

Jim Collins, in his thought provoking book “***How the Mighty Fall***” gives a detailed account of why companies, which have enjoyed success for years, slide into decline and in some cases, go bankrupt. His research focuses on visible and subtle pre-fall indicators, and also sheds light on why and how some companies survive such a nosedive and bounce back to reclaim a significant position in the market and in society.

His research is encapsulated in five stages of fall which are:

1. Hubris born of success
2. Undisciplined pursuit of more
3. Denial of risk and peril
4. Grasping for salvation
5. Capitulation to irrelevance or death

What caught my eye was Collins' perspective on the ***undisciplined pursuit of more***. It revolves around the concepts of 'Growth' and 'Excellence'. While both are undeniably essential, their achievement depends entirely on 'Discipline'.

Both 'growth' and 'excellence' are usually taken as two sides of the same coin. Viewed independently, each reflects a different mindset, leading to different corporate philosophies and consequently, a variety of management approaches and team behaviors.

Growth is more about pursuing the big numbers found in balance sheets, diversity in product portfolio, brand escalation, market share etc. Such data looks positive, promising and speaks for a company's appreciation of creativity, innovation, ambition and competitive drive. Tragedies begin when passion for growth is replaced by undisciplined pursuit of more and more.

The author draws insightful comparisons between disciplined and undisciplined efforts for achieving growth, and showcases the most common and lethal ones:

- **Confusing Big with Great**

Companies often get carried away by big numbers and run for even bigger ones without developing a solid foundation. They pursue growth without consolidating their gains. Such a culture causes unnecessary pressure in the system and people which compromises consistent operational, strategic and tactical performance. This does not mean that a company should not aspire for more and better. Instead, what is needed is a better understanding of what it means to be 'Great', as compared to being 'Big'. 'Great' is a mindset which deals with the bigger picture complemented with operational and tactical excellence, whereas BIG is merely size and scale measured in numbers. Achieving greatness implies never settling for less, either in apparently trivial day-to-day operations or in determining a long term strategic view. The essence of excellence lies in the seamless execution of each and every initiative duly aligned to the overall vision and strategy of the business.

- **Slipping away from the core**

The drive for creativity and innovation is undoubtedly vital for both survival and success of any enterprise. Companies which are rigid and risk averse set themselves up for failure. The challenge is to make sense of two opposing demands – that of innovation & of preserving the core! Drifting away from the core weakens the organization's identity and key success factor and consequently level of employee engagement suffers. Diving into new waters without addressing some basic questions is a perilous path. Consider asking:

A - Is it a passion driven venture? Is this passion residing in an individual or is it shared by the entire organization?

B - What competitive advantage will this new venture result in?

C - Are the processes ready for the change?

To win in the long term requires not only our receptivity to change, but also our commitment to building sustainability.

- **Leveraging the Human Capital**

Going for growth at a whirlwind speed, often leads to compromises, particularly when the human factor is considered. Growth in size, not matched by growth in human capital in terms of competence, commitment and quantity, leads to a culture of mediocrity.

To actualize a dream into reality, key players at the helm of affairs must play their wholehearted part. They need to be fully prepared before embarking on a business expedition. A sound project without a balanced team in terms of skills and competence depletes team spirit and adversely impacts the project.

- **Smooth Succession of power**

Building a leadership pipeline and nurturing and steering talent in the right direction demands foresight, generosity of heart, professional competence and a strong sense of personal security.

History is replete with examples of people who excelled as individuals, but failed to develop successors. A leader's prime task is to craft a culture which yields leadership at every level on a continuing basis.

Charismatic and dominating personalities usually focus on personal accomplishments and overlook the process of smooth succession of power. As a result, a leadership vacuum is created. This is in stark contrast to a Level 5 leader, who prefers harnessing the team's potential and energy in right direction. Such a leader emphasizes development of high performing teams, rather than bask in personal accolades

In a nutshell, by adopting a mindset of excellence and greatness, we can achieve growth, which is both admirable and sustainable.
