

Turning A Good Business School To A Great Business School Using A Book Called From Good To Great

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ABSTRACT

Every school would like to be the best, but most schools or institutions lack the rudimentary know how. Hence, cannot figure out what they can do to be the best.

Purpose: The purpose of this research paper is to propose ways that can be used to make a good school into a great school. By understanding the basis and actions proposed by Collins in his book "Good to Great", any school can adopt approached and strategies that will ultimately make it great.

Methodology: Analyzing a book by Jim Collins called from Good to Great.

Paper type: Analytical and conceptual.

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INTRODUCTION

In *Good to Great*, Jim Collins (2002) explores what makes great companies great and how they sustain that greatness over time. Collins noted that great companies have always been great, while a vast majority of good companies remain just that; good, but not great. Somehow, some good companies has managed to turn their long-term weaknesses into major strengths. To distinguish between good and great companies, Collins uses stringent benchmarks. Notably, some of the benchmarks leave out some big companies such as Coca Cola, and General Electric.

The elaborate outline of Collins' book has attracted a lot of attention from institutions from different industries. This is because Collins does not focus solely on what good companies do to become great, there is also an emphasis on why more companies have not adopted the same things regularly. In a way, the book provides the steps that any organization can use to become great. In this instance, these steps will be used to propose ways that can be used to make a good school into a great school. By understanding the basis and actions proposed by Collins, the school will adopt approached and strategies that will ultimately make it great.

BENCHMARK TO GREATNESS

In order for the school to be considered great, there are four benchmarks it has to fulfil.

LONG-TERM SUCCESS

In *Good to Great*, one of the benchmarks for a great company is a cumulative stock returns at or below the general stock market for a period of fifteen years. There is then a transition point into cumulative returns of at least three times the stock market for the same duration of time. It is acceptable for the school to perform dismally, but there has to be a transition to high performance. This is so because the initial stages of an institution may be capital intensive (McHale, 2012). However, the management has to find a way to become highly profitable through good leadership (Greg, 2010).

INDEPENDENT OF INDUSTRY

The school has to demonstrate a good-to-great pattern independent of its industry. An entire industry can undergo considerable growth over a specific period. It can also experience decline. To eliminate the chances that the performance of the school is solely determined its industry, its accomplishments must be independent of its industry. In such an instance, the only viable explanation for great performance is individual brilliance. It is important to note that poor performance is part of success. In the process of becoming great, an entity has to shift from ordinary to exceptional performance (Archer, 2011). It should be verifiable that exceptional performance of the school is a result of its own doing.

DEMONSTRATE A PATTERN OF RESULTS

The path to greatness is determined by results. The school has to maintain detailed results of its performance for each period. Results help in determining the path that an establishment is taking. For instance, the stock market can be used to assess the performance of an entity as compared to previous periods, as well as compared to other entities. As a school, all the important variables have to be included in its performance of each period. It is important to compare this performance with that of the industry. However, the main objective is to compare individual performances with those of previous periods. There has to be an evident pattern of results for the school to be described as great (Archer, 2011).

COMPARISON WITH SIMILAR SCHOOLS

Greatness is relative. There are industries where great companies does not need to have massive revenues. However, there is the question of other players in the market. Good-to-great companies can be best identified where they are compared to other similar companies (Collins, 2002). The same applies to the school. It is important to identify the key variables in the industry for purposes of comparison. The performance of a school has to shift from ordinary to exceptional. Further, this exceptional performance has to be maintained over long periods of time.

GOOD TO GREATNESS

For most part, Collins studies the move from good to great companies. The book expound on this in depth. It summarizes the move from good-to-great into three stages;

Disciplined People

Disciplined Thought, and

Disciplined Action (Collins, 2002)

Each of these stages is broad, and necessitates the performance of various responsibilities. In this paper, the performance of the three stages of attaining greatness will be explored from the position of a learning institution.

