

A Comparison of Good to Great by Jim Collins and QWLC Technology and Practices

Overview

As our library of literature increases, we feel that some authors relate so closely to our conceptual and practical framework that a comparison of works becomes worthwhile. Good to Great, written by Jim Collins, discusses several key concepts that closely tie into CapacityWare[™] Technology authored at QWLC. We have compared Collins' ideas with our Technology to add depth for our clients who may be interested in the parallel track of both works.

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The Comparison

A. Level 5 and the RGB Leader.

Collins and *QWLC* indicate that a strong leader is a prerequisite to any organization. However, a leader must have the right tendencies and traits in order to be a strong leader. Both Collins and *QWLC* have similar criteria that judge a successful leader. *QWLC* has detected that a Blue/Red Swing has emerged from the RGB WorkStyle Preference Inventory results that closely approximates these traits. Collins uses his Hierarchy to define the different Levels, and the qualities that a Level 5 Leader possesses. *QWLC* does not equate this typology to an evolutionary process as much as an inherent and developmental one (non-progressive in nature).

1. Level 5 Characteristics. Several trends Jim Collins discusses about Level 5 Leaders include their ability to place the company before their own personal gain. The company's success is more important than their own personal success. Level 5 Leaders are both "modest and willful, humble and fearless" (Collins, page 22). By focusing more on the company's success, it not only sets up future leaders to be successful, but the company being successful in the future as well. Their focus is on results, doing whatever it takes to make the company great, rather than personal profits. Furthermore, Collins believes that there aren't as many Level 5 Leaders because of the tendency that companies are inclined to choose the more flashy, celebrity-type leaders as opposed to the quiet and ambitious Level 5 Leaders.

2. Evolution? Collins suggests a Hierarchy of Levels that are focused on leaders. The first Level is called, "**Highly Capable Individual**," primarily defining an individual who has good working habits, and makes effective contributions through their personal knowledge, skills and abilities. Level 2 is called, "**Contributing Team Member**," which includes individuals contributing to the achievements of group objectives and is efficient at working in a group setting. Level 3 is called, "**Competent Manager**," who organizes both resources and people in the direction of predetermined objectives. Finally, the Level 4 Leader is called an, "**Effective Leader**," who promotes higher performance standards, and organizes commitment toward a clear and compelling vision of the company's success. Collins organizes these Levels in a hierarchy, yet doesn't explain if a Level 4 can be a Level 5 Leader. He has appropriately labeled Levels 1-4, and indicates how they can each progress to the next Level. However, being a Level 5 does not necessarily mean you have transitioned through all the lower Levels, nor does it mean that you can progress from Level 4 to a Level 5 Leader. It is suggested that Level 5 leaders are born, and not made. However, Collins believes that some people might have the capability to evolve into a Level 5, but only through training, and any number of experiences that could create a humble and strong-willed person.

3. Blue/Red Swing. RGB preference technology creates a three-color profile of an individual. When three or fewer points separate RGB WorkStyle Preference Inventory scores between two colors, the individual tends to swing between the tendencies of these color patterns, as appropriate to the situation. Greater than three points of separation indicates a stronger predisposition between the colors, and therefore a stronger preference. The Red/Blue Swing manifests in the Blue's concentration of long-term impacts and direct change in order to benefit

the organization and the Red's concentration on details that will make the long-term direction successful.

B. First Who *and* People of the UHS.

Both Collins and *QWLC* strongly believe that members of a workforce have the primary influence on the success (or failure) of that organization. Emphasis is strongly placed on workers and their ability to perform, how they react with other coworkers, and if they are striving toward the same goals as the company. However, the difference between Collins and *QWLC* is the approach. Collins approaches the situation with the mentality of a businessman: fix the problem with a long-lasting model for others to emulate. While *QWLC* approaches this situation with the means/process to fix the problem that will embed into the organizations culture and be sustained - transition an organizations leadership.

1. A Bus Ride. Collins uses the metaphor of a bus to explain his theory. First, you must get the right people on the bus, the wrong people off, the right people in the right seats and *then* decide where to drive it. With this mentality, the focus is not on who is involved in the process, but who are the right people. If you are to succeed, you must have the right staff to get it done. By getting the right people in the right seats, then you can drive your metaphorical bus to success.

