieved a long time ago, but on what I have achieved recently. In other words, I want short-term feedback, not long-term feedback. The shorter, the better.

Measuring for Happiness

There is an additional benefit to this strategy as well. When you measure backward, you get to enjoy the progress you are making right now rather than yearn for a different life in the future.

You don't have to put happiness off until you reach a future milestone or goal. Happiness is no longer a finish line out there in the future. Focusing on how you can immediately improve over your past self is more satisfying that comparing your current state to where you hope you'll be some day.

The Idea in Practice

Nearly every improvement we wish to make in our lives requires some type of behavior change. If you want different results, you have to do something differently.

The tough question to answer is what should we do differently to get the results we want?

We often respond by focusing on an outcome and setting a goal for ourselves. Goals are good and having a sense of direction for where you want to go is critical. But when it comes to determining the improvements we can make right now, measuring backward is the way to go. Let recent results drive your future actions.

Weight Loss: Measure your calorie intake. Did you eat 3,500 calories per day last week? Focus on averaging 3,400 per day this week.

Strength Training: Oh, you squatted 250 pounds for 5 sets of 5 reps last week? Give 255 pounds a try this week.

Relationships: How many new people did you meet last week? Zero? Focus on introducing yourself to one new person this week.

Entrepreneurship: You only landed two clients last week while your average is five? It sounds like you should be focused on making more sales calls this week.

Measure backward and then get a little bit better. What did you do last week? How can you improve by just a little bit this week?

The 2 Types of Growth: Which One of These Growth Curves Are You Following?

We often assume that life works in a linear fashion.

People will say, "You get out of life what you put into it." The basic idea is that for each unit of effort you put into a given task, you get some unit of return. For example, if you make \$25 per hour and you work for two hours, then you'll make \$50. If you work for 4 hours, you'll make \$100. Put more in. Get more out.

There is just one problem. Most of life doesn't actually follow this linear pattern. Don't get me wrong, hard work is essential. However, if you expect your life to follow a linear trajectory, then you may find yourself feeling frustrated and confused.

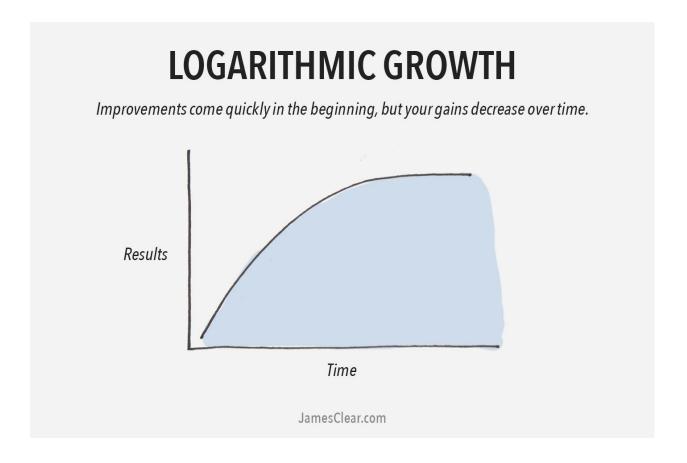
Instead, most areas of life follow two different types of growth. This is something I learned from my friend <u>Scott Young</u>. Let's talk about these two patterns now.

Which one of these growth curves are you following?

Type 1: Logarithmic Growth

The first type of growth is logarithmic.

Logarithmic growth increases quickly in the beginning, but the gains decrease and become more difficult as time goes on. Generally speaking, logarithmic growth looks something like this:



There are many examples of logarithmic growth in daily life.

- **Fitness and Strength Training:** The "beginner gains" come quickly at first, but then it becomes more difficult to get stronger each week.
- **Literacy:** Children and young students make massive leaps as they learn how to read. Meanwhile, college students and well-educated adults have to put in a focused effort to expand their vocabulary beyond commonly used words.
- Language proficiency: Learning how to speak even a rudimentary level of a new language opens up a whole new world. However, there are only meager gains left for fluent speakers to discover.

