

Jim Collins

Summary of all the concepts from Jim Collins' books and the associated 25 years of rigorous research with very helpful videos. Summary of the concepts are below. They're divided into three sections; Inputs, Outputs and Additional Concepts.

Link with descriptions and videos, if you want to know more - <https://www.jimcollins.com/concepts.html>

Inputs:

1. **Level 5 leadership** - Level 5 leaders are the most effective. They have a combination of humility and a hardworking nature.
2. **First who, then what** - Getting the right people on the bus should be done first, before you even know where you're headed.
3. **Genius of the 'AND'** - Knowing that you can use AND to explain that you can have a bit of both... for example: Profit AND Purpose, Continuity AND change, freedom AND responsibility, discipline AND creativity, humility AND will, empirical analysis AND decisive action.
4. **Confront the brutal facts** - Knowing that you can succeed regardless of the circumstances and confronting the facts of the situation you're in (situation could be analysed with PESTLE (Political, Economic, Social, Technological, Legal and Environmental))
5. **Hedgehog concept** - Uncover don't create an answer to the intersection of the three questions: (1) What are you passionate about. (2) What can you be the best in the world at? (3) What drives your economic engine.
6. **The flywheel** - Good to great transformations are iterative not big bang. It's hard to work out which action is attributable to success as there are so many.
7. **20 mile march** - Successful companies set a big target and then walk steadily and consistently over a long time to achieve it.
8. **Fire bullets then cannonballs** - Fire low cost, low risk, low distraction experiments to figure out what will work (bullets). Once you've worked out what will work, you can fire a cannonball at it. The ability to turn small proven ideas (bullets) into huge hits (Cannonballs) counts more than the sheer amount of pure innovation.
9. **Productive paranoia** - Companies can only learn from the mistakes they survive. It's therefore important to constantly think 'what if' to counteract any risks and be sure to survive any mistakes.
10. **Clock Building** - Time telling is where the leader is a genius with a thousand helpers. The Clock Building leaders build a clock that can tell the time even when I'm not here. Organisations with time tellers will fail when the 'genius' leads. Organisations with clock builders will survive and persist.
11. **Preserve the core / stimulate progress** - Successful organisations have a steady and timeless set of core values and purpose with a relentless drive for progress, change, improvement, innovation and renewal.
12. **10X Multiplier** - Successful companies turn good luck and bad luck into 10X benefits for themselves. Bill Gates wasn't the only person who had an idea of Microsoft but he doubled down harder than anyone to make that luck work. Tylenol capsules were found to be laced with cyanide and the CEO decided that out of this crisis, his firm (Johnson and Johnson) would emerge stronger and more trusted than ever.

Outputs - these don't need an explanation.

1. **Superior results**
2. **Distinctive Impact**
3. **Lasting Endurance**

Additional Concepts

1. **Stockdale Paradox** - Same as confront the brutal facts above.
2. **BHAG** - Bee Hag, Big Hairy Audacious Goal - Is Clear and compelling needing little explanation. The best BHAGs require both building for the long term AND exuding a relentless sense of urgency.
3. **Culture of Discipline** - A culture of greatness includes disciplined people who engage in disciplined thought and who take disciplined action, operating with freedom within a framework of responsibilities. A culture of discipline with an ethic of entrepreneurship creates success.

4. **SMaC Recipe** - Specific, Methodical and Consistent - is a recipe for turning strategic concepts into reality. A set of practices more enduring than tactics. Great companies change their SMaC no more than 20% per decade. Bringing the question, what is the right 20% to change.
5. **Five stages of decline** - Every institution is vulnerable to decline. The five stages are:
 1. **Hubris born of success** - people become arrogant, regarding success as an entitlement. To avoid this, concentrate on 'we're successful because we understand why we do things and under what conditions they no longer work' as opposed to 'we're successful because we do these specific things'
 2. **Undisciplined pursuit of more** - Losing discipline and seeking to move to making undisciplined leaps into areas where they cannot be great, growing faster than they can achieve with excellence, or both.
 3. **Denial of risk and peril** - results are still being achieved but there are indications of failures. These get explained away as 'temporary', 'cyclic' or 'not that bad' and 'nothing fundamentally wrong'. Companies discount negative data and amplify positive data. Those in power blame external factors.
 4. **Grasping for salvation** - Once identifying an issue, those who go for a 'quick fix' fail. Those who seek to go back to discipline and how success was achieved in the first place, can rectify the situation.
 5. **Capitulation of irrelevance or death** - Accumulated set backs and expensive false starts erode financial strength and individual spirit and create a 'hopeless' culture.
 1. With every stage 1 to 5, the correct answer is to go back to what created success in the first place; discipline and focus and all the concepts that have come before.