2. People. *QWLC* has created a Unifying Human Systems Model that is used as a generic diagnostic tool for an organization undergoing a cultural realignment process. This model contains 10 sub-systems (one of which is People). If all 10 sub-systems are operating at ideal capacity, a balanced, healthy organization will result. However, they typically are not, which results in *QWLC* intervening and suggesting appropriate steps to get the organization on a higher capacity track, and also achieving a higher return on investment. The "People" category is concerned with the quantity of individuals required to adequately perform the necessary functions for a team or work group. The "People" category is also concerned with the natural attributes of each personality and the attributes of each culture that enables people to be successful.

C. Confront the Brutal Facts *and* Systemic Data – *CapacityWare*TM.

Both Collins and *QWLC* highlight the facts when it comes to changing any part of an organization. Collins states it quite cleverly by "Confronting the Brutal Facts." *QWLC* also confronts the brutal facts, but in a more, "ok now how do we change it," sort of way.

1. Confronting the Brutal Facts. Collins feels that you must start with an honest and meticulous effort to establish the truth of the situation. By once establishing these, "brutal facts," (because some facts aren't exactly pleasant to encounter) then you may proceed to make a decision based on these predetermining factors. Typically, the resolution to these situations is easier to find when you have confronted these brutal facts, and Collins states that you cannot make a series of good decisions if you do not approach these brutal facts first.

2. Faith. Collins believes that faith is the next step when confronting the brutal facts. Once you have determined the brutal facts, at the same time, “maintain an unwavering faith in the endgame, and a commitment to prevail as a great company despite the brutal facts.” (Collins, page 83) By this mentality of never giving up and having faith that because you have determined these brutal facts, you have an optimistic edge that will help pull you through the decision making process while confronting the brutal facts. The mentality must be to never give up, work until you reach your goals, and know that your goals are what will fix the brutal facts that have held you down.

3. Metrics. *QWLC* also has a system that measures problematic areas within a company. By implementing a baseline survey that identifies the initial concerns, *QWLC* can determine what and how the problems can be fixed. The 10-Stage system in the Organizational Change System clearly lays out the 10 Stages that *QWLC* and the organization completes in order for a change to occur (to remedy the problem). During Stage 6, the organization engages in a series of Coaching Labs in order to inform all change-agent-stakeholders of the results of the preliminary baseline survey. Once these results are discussed, *QWLC* and the organizational representatives discuss ways in which to plan for the changes to occur. In order to determine if these improvements are being achieved, Metrics (smaller surveys) are taken by the organizations members periodically until the problem has been solved. By using Metrics, organizations have a way to monitor their progress when trying to change the organization or when trying to fix a problem.

D. Hedgehog Concept *and* RGB with Realignment.

When comparing the Three Circles of the Hedgehog Concept to RGB principles, similarities become quite obvious. Not only do they each have three distinct groups, but they also overlap. You must have all three groups in order to have complete functionality.

1. Three Circles of the Hedgehog Concept. Collins three circles include: What you can be best in the world at, What drives your economic engine, and What you are deeply passionate about. The first category is to determine what is your, “God-given talent,” and possibly what you could do if you were to harness that talent and become the best in the world at that calling. The second category is to clarify what you can get paid well to do what you love. It is a common misconception that you don’t have to enjoy your work as long as you are compensated well. This category is trying to make you understand that you can get paid (and paid well) for doing something you love. The third category ties closely to the previous because it urges you to do work that you are passionate about. The idea that you look forward to going to work because you believe in what you are doing and end up throwing yourself into your work because of it.