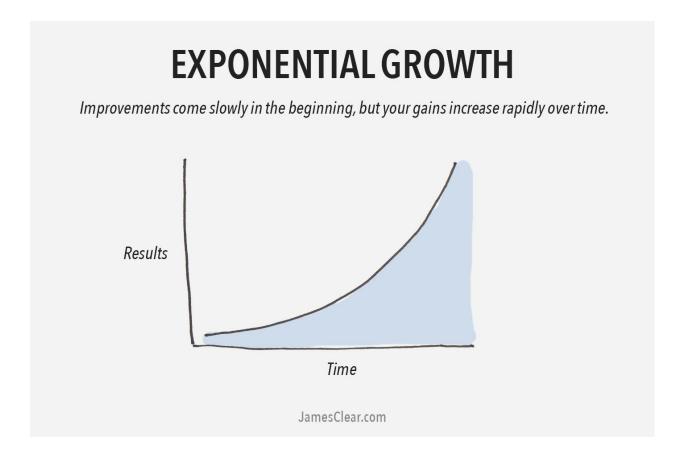
- **Weight Loss:** It may be relatively easy to shed five pounds within a week or two, but then the progress slows. Each successive pound of fat loss is more stubborn than the last.
- **Musical skill:** Improvements come quickly for a novice guitar player. Improvements come very slowly for a concert pianist.

There are thousands of other examples. In fact, most skills (writing, programming skills, juggling, running, etc.) fall into the logarithmic growth category.

Type 2: Exponential Growth

The second type of growth is exponential.

Exponential growth increases slowly in the beginning, but the gains increase rapidly and become easier as time goes on. Generally speaking, exponential growth looks something like this:



You will also find exponential growth opportunities in daily life (although I think they are less prevalent).

- **Investments and wealth:** Thanks to the power of compound interest, your retirement savings start out as a small treasure in the early years, but balloon in size during the final decade or two of savings.
- **Email subscribers and website traffic:** New websites receive just a trickle of traffic here and there, but as the weeks and months roll on those trickles can build into a raging river of visitors and subscribers.

- Entrepreneurship and business growth: The assets that you build for your business stack on top of one another and revenue compounds throughout the life of a successful business.
- Social media followers: When you only have 100 followers, getting another 100 followers may take six months. Once you have 1,000 followers, however, getting the next 100 may only take one month. Once you have 100,000 followers, getting another 100 probably takes one day. Your growth rate snowballs.

The Challenges of Each Growth Curve

Neither type of growth is good nor bad. These growth patterns are simply the way certain things work. However, it is important to understand the growth pattern of your task so that you can set your expectations appropriately.

Don't expect exponential returns when you're playing a logarithmic game. Similarly, don't expect quick wins when you're building something that has an exponential curve.

When dealing with logarithmic growth, the challenge is to avoid feeling discouraged as your improvements decrease. Improvement will come easily in the beginning and you will become accustomed to enjoying small wins each day. Soon, however, those small wins will become smaller.

Logarithmic growth requires you to have the <u>mental toughness</u> to play a game that will, by definition, become more challenging to win as time goes on. You will feel like you have plateaued. You will question yourself and your abilities. If you want to succeed with logarithmic growth, you have to learn how to <u>fall in love with the boredom of doing the work</u> if you want to maintain consistency as your improvements dwindle.

When dealing with exponential growth, the challenge is to continue working through the early period when you have little or nothing to show for your effort. Exponential growth requires you to be remarkably patient and diligent (often for years or decades) before enjoying a significant payoff. There may be 10 years of silence before you hear the sound of success.

Equally important, you need to give your best effort even when you're getting average results. Exponential gains only result from sustained effort in the early years.

How to Accelerate Your Progress

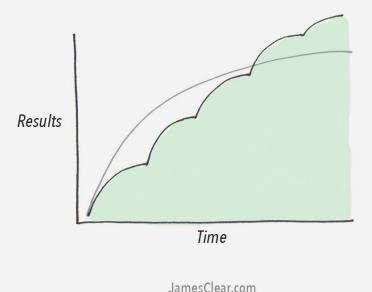
Once you understand the type of growth curve you are dealing with, there are two ways that you can accelerate your progress on a given curve.

OPTION 1

The first option is to break the task down into smaller tasks that can be mastered more quickly. In other words, by getting very specific with the task you are working on, you can increase the rate of growth (i.e. smaller tasks have steeper growth curves because they are easier to master). This strategy works especially well for accelerating your progress on tasks that experience logarithmic growth.

