Good To Great

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Chapter ONE: Good is the enemy of great.

- Good is the enemy of great. One of the key reasons why we have so little that becomes great.
- We don't have great schools, principally because we have good schools.
- How do companies, with a long history of being nothing, transform into an enterprise that outperforms some of the best-led organizations in the world?
- The question is…Can a good company become a great company and, if so, how?
- Empirical deductions came directly from the data, a systemic process of contrasting the good-to great examples and always asking, "What's different?"
- Leadership
    - Celebrity leaders who come in from the outside negatively correlated with taking a company from good to great. Ten of eleven good-to-great CEO's came from inside the company.
    - No systematic pattern linking executive compensation to the process of going from good to great.
    - Strategy did not separate good-to-great companies from comparison companies. Both had well-defined strategies, there was no evidence that the good-to-great companies spent more time on long-range planning.
    - Good-to-Great companies did not focus on what to do to be great; focused equally on what *not* to do and what to *stop* doing.
    - Technology had nothing to do with igniting transformation from good to great. Technology can *accelerate* a transformation, but cannot *cause* a transformation.
    - Mergers did not affect the process; two big mediocrities joined together never make one great company.
    - Good-to-great companies paid scant attention to managing change, motivating people; under the right conditions, problems of commitment, alignment, motivation, and change melt away.
    - No name or tag line, launch event, or program to signify transformation; in retrospect it did become clear they produced a revolutionary leap in results, but *not* by a revolutionary process.
    - Greatness is not a function of circumstance; greatness is largely a matter of conscious choice.
- Good-to-Great companies experienced transformation as a process of buildup followed by breakthrough, broken into three broad stages: disciplined people, disciplined thought, and disciplined action.
- Level 5 Leadership—these leaders are self-effacing, quiet, reserved, even shy…blend of personal humility and professional will.
    - First Who…Then What—these leaders *first* got the right people on the bus, in the right seat, then figured out where to drive. "The RIGHT people are you most important asset."
    - Confront the Brutal Facts (yet never lose faith) - Every good-to-great company embraced the Stockdale Paradox: maintain unwavering faith that you can and will

prevail in the end, AND *at the same time* have the discipline to confront the brutal facts of your current reality.

- o The Hedgehog Concept (Simplicity within the Three Circles)- Just because your company has been doing something for years or decades, doesn't mean you can be the best in the world at it. If you cannot be the best in the world at your core business, then your core business cannot form basis of a great company.
- o A Culture of Discipline – All companies have culture, some have discipline, but few have a culture of discipline. When you combine a culture of discipline with an ethic of entrepreneurship, you get great performance.
- o Technology Acceleration—Technology is not the primary means of igniting transformation, they are pioneers in the application of *carefully selected* technologies.
- o The Flywheel and the Doom Loop—There are no successful revolutions; but rather the relentless pushing of a heavy flywheel in one direction, building momentum until a point of breakthrough.
- **The timeless principles of good to great—it's about how you take a good organization and turn it into one that produces sustained great results, using definition of results best applies to your organization.**

Chapter TWO: Level 5 Leadership

- Level 5 Leadership (page 20 diagram)
  - o Highly Capable Individual
  - o Contributing Team Member
  - o Competent Manager
  - o Effective Leader
  - o Level 5 Executive
- A fully developed Level 5 Leader embodies all five layers of the pyramid.
- Ambition is first and foremost for the institution, not themselves.
- Modest and willful, humble and fearless—Gillette overcame several takeovers.
- Fannie Mae? What about now? Setting up successors for success.
- Chrysler—Iacocca—wanted to be a celebrity CEO.
- Unwavering resolve—fanatically driven.
- Window and the Mirror—Luck versus bad luck.
- Professional Will versus Personal Humility.

Chapter THREE—First Who…Then What?

- Three simple truths:
  - o Who rather than what.
  - o Right people on the bus—the problem of how to motivate and manage people largely goes away.
  - o Wrong people—Greatness will never happen.
- Weak generals…strong lieutenants model—Wells Fargo vs. Bank of America
- A+ effort is expected.
- NO systematic pattern linking executive compensation to process of going good to great.
- Compensation—the purpose should not be to get the wrong people to do the right things but rather to get the right people on the bus in the first place…new teachers to field…erosion of teacher salaries.

- People are not the most important asset…the RIGHT people are!
- Rigorous, not ruthless—applying exacting standards at all times and at all levels.
- How to be rigorous:
  - Discipline #1: If in doubt, don't hire, keep looking.
  - Discipline #2: When you know you need to make a people change, act. Letting the wrong people hang around is unfair to the right people and it wastes valuable time (life) for the wrong people. Move people if necessary or allowable.
  - Discipline #3: Put your best people on your biggest opportunities, not your biggest problems. (Guilty of the opposite in education)
- Good to great management teams consist of people who debate vigorously in search of the best answers, yet who unify behind decision, regardless of parochial interests
- The right person has more to do with character and innate traits rather than qualifications!

Chapter FOUR—Confront the brutal facts (yet never lose faith)

- Change is inevitable, especially when society changes!
- Consider the changes in education: family structure, society demands, economic demands, world demands, technology, curriculum advancement…the list is endless.
- You will either change, adapt and continue to achieve, or you will eventually lag behind.
- Face reality! We must continually redefine the path to greatness.
- This is a culture that is very hostile to complacency.
- Creating a climate where the truth is heard:
  - Lead with questions, not answers.
  - Engage in dialogue and debate, not coercion.
  - Conduct autopsies without blame.
  - Build "red flag" mechanisms—
- Unwavering faith amid the brutal facts.
- Stockdale paradox—prisoner of war.

Chapter FIVE—Hedgehog Concept

- Fox knows many things—hedgehog knows one big thing
- Fox—pursue many ends at the same time—scattered or diffused
- Hedgehog—simplify a complex world into a single organizing idea.
- Three circles: What can you be the best at? What drives your engine? What are you deeply passionate about?
- The area where these three cross-over can be considered a hedgehog concept. Something you were born to do, something you are compensated adequately for, and something that you love to do.
- Consider what you can be best at AS WELL AS what you cannot be best at.
- It is not a goal to be the best at something…it's determining what you can the best at.

Chapter SIX—A Culture of Discipline

- Chart of page 122—ethic of entrepreneurship & Culture of discipline—What labels could we place on the matrix that would relate to education?
- Don't confuse a culture of discipline with a tyrannical disciplinarian.

- Freedom and responsibility is given within a system with clear constraints. Set expectations but allow for autonomy.
- Rinsing your cottage cheese! One more step to becoming great.
- Start a "stop doing" list—more important than a "to do" list.

Chapter SEVEN—Technology Accelerators

- Technology Accelerators in education—laptops, projectors, Promethean boards, other.
- What has the One-To-One initiative done for education in SD?
- How do we think differently about technology in Webster? Education?
- Application of carefully selected technology
- Page 150-151—examples of companies and technology use.
- What technologies will be relevant for our educational needs in Webster?
- No need to focus on technology—pay attention to it.
- Rather than allow technology drive your goals…have technology assist you in achieving your goals.

Chapter EIGHT—The Flywheel and the Doom Loop

- The flywheel continues to gain momentum. The result is only possible by the SUM of the rotations.
- The road is long and challenging, little attention by the media is given during the build-up process…evolving, developing, and growing.
- Typically a gradual revolution.
- Page 170-171—NO miracle moments
- The doom loop—redirecting constantly with goals can be restrictive in success.
- Learching back and forth…new programs, fanfare, etc…
- Mis-guided acquisitions—Roslyn?
- Page 183—How to tell if you are on a flywheel or a doom loop