

(Book review by Martha Hall Findlay for Maclean's, MHF web site version, August 2009)

Good to Great: Why Some Companies Make the Leap...and Others Don't

By Jim Collins (co-author of Built to Last); 2001, HarperCollins

Jim Collins is an internationally renowned business strategy guru, and is a bestselling author of business strategy books.

My son Everett gave me this “*Good to Great*” book, knowing my interest in business—but he also thought that I’d recognize that many of the business principles outlined in the book could also apply to politics, political parties and, indeed, Canada. That’s how I read the book—with the applicability to politics, politicians, political parties and, ultimately, Canada, in mind. It proved to be a fascinating and very instructive read.

Mr. Collins and his research team identified and then studied a set of companies that made the leap to great results (GtoG) and sustained those results for at least 15 years, and they diligently compared them to a carefully selected set of “comparison” companies.

I can’t do the full book justice in these brief notes, so I encourage anyone interested in either business or political success to read the whole book. I try here only to summarize a few key points that really hit home for me—as a former business person, but now very much as a federal politician.

I have added into my notes the words **[party]** and **[Canada]** to encourage readers to think in those terms.

LEVEL 5 LEADERSHIP: The “great” companies were all led by individuals who showed the traits of what Collins calls “Level 5 Leadership”. One of the most surprising conclusions was that the GtoG companies were NOT led by people who were high-profile, with “big personalities” who made headlines and became celebrities—to a person, these individuals showed a mix of personal humility and professional will. They were ambitious, very much so, but ambitious first and foremost to the company **[party]** **[Canada]** not themselves. A “Level 5 Leader” is resolved to do whatever is needed to make his or her company **[party]** **[Canada]** great, no matter how big or hard the decisions. “Level 5 Leaders” very clearly understand that the company **[party]** **[Canada]** comes first....

FIRST WHO...THEN WHAT : Transformation in the GtoG companies began by “getting the right people on the bus, and getting the wrong people off, before figuring out how to drive it.” Efforts at determining strategy and vision were only effective AFTER the right people were brought on board. The “genius with a thousand helpers” model fails as soon as the “genius” leaves. Level 5 Leaders were rigorous in people decisions; they acted when they knew they needed a people change, and they put their best people on their biggest opportunities, not their biggest problems. GtoG management teams consisted of people who debated vigorously in search of the best answers, yet who then unified behind decisions. (Interestingly, no correlation was found between greatness and executive compensation.)

CONFRONT THE BRUTAL FACTS (YET NEVER LOSE FAITH): Moving to greatness requires an honest and diligent effort to determine the truth, the *real* truth, of the company's [*party's*] [*Canada's*] situation. This requires a culture where people are encouraged to speak and, importantly, can be heard.

THE HEDGEHOG CONCEPT: To me, this applies so much to the success of a political party and, indeed, to the success of Canada. It requires determining (i) what you are deeply passionate about; (ii) what you can be the best at (importantly, NOT what you WANT to be best at, rather what you CAN be best at); and (iii) determining what drives, in the case of a company, the "economic engine"—in the case of a political party, what drives voter and funder support. In the case of a country, the corresponding concept could be, perhaps, what makes us most proud of being Canadian. (A case in point: we might want to be a world power, but we can't be---what we CAN be, however, is a significant participant, diplomatically, on the world stage, out of proportion to our size—we can certainly strive to be the best at that, and we know that achieving that is something that makes Canadians very proud.)

A CULTURE OF DISCIPLINE: Sustained great results require a culture of self-discipline, and a group of self-disciplined people. And it is a discipline that involves first engaging in disciplined thought, and THEN taking disciplined action. This is NOT to be confused with one person who "disciplines" the rest—as Collins puts it, "when you have disciplined people, you don't need a bureaucracy." This ties, of course, to the idea of "First Who... Then What"--that you need, first and foremost, to get the right people "on the bus".

TECHNOLOGY ACCELERATORS: Interestingly, the GtoG companies never used technology as a panacea, as the "primary means of igniting a transformation." They were, however, often "pioneers in the application of *carefully selected* technologies." Key was the realization that technology was never a CAUSE of greatness---only as a source of well-selected TOOLS to more effectively implement the strategies otherwise decided on.

THE FLYWHEEL: Here I will simply quote from the book: "Those who launch revolutions, dramatic change programs, and wrenching restructurings will almost certainly fail to make the leap from good to great. No matter how dramatic the end result, the good-to-great transformations never happened in one fell swoop. There was no single defining action, no grand program, no one killer innovation, no solitary lucky break, no miracle moment. Rather, the process resembled relentlessly pushing a giant heavy flywheel in one direction, turn upon turn, building momentum until a point of breakthrough, and beyond." In other words, achieving greatness takes time and effort, applied consistently.

FROM GOOD TO GREAT TO BUILT TO LAST: The last chapter focuses on how to take a company [*party*] [*Canada*] with great one-time or temporary results, and turn it into something enduring. Collins is unequivocal: "To make that final shift requires core values and a purpose beyond just making money."

In that last sentence, replace "making money" with "getting votes"..... See what I mean?