SMALLER TASKS, FASTER GROWTH

Focusing on a series of smaller tasks can lead to faster growth because they are easier to master.



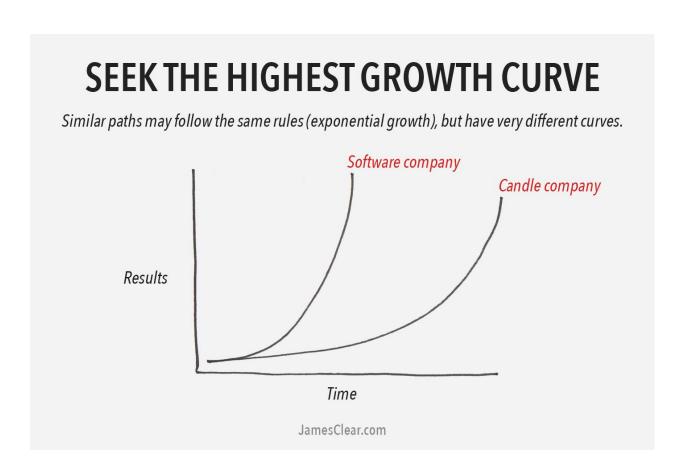
Dave Brailsford's aggregation of marginal gains is a great example of this. By improving every small task related to cycling by just 1 percent, Brailsford was able to guide his British cyclists to massive success. Mastering these small tasks led to incredibly fast growth.

OPTION 2

The second option is to play a different version of the game. More specifically, play the version of the game that has the highest growth curve. This strategy works especially well for tasks that experience exponential growth.

Take entrepreneurship, for example. You could build a candle shop. All of the statements about exponential growth hold true for a candle shop. Given enough time and a good product, you could eventually produce candles at scale, develop new product lines, and otherwise build assets that lead to exponential growth years later.

However, if you played a different version of the entrepreneurship game and started a software company, then you may reach the exponential growth threshold much faster. There are a variety of reasons for this: reduced overhead and manufacturing costs, faster industry growth overall, higher margins, and so on. The end result is that both companies have exponential growth curves, but one has a much steeper slope.



The Bottom Line

Most things in life have some type of growth curve and very rarely is that curve a straight line.

Understand the type of curve you are dealing with so that you can set your expectations appropriately. And if you aren't happy with the type of growth curve you're on, then start playing a game with a different curve.

Note: This article contains many of my own insights, but I want to make sure that all the credit for the two types of growth concept goes to my friend Scott Young. I am simply building upon his work.

Fast Growth is Overrated

We live in a world obsessed with what we do.

- What did you earn from your job last year?
- What place did your team finish in the standings?
- What trophy did you win? What award did you get? What measure of social status did you receive?

In moderation, this focus on what is fine. I like getting results just as much as the next person. I like performing well. I like being on top of my game. Achievement can be a good thing.

However, our obsessive focus on what we're winning can also blind us from understanding *how*, precisely, people become winners. If you focus too much on the finish line, you miss the strategy going on during the race.

As I continue to study top performers from all areas of life – athletes, artists, entrepreneurs, and more – I've begun to see similar patterns emerge among these people. Today, we're going to venture to the world of weightlifting to uncover one of these patterns.

The Incredible Success of Yuri Vardanyan

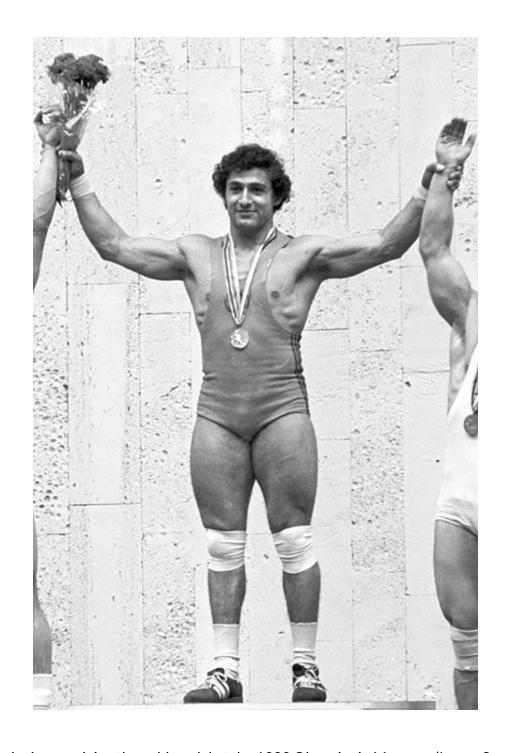
Yuri Vardanyan is widely considered one of the greatest olympic weightlifters of all-time. Throughout the 1970s and 1980s, Vardanyan routinely set world records in the sport and his run of success from 1977 to 1985 is stunning. [2]