DISCIPLINED PEOPLE

The first requirement of attaining greatness is having disciplined people. There are two main requisites under discipline people; leadership, and vision. Although the two are closely linked, the stance taken by Collins further deepens each to a separate identity.

LEADERSHIP

One of the most important aspects of an institution that will ultimately lead to great success is the type of leadership it adopts. The leaders in charge of an institution have a profound influence on the running of the entire establishment (O'Boyle, 2011). According to Collins (2002), it is imperative to ensure that the leaders in charge of a company are aware of its objectives, and are highly-capable of attaining them. Further, there are pivotal characteristics of leaders that allows or negates their capacity to attain greatness. The most capable leaders are referred to as Level-5 leaders. Level-5 leaders are those who

can combine utmost personal humility with deep professional will. Notably, there is a negative outcomes when leaders adopt celebrity status.

For a leader to be capable to make a company great; they have to possess a number of characteristics;

SET UP SUCCESSORS FOR SUCCESS

In order for an institution to be considered as great, their results have to be considered over an extended time period. Leaders in such an institution have to lead it with this in mind. Personal greatness does not necessarily amount to the greatness of an establishment. Leaders are required to set up their inheritors for success. Maintaining a trend of successful leaders is one of the key components of a great institution (O'Boyle, 2011).

BE MODEST

A Level-5 leader is expected to be compellingly modest. One of the most effective ways to be modest is to shun conceit, and opt for direct attention to others or to results attained within the organization. Such leaders do not focus on their own aspirations for greatness. They should exude an image of ordinary individuals producing extraordinary results.

UNWAVERING

Although great leaders are expected to be modest, and exude humility, they are also required to possess unwavering determination to achieve organizational objectives. It is important for those around such a leader to recognize that greatness is the only way a leader will go, and work together towards it.

It is important to note that there are five levels of leaders, starting with level-1 to level-5 (Collins, 2002). The distinction between all the levels is the level of expertise in leadership in various aptitudes. Level-5 is the highest level of leadership, and the only rank considered able to change the fortunes of a company towards greatness. This also applies within a learning institution. The top leadership has to exude characteristics that galvanize the institution, as well as set up it for future success. All through the process of good-to-great, the role of leaders is repeatedly emphasized.

VISION

Although closely linked to leadership, good-to-great companies need a compelling vision, strategy, or objectives that will gain employee commitment. However, this is not the first stage of seeking greatness. Many institutions make the mistake of coming up with compelling visions, and then hire employees to fulfil them. The appropriate course of action is quite opposite. Institutions should first focus on finding the right team for the job, and then develop a compelling vision for the organization. This particularly applies to the case of executives at the learning institution. Capable executives can successfully undertake challenges. The mistake that an institution may make is to take on a compelling

vision with inept executives (O'Boyle, 2011). It is therefore paramount for each establishment to prioritize finding competent executives.

Competent leaders understand three simple truths;

Hiring capable workers means that the organizations can adapt to a changing world

Prioritizing on acquiring competent leaders eliminate the problem of how to motivate and manage a workplace

Where an institution has inept workers, it will not become great (Collins, 2002)

There is hence an emphasis on acquiring great leaders. Where possible, an institution should also prioritize on highly skilled workers. One of the biggest challenges in trade is the ever-changing dynamics of a market. A market functions best where there is free trade, and this has increasingly been adopted by most authorities. Competent leaders are in a position to know that market trends change constantly, and that it is imperative to adapt to these changes (Allio, 2015). This requires them to plan ahead, and effectively execute change management.

Although organizations undergo various stages while in existence, it is challenging to maintain desirable progress. Employee motivation is a major part of attaining company success. However, effecting motivation also introduces new challenges. For employees to be adequately motivated, leaders have to perform various undertakings with minimal failure (Allio, 2015). The option of having competent executives eliminates the challenge to invest on motivation. Great leaders are motivated by the vision of the company. For this reason, among others, a company has to prioritize acquiring great leaders. Tasks such as developing the company's vision can be undertaken afterwards.

