



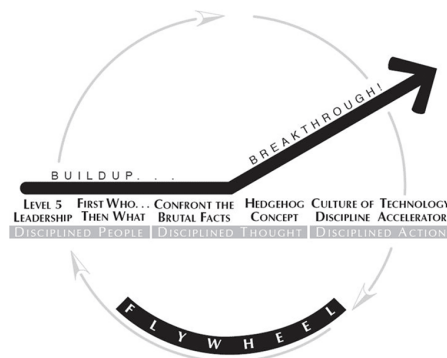
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Good to Great

Author: Jim Collins
Publisher: Penguin Random House
Year: 2001
Pages:300
ISBN: 9788 0712 67609 0
Language: English
Average Reading Time: 9 hours

In this book, Jim Collins is set out to differentiate between the good companies and great companies. The author explains how and why very few good companies are able to make the leap to excellence. Collins along with his research team identified 11 American Corporations that can be considered to be good-to-great examples. They studied the makeover process that each company went through to become great. This work is truly a masterpiece. Collins gives the idea of a flywheel at the core of a company that can take off a mediocre or good company from status-quo to great company.



Flywheel from Good to Great by Jim Collins

The book comprises nine chapters. This review aims to summarize the key points from all the chapters one by one.

In chapter 1, Good is the enemy of the Great, the author talks about what distinguishes good companies from the great companies. The author explains through examples why some companies are able to take the leap while others are not.

Chapter 2, Level 5 Leadership, author talks about the type of leadership required to turn a good company into a great one. Author goes on to explain some qualities of a great leader viz., self-effacing, quiet, reserved and shy with a conflicting mix of personal humility and professional will.

Chapter 3, First Who ... Then What, here the author explains the importance of having the right people on board and removing the wrong people, before setting the new vision and strategy. The author proves the old adage "People are your most important asset" wrong and changes it to "Right people are your most important asset." While good companies always start with the right vision, great companies always begin with the right people.

Chapter 4, Confront the Brutal Facts (Yet Never Lose Faith), author adds that every good-to-great company maintained the unwavering faith that they can and will prevail in the end, and at the same time had the discipline to confront the most brutal facts, whatever they were.

Chapter 5, The Hedgehog Concept (Simplicity within the Three Circles), the author explains that good companies are like fox, they pursue many objectives at the same time and see the world in its complexity. On the other hand, great companies are like hedgehogs, they simplify the world into a basic guiding principle and anything unconnected to this idea is irrelevant. The crux of this chapter is that just because something is your core business, just because you've been doing it for decades, does not mean that you can be the best at it. And if a company cannot be the best in the world at its core business, then the core business absolutely cannot form the basis of a great company.

Chapter 6, A Culture of Discipline, the author differentiates between discipline and a *culture of discipline*. Collins adds that good companies use discipline as a tool while great companies have a culture of discipline. This is why great companies do not need hierarchy, bureaucracy or excessive controls and over-supervision. Culture of discipline combined with an ethic of entrepreneurship leads to great performance.

Chapter 7, Technology Accelerators, the author says that good-to-great companies carefully select technologies. They understand that technology is not the end or primary means of igniting a transformation. Technology is not the primary root cause of either greatness or decline. It is the way you select and use technology that determines success.

Chapter 8, The Flywheel and the Doom Loop, here the author stresses that those who launch revolutions, dramatic change programs and restructurings certainly fail to make the leap from good to great. Rome was not built in a day. Great companies take time to build. There was no single defining action, no one killer innovation or single breakthrough that transformed a good company to a great company. Rather, every move was a stepping stone that led to the point of breakthrough.

Chapter 9, From Good to Great to Built to Last, *Good to Great* is about how to turn a good organization into a great organization that produces great results. *Built to Last* is about how a Great company can be turned into an enduring company of legendary stature. To make the final shift, core values and a higher purpose is required. This is also the title of the sequel to Good to Great.

This book is a must-read for anyone committed to leading a great organization. Collins is an excellent story-teller. The book is very engaging and is a walk-through of the observations, realizations, and findings of his research team over a period of five years. The author adds that great organizations have a domino effect on the lives of stakeholders as they are engaged in meaningful work with a higher purpose.