Here are Vardanyan's results at the World Weightlifting Championships and the Olympic Games during that time span:

- 1977 World Championships Gold
- 1978 World Championships Gold
- 1979 World Championships Gold
- 1980 Olympics Gold
- 1981 World Championships Gold
- 1982 World Championships Silver
- 1983 World Championship Gold
- 1985 World Championship Gold

Now for the important question:

What methods did Vardanyan use to achieve such an incredible run of success? Are there any lessons we can learn from him and apply to our own lives?



Yuri Vardanian receiving the gold medal at the 1980 Olympics in Moscow. (Image Source: RIA Novosti Archive.)

Volume Before Intensity

In 1992, after his own weightlifting career had finished, Yuri moved his family to the United States. His son, Norik Vardanian, began to make a name for himself in weightlifting a few years later.

Today, Norik is the number one ranked weightlifter in the United States and is hoping to qualify for his second Olympic Games in 2016. Recently, Norik posted a training video (here) of a successful attempt to set a new personal record on front squat as his dad watched on, coaching him.

Here's what he said:

200 kg (440 lbs) PR front squat for 5 reps. These are the only types of PR's my dad allows me to attempt... reps. He is not a big fan of 1RM in training. He had told me years ago that his best front squat workout was when he did 200kg for 5 reps.

Pause for a moment and consider how this training approach differs from that of most people in the gym (and in many other areas of life as well).

If the best training method for an Olympian is to focus on doing a volume of work and mastering repetition after repetition, why would it make sense for you or I to train by lifting a maximum amount of weight possible? And yet, this is often a trap we fall into.

The problem with the "Go Big or Go Home" philosophy is that when you don't have the underlying foundation of strength to handle the intensity of the effort, you're just setting yourself up for failure.

This is why I believe you should focus on volume before intensity.

Fast Growth Is Overrated

So many of the problems I have run into as an entrepreneur, as a writer, and as an athlete have been because I have tried to grow too fast. I was so focused on getting a particular result that I ignored the fundamental habits that would have made my growth sustainable.

Fast growth forces you into a higher cost environment and if you don't have the systems and ability to handle those costs, you'll end up paying for it.

- When I tried to push myself to lift bigger weights in record time, my body got run down and injured.
- When I tried to force my business to the "next level" without knowing what I was getting into, I got stressed out and stepped on people's toes without meaning to.
- When I tried to push down the accelerator and double revenues, I fell flat on my face with a product launch and didn't have a system that could service customers properly.

Intense growth and intense effort are great — if you have the foundation to handle the intensity. This is why Yuri Vardanyan focuses on five-rep maxes. He's building the foundation.

<u>Put in your reps</u> and build the capacity to do the work. There will be time for maxing out later. First, build the foundation.

Do Things You Can Sustain

In 1996, Southwest Airlines was faced with an interesting problem.

During the previous decade, the airline company had methodically expanded from being a small regional carrier to one with a more national presence. And now, more than 100 cities were calling for Southwest to expand service to their location. At a time when many airline companies were losing money or going bankrupt, Southwest was overflowing with opportunity.

So what did they do?

Southwest turned down over 95% of the offers and began serving just 4 new locations in 1996. They left significant growth on the table.

Why would a business turn down so much opportunity? And more important, what can we learn from this story and put to use in our own lives?

What Is Your Upper Bound?

Starting in the 1970s, Southwest was the only airline company that made a profit for nearly 30 consecutive years. In his book <u>Great by Choice</u>, author Jim Collins claims that one of the secrets to Southwest's success was the willingness of company leaders to set an upper bound limit for growth.

