

Good to Great

and the Social Sectors:
Why Business Thinking is Not the Answer
(Collins)

Summary

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last update 19 Jul 2016

1-Defining Great: Calibrating Success without Business Metrics 1

2-Level 5 Leadership: Getting Things Done with a Diffuse Power Structure 1

3-First Who: Getting the Right People on the Bus within Social Sector Constraints 1

4-The Hedgehog Concept: Rethinking the Economic Engine without a Profit Motive 2

5-Turning the Flywheel: Building Momentum by Building the Brand 2

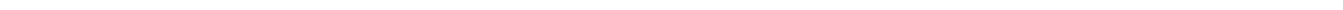
Good to Great and the Social Sectors: Why Business Thinking is Not the Answer

Jim Collins

This is a monograph to accompany the book “Good to Great.” The concepts and terminology in the monograph will make more sense if you first read that book. If you don’t have “Good to Great,” look in the back of the monograph for a quick summary “Good-to-Great Framework-Concept Summary.”

The thesis of the monograph is that **discipline is a principle of greatness** regardless of whether the organization is a business or a non-profit.

The monograph addresses five issues that social sector leaders often face.



1-Defining Great: Calibrating Success without Business Metrics

A great organization is one that delivers superior performance and makes a distinctive impact over a long period of time. For a social sector organization the key is how effectively the organization **delivers on its mission**.

A social sector leader's challenge is to rigorously assemble evidence (quantitative or qualitative) to track progress. There are no perfect measures.

1. Select a consistent, intelligent method of assessing output results.
2. Establish a baseline.
3. Assess progress.

2-Level 5 Leadership: Getting Things Done with a Diffuse Power Structure

Social sector leaders operate within complex governance and diffuse power structures. The traditional power structures are not effective.

There are other types of power available:

- Power of inclusion
- Power of language
- Power of shared interests
- Power of coalition

A Level 5 leader's combination of personal humility and professional will creates legitimacy and influence. Their dedication to the mission rather than personal gain is compelling. Their determination to make sure the right decisions happen for long-term greatness creates respect.

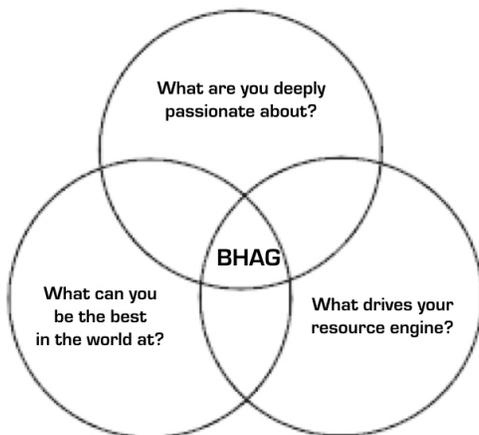
3-First Who: Getting the Right People on the Bus within Social Sector Constraints

How can you attract the right people when you are unable to offer them the best pay?

The social sectors have one advantage. Many people have a desperate craving for meaning in their lives.

If your organization can ignite people's passion and commitment, money will not be an insurmountable hurdle.

4-The Hedgehog Concept: Rethinking the Economic Engine without a Profit Motive



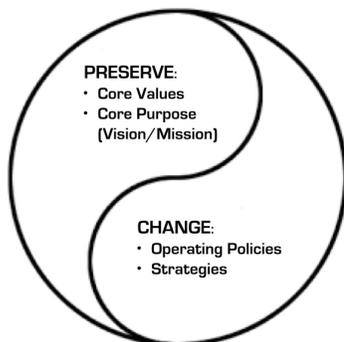
To explore what drives the resource engine of social sector organizations, consider:

- Time: How will you attract people willing to contribute their efforts for no pay?
- Money: How will your organization generate a sustained cash flow?
- Brand: How can your organization cultivate a deep well of emotional goodwill in your potential supporters?

The critical step is to determine how best to connect the three circles. How does focusing on what you can do best tie directly to your resource engine? How does your resource engine directly reinforce what you can do best? A great social sector organization must have the discipline to say, “No thanks” to resources that drive it away from the middle of the three circles.

5-Turning the Flywheel: Building Momentum by Building the Brand

Focus on building a great organization, not a single great program.



Your core values and fundamental purpose should never change. Your strategies should endlessly adapt to a changing world. You must be rigorously clear in what to do and what not to do.

A key in social sector organizations is **brand reputation** built upon tangible results and shared heart.

Your supporters must believe not only in your mission, but in your capacity to deliver on that mission.

Greatness is not a function of circumstance. Greatness is largely a matter of conscious choice and discipline.