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Bad to Worse... An Academic View of Heroic Management

The third in a series of An Executive Summary for Busy Managers.

Hopefully the third of our executive summaries will offer you as much if not more value for the time investment than our first two installments. I hope it also provides you with a clear and concise description that can help to make a positive impact on your organization. It's that time... grab a cup o' Joe, cause off we go.

One of our dedicated readers asked me to consider taking a look at *Good to Great* by Jim Collins. I agreed because I was not yet ready to delve into the world of Tom Peters. Wow, did I make a mistake. This book is like a black and white, Gutenberg enhanced depiction of a train wreck. Once you start, you just can't stop. Even though you feel horrible watching it unfold, you just can't tear yourself away in hope that the worst is behind you and things are going to turn out alright. Nope, the real world does not work that way and neither did this book.

Jim Collins is an academic through and through. This is pretty easy to tell from the inner flaps of the book cover, but in case you missed it, he lets you know throughout your heroic trek through his literary ode to Jim Collins and his immense capability to perform research. The first third of the book describes the research process that was employed to gather the data for the book. The middle of the book actually tries to impart some information that could be useful if you were awake long enough to synthesize the offering. The last 33% of the book describes how they obtained the information and then packaged it for your reading enjoyment. Somewhere in there was information that actually describes what makes up a Good to Great organization.

In summary, a Good to Great company is one that outperformed the general market three to one for a period of more than 15 years. Fifteen years was chosen because the time frame would span more than a single individual's tenure as CEO. It is pontificated that a Good to Great company has more to do with what and how than who. Certainly this is an excellent point. Any really good organization should have the underlying basics in place such that it should be able to survive a change in senior leadership. After all, isn't succession planning one of the key ingredients in any really good company? Jim Collins describes that one of the major findings of the research team was something they coined the "hedgehog concept". Had they called it the "Tortoise and Hare" it would have been too easy to recognize and understand and they would not have been able to make it to the National Bestseller list. The hedgehog concept describes how a cunning fox may try to devise many different ways to defeat the hedgehog over and over again, but when it comes down to the actual confrontation, the hedgehog simply rolls up into a little simple ball and fends off any assault the fox can aim at the hedgehog. Basically, have a core ideology that you can fall back on in tough times. Much like the concept that became all the rage in the 90's when companies looked to shed anything that was not deemed a "core business" because times were rough and there was no funding or Wall Street support for growth of external interests.

Another key element to be gained from Collins' book is the fact that it is more important to have good people than good strategy. Good people can develop good strategy; however, good strategy without the people is just a waste of breath. Jeff Coleman, the founder of the company of my previous employ, had a simple list of rules to follow. One of those rules was, "The most important thing a manager does is people picking". Jeff passed away long before Mr. Collins penned *Good to Great* but it seems like

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this simple idea has stood the test of time. By picking who is going to be on the bus before deciding on where the bus is going, you have a much better chance of reaching your eventual destination.

Just to add insult to injury, I had to see if Mr. Collins had any other management tomes. It turns out that there is a predecessor to *Good to Great* titled *Built to Last*. Apparently, *Built to Last* was also on the Bestseller list. I guess that is why it also is broken into the same three general parts. Mr. Collins developed his own hedgehog concept... bore your readers to death, tell them something useful while they are not paying attention and then bore them back into a stupor so they don't have the brain activity to question what you told them.

Built to Last was another multi-year research project that would only consider companies with a history of greater than 50 years. Another interesting discussion is how the Built to Last companies are very "cult-like" (His words, not mine). These companies have indoctrination sessions with new employees. The Nordies (Nordstrom employees) actually are required to write little notes of encouragement and chant the affirmations to themselves about how they will succeed in their sales goals. They also are encouraged to smile and will get "written up" if they are caught frowning by a "secret shopper". IBM'ers were required to sing IBM songs out of the "IBM Songbook" while they attended indoctrination school that taught them how to dress and act. You may think that I am joking about this, but the Disney depiction was so vivid and disturbing you will have to read the book yourself to get the rest of the story.

All in all, the books by Mr. Collins take a very sterile and belabored approach to describing the passion required to develop, from the ground up, a lasting and successful organization. Much of the statistical analysis that was performed to rationalize the chosen companies in both books severely took away from the personal sacrifices that were made by many of the senior leaders of those organizations.

These books are by no means a "quick read." These are long, drawn out books that really only offer a historical view of how things were done. There is not too much philosophical discussion on how this could be applied today in order to make your organization more likely to succeed. There are however some very interesting anecdotes and tidbits about some of our major industrial players that may be of interest to some. One thing I learned was that Texas Instruments was actually founded as the first company to utilize reflection seismograph surveys to search for oil under the Texas landscape in the 1930's. Who knew? I always thought they came about the same time I had a TI-99 hooked up to a color TV and was learning to program in Basic with a tape recorder back-up...

Just my opinion and we all know what "they" say about opinions...

Thanks
JB

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