Sure, Southwest executives wanted to grow the business each year. But they intentionally avoided growing too much. The company leaders chose a pace that they could sustain, so the business could grow while maintaining the culture and profitability. They set an upper bound limit for their growth.

This is an approach that can be applied to nearly any goal, business or otherwise. Most people, however, tend to do the opposite and focus only on the lower bound.

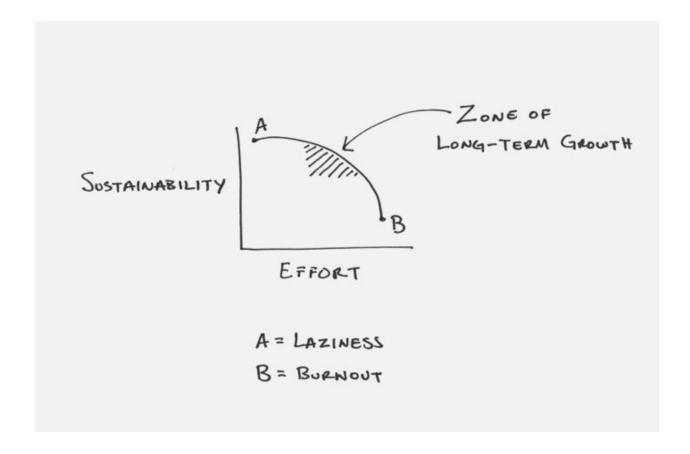
- An individual might say, "I want to lose at least 5 pounds this month."
- An entrepreneur might say, "I want to make at least 10 sales calls today."
- An artist might say, "I want to write at least 500 words today."
- A basketball player might say, "I want to make at least 50 free throws today."

We tend to focus only on the lower bound: the minimum threshold we want to hit. And the implicit assumption is, "Hey, if you can do more than the minimum, go for it."

But what would it look like if we added an upper bound to our goals and behaviors?

- "I want to lose at least 5 pounds this month, but not more than 10."
- "I want to make at least 10 sales calls today, but not more than 20."
- "I want to write at least 500 words today, but not more than 1,500."
- "I want to make at least 50 free throws today, but not more than 100."

A Safety Margin for Growth



In many areas of life, there is a magical zone of long-term growth: Pushing enough to make progress, but not so much that it is unsustainable.

Take, for example, weightlifting.

Over the past year, I have slowly added 5 pounds to my squat every few weeks. A year ago, I started with a weight that was too light: 200 lbs. for 5 sets of 5 reps. Last week, I did 300 lbs. for 5 sets of 5 reps. I never followed a magical program. I simply did the work and added 5 pounds every two weeks or so.

Sure, the lower limit was important. I had to keep adding weight in order to get stronger. But the

upper limit was just as critical. I had to grow slowly and methodically if I wanted to prevent

inflammation and injury. There were plenty of days when I could have added 10 pounds. Maybe

even 15 pounds. But if I aggressively pursued growth I would have quickly hit a plateau (or

worse, caused an injury).

Instead, I chose stay within a safety margin of growth and avoided going too fast. I wanted every

set to feel easy.

The power of setting an upper limit is that it becomes easier for you to sustain your progress.

And the power of sustaining your progress is that you end up blowing away everyone who

chased success as quickly as possible.

Put another way: Average speed wins.

Do Things You Can Sustain

There is a very simple way to put this idea into practice: Let upper bound limits drive your

behaviors in the beginning and then slowly increase your output.

Say you want to start working out. Most people would focus on the lower limit and say, "I have

to start exercising for at least 45 minutes on Monday, Wednesday, and Friday."

Instead, you could turn the problem upside down and say, "I am not allowed to exercise for

more than 5 minutes on Monday, Wednesday, and Friday.

By setting an incredibly easy upper limit, you make the process of getting started and sustaining your behavior much simpler. Once you establish the routine of doing your behavior over and over again, you can raise the limit as needed.

It is better to make small progress every day than to do as much as humanly possible in one day. Do things you can sustain.

Sources

- 1. Short term, long term by Seth Godin
- 2. Despite being the gold medal favorite, Yuri Vardanyan did not compete at the 1984 Summer Olympics in Los Angeles because the Soviet Union boycotted the Olympics along with 14 other countries.