2. RGB. Similar to the Three Circles of the Hedgehog concept, the Red, Green and Blue predispositions prove to have similar tendencies.

a. A Blue dominance indicates a high comfort level with change when conditions are apt to be ambiguous. A Blue will look for new and different ways to do things, and prefers an approach to change that provides for flexibility within a broad field of options. With this

mentality, it ties closely to Collins first circle. You can be best at what you do for all the colors; however this ties closer to the Blue predisposition because Blue's tend to comprehend and think of future possibilities of being the best. "A Hedgehog Concept is not a goal to be the best, a strategy to be the best, an intention to be the best, or a plan to be the best. It is an understanding concerning what you can be the best at. The distinction is absolutely crucial," Collins (page 98). The concept that Blue's can understand future possibilities better than both Greens and Reds gives them more connectivity with this circle.

b. Reds compare to Collins second group for the most obvious reason: the drive for money as a primary measure of success. Now this is not a stab at Reds, but it does relate to their strong drive for well-defined, structured outcomes. Reds tend to work efficiently, being task oriented – feeling more productive when they are doing rather than when they are planning to do. Red dominant people also prefer specific and measurable priorities supported by clearly defined short-term objectives. This becomes the clear definitive answer why the second circle relates most to Reds.

c. Finally, Greens relate mostly to the last circle because of their passionate nature manifesting in quality relationships. Greens tend to be catalysts for connections, they love to involve people and create comfort and good feelings. Greens require acknowledgement for participation and for helping to create improvements in harmony between members of a group working toward a common goal. By being passionate about the people involved in reaching a final goal, it allows a more cohesive work environment for which people feel passionate.

E. Culture of Discipline *and* Progress Accountability – *CapacityWare*TM.

Collins and *QWLC* both approach progress with the same mentality: discipline. Collins describes companies holding a, "Culture of Discipline," where, because certain disciplines are met, it can result in great accomplishments. *QWLC* also holds a "disciplined" oriented approach, however concentrating it more along the lines of being disciplined about the steps an organization takes to become successful or sustain success.

1. Disciplined Actions. Collins suggests that you need disciplined people, thought, and actions in order to create a company without hierarchical structures, bureaucracy, or excessive controls. "Most companies build their bureaucratic rules to manage the small percentage of wrong people on the bus, which in turn drives away the right people on the bus, which then increases the percentage of wrong people on the bus, which increases the need for bureaucracy to compensate for incompetence and lack of discipline, which then further drives the right people away, and so forth." (Collins, page 121)

2. Measure, Design, Do, Adjust. Total Quality Management was the first contemporary technology that implemented a process of actions for which change was implemented to solve a process-oriented problem at a company. *QWLC* has the "discipline" to follow the same actions in order to achieve the desired positive results when solving the problem. First, measuring the company's capacity, next determining factors appropriate to shift capacity to Ideal conditions, assessing if that condition is attained and stable, and adjusting next-steps accordingly by learning at every possible opportunity.

3. Activity Tracking. By tracking a company's activity level, *QWLC* is able to measure if the company is achieving its goals for fixing the problem(s). This is achieved during the 10-Stage system/cycle as mentioned above. Activity tracking combined with timely measurements is key in determining if a program is successful and efficient.

F. Technology Accelerators *and* Triage with the OCS.

Technology is an obvious asset to all companies. However, it can also be its downfall if used excessively or improperly. Both Collins and *QWLC* both agree that technology can be used for good and for evil; it is *how* you use the technology that will determine if you're successful. Human problems dealing with relationships, for example, should be resolved face-to-face before a computer program engaging e-mail is used to solve it. Some companies present communication problems between coworkers. A prime course of poor information flow is likely to be the lack of "likability" between people that work together. This situation is rarely solved electronically.

1. The Momentum of Technology: Accelerator, not Creator. Collins states that technology should never be the primary means of creating advancement. However, technology can be used as long as it is carefully selected so that it is not the primary means to implement change. It is helpful to use technology, but the most important factor is the right type of technology timed effectively.

2. 10-Stage System/Cycle – “Fix What’s Broken.” *QWLC* strongly discourages the use of technology in order to solve problems without having fully identified a systemic root cause, which is why the Organizational Change System was created. The Organizational Change System is the way *QWLC* identifies problems within companies by engaging appropriate software - *CapacityWare*TM to help find complex problem connectivity. By discovering the full magnitude of the root problems, *QWLC* is able to establish the appropriate ways to prioritize, sequence and fix the full array of issues identified. Even the most versatile leaders cannot (nor should they always) engage in solving every problem within their organizations. Their job, rather, is to provide the means to solve problems at appropriate levels by responsible and accountable stakeholders.