If a company has the wrong people, it does not matter whether it has a compelling strategy-it will not become a great company (Collins, 2002). Great vision without great people is irrelevant. This originates from the fact that it is easier to develop a great vision than it is to train great leaders. It is a long and expensive process to make a great leader. A company's vision is conjectural, and easily flexible. Some competent leaders may not be good matches in specific situations. It is difficult for institutions to find the best leaders for their functions.

DISCIPLINES THOUGHTS

After acquiring disciplined-people, it is important to enforce disciplined thought. Disciplined thoughts can be grouped into two major categories; confronting truths, and the hedgehog concept.

CONFRONTING TRUTHS

The idea to confront the brutal truth is rooted in the need to make the right decisions. The capacity for an institution to make the right decisions requires it to confront brutal facts within its environment. Where such facts are not already obvious, it is imperative to make them a priority. It is a primary task of any good company to create a

culture of having the truth apparent. With the aim to create such a culture, an institution has to;

LEAD WITH QUESTIONS, AND NOT ANSWERS

It is important for an institution to be passionate about its vision. However, it is important for it to do so in an effective way. Coming up with answers to questions, and then motivating people to adhere to the messianic vision is not effective. Further, it can be detrimental to the overall performance of the company (Watkins, 2006). Alternatively, asking the most important questions will lead to the best possible insights.

ENCOURAGE DIALOGUE AND DEBATE

Good-to-great companies are open to intense discussions, and progressive conflict. The emphasis on such discussions is based on the fact that it is not mere talk, but a way for people within an establishment to engage in the search for the best possible solutions.

CONDUCT AUTOPSIES

Good-to-great leaders must take a second look at decisions made within the institution. The objective of conducting these autopsies is to establish an understanding and learning environment supported by facts (Watkins, 2006). The success of attaining these objectives partly depends of avoiding the blame game. It is imperative for decisions that have been made previously to be stepping stones towards more favorable decisions in the future.

IDENTIFY IMPORTANT INFORMATION

Great leaders do not have an edge on access to information, rather, they opt to seek useful information. For most part, such information is not as leaders would opt to have it. Most is brutal, and can criticize actions or views held within the company. Good-to-great leaders have the competency to filter information, and use it to offer crucial insights to the institution.

THE HEDGEHOG CONCEPT

Collin's book depicts the hedgehog as an animal that simplifies complex tasks into a single concept that brings together all the important principles. The business environment constitutes of various complex aspects that entities have to figure out. This concept encourages leaders of an institution to identify all these aspects, and develop a simplified concept that unites and directs operations. All aspects that have no relevance to the central concept should be discarded. It is a concept solely aimed at winning by bringing all strengths together, and shunning irrelevant details. Good-to-great leaders are viewed as hedgehogs.

The hedgehog concept is based on three ideals;
What the institution can prosper at

What currently benefits them the most, and
What it is passionate about (Collins, 2002)

Every institution has specific competencies. These competencies are a major part of its performance. Maintaining and advancing these competencies allows such an institution to grow, and remain competitive. However, there is more to success than core competencies. Due to factors such as changing market preferences, and technology, possessing particular competencies does not guarantee success. It is imperative for a company to consider accessible opportunity, and where it can truly thrive. The hedgehog concept requires a business to acknowledge what it can be best at, and what it is likely to fail at.

The second principle in the hedgehog concept is that an institution has to be aware of where its revenues come from. Most establishments have various sources of revenues. It is important to identify the key source of all these revenues. It does not necessarily have to be a physical product. For instance, the economic engine for a school may be the expertise of its educators. Similarly, each institution has to identify its economic engine.

The final principle of this concept is identifying what the institution is passionate about. Good-to-great companies are very keen on what they are passionate about. Decisions are commonly made to invest on what each is deeply passionate about. Lack of passion can easily demotivate workers. Further, it is expensive to follow directions that workers are not interested in.

DISCIPLINED ACTION

Disciplined action is the third, and final stage of good-to-great companies after disciplined people and disciplined thought. Its main components are aimed at supporting the first two stages that establish the key components of success. After an institution has acquired competent leaders, and developed a compelling vision, the task of maintaining a productive workplace arises. Like in the case of the two previous stages, disciplined action can be categorized into two, and they are a culture of discipline, and use of technology accelerators.

A CULTURE OF DISCIPLINE

Good-to-great companies are in a position to maintain great results because they develop a culture of self-disciplined workers who undertake consistently disciplined actions. Many good companies remain as such because they continually sacrifice initial discipline in favor of more bureaucratic structures—hence missing out on the opportunity to become great. Collins (2002) cites the rise of bureaucratic structures as an indication of incompetence and lack of discipline within the organisation. It is hence crucial to invest in developing a culture of discipline.

One of the ways that a company can develop a culture of discipline is by creating an atmosphere of freedom, and responsibility. The good-to-great path has very clear constraints, but there is also a great sense of freedom and responsibility within the workplace. By acquiring self-disciplined people, a company can then focus on managing

the system they work in. the idea of average is not acceptable to most self-disciplined people, they are always seeking more in order to attain constant great results. They will go to extreme lengths to see to it that their responsibilities have been fulfilled within the constraints provided for in a disciplined workplace.

However, some may confuse discipline with tyranny. The first stage for good-to-great companies is to acquire competent workers. Competent workers do not need to be managed, and are well self-disciplined. Companies that discipline their personnel lack the skills and competencies to be great. It is also imperative to keep the hedgehog concept in mind. The concept has three major principles that intersect at the most preferable situation.

TECHNOLOGY ACCELERATION

Technology has increasingly become a key component of companies. The specific role that technology plays within such a company is largely dependent on how it is utilized. Notably, it is essential to identify what type of technologies would work for a company, and which would not. Where technology is used appropriately, it becomes an accelerator of performance. However, an institution should avoid fads that repeatedly arise when new technology is unveiled. Each institution should focus on creating new technologies as opposed to using those that are availed from outside sources. The purpose of any form of technology utilized by a company has to be identified and continually monitored.

The key to technology acceleration is to identify the right technologies (Cottrell, 2011). Good-to-great companies are aware of what technologies are relevant to their progress. During the initial stages of a company, there are no outstanding technologies within the workplace because leaders have not identified the most effective tools. It is a gradual process to identifying the right technologies. The success of an institution at attaining this is for most part determined by the fulfilment of the previous stages. For instance, inept leaders may not be in a position to identify the most appropriate technologies for a company.

A common mistake made by many companies is the overreaction to new technology. Technology is always changing, and although it is important to keep tabs with these developments, companies should avoid overreacting to new technologies (Hazlett, 2015). Collins (2002) states that the way that a company reacts to new technology indicates its internal functions-greatness or mediocrity. Good-to-great companies react with consideration and innovation, motivated to turn unrealized potential into desirable outcomes.

SUMMARY

Good to Great by Jim Collins can be used by any aspiring institution to foster great results. The author uses empirical data to propose a three stage shift from good-to-great. Each of this stages contains a number of adequately-elaborated steps. The first stage requires the institution to acquire highly-skilled individuals. These leaders will influence the operations of the institution towards greatness. There are two main reasons for having

disciplined people; their dynamic skillset will provide great results, and they will require minimal supervision.

The second stage in the good-to-great process is disciplined thought. It is important to realize the position of the institution by confronting brutal facts. Further, this stage also requires the performance of the hedgehog-concept. It is an ideal that aims to present disciplined people with an informed stance on three key dimensions of the institution that can be used to attain greatness. The three dimensions emphasize that an institution should be aware of its economic engine, its competencies, and available opportunities. These three factors are critical to disciplined thought.

Disciplined-action is the third and last stage. It consists of establishing a culture of discipline within the institution, and the use of technology to accelerate results. As the results of an establishment have to be consistent, it is necessary for an institution to nurture a culture of discipline. In addition, technology is viewed as an accelerator to great results. However, the technologies that each institution adopts should consistently suit its operations.

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