# Successive differentiation questions and answers pdf

Ignore the content To prevent post-traumatic stress disorder, is it helpful to provide psychotherapy to all those who have been exposed to a significant trauma? Are you at a healthy weight? Try these two measurements instead of relying on a bathroom scale to let you know if you need to lose weight. If you need some to help you assess whether your weight is healthy, ignore the scale. Instead, try two. (If your numbers are higher than they should be, make sure you're following a healthy eating plan and getting regular exercise.) The size of your waist. Get a ruler of ice. A waistline that measures 34 1/2 inches or less for women or 40 inches or less for men is considered healthy. Anything higher can mean you're carrying around the kind of visceral belly fat that increases your odds for diabetes and heart disease. Percentage of your body fat. For this, you will have to see a doctor, clinic or fitness center that provides analysis of body fat. For women over 60 years of age, the ratio of healthy body fat is 24 to 35. For men, that's 18-25 percent. Plus: 19 Weight Loss Secrets From Around the World 15 Foods You Should Never Buy Back In an In-Depth Interview, we asked Collins about the impact of his research and ideas on the economy, the stock market, and the nature of executive leadership. The good-to-great company that you wrote about all the remarkable stock market results over a 15-year period. But today, the stock market fell. Does that mean we won't see any good-to-great companies today? First, I want to correct a big misconception. The stock market did not fall. What does the stock market look like compared to 1985? The stock market did not fall. What does it look like compared to 1990? The stock market did not fall. The market was irrationally out of whack – we didn't have a stock market; we had a 100%- earlier casino. The technology bubble is not a new economy - there is a new economy that has been going on for years on a deeper level. But the brutal reality is that the companies that headed the tech bubble have no results. You can't make a no profit and declare that you have results. In the event that companies have great results before the bubble bursts, they are in a period of decline, but so what? The bottom line for a company like Cisco is, we don't know the answer yet. It is possible that these companies are just in a very difficult period of 6-to-12 months. Let me use the same one. Let's say you have a great basketball dynasty like the UCLA Bruins under John Wooden. This is a team that will win 10 NCAA championships in 12 years. They are a team that goes from good to great. But in 1970, they lost three games. That means we're going to write them down and that they are not a great team? We have to look at a longer period of time. The same is true of companies that have been caught in bubbles. It was too short a period of time. It will take longer to tell which companies are in trouble now simply going through a temporary period and there will be resilience to return. But for a lot of entrepreneurs, the current slowdown is a sign of the collapse of the new economy. This is one of the best times in history. Two or three years ago, what was the big complaint we heard? It's hard to get good people! Whining, moaning, moaning! Today, we had the greatest opportunity we would have in decades to snag a boatload - not a busload, but a boatload - of great people. And big companies always start with those, not what. We can finally get to the right side of Packard's Law. Packard's Law is like a physical law for big companies. It says no company can become or remains great if it allows its revenue growth to exceed its growth in getting the right people in a sustainable way. It's one of those timeless facts that transcends technology and economics. Now, instead of trying to accumulate capital, we can accumulate people. If I were to run a company today, I would have a priority over all others: to get as many good people as I can. I'd give everything else if I could afford it - buildings, new projects, R&C D - to fill my bus. Because everything will come back. My bakery will start spinning. And the only major limitation in terms of growth and the success of my organization is not the market, not the technology, not the opportunity, not the stock market. If you want to be a great company, the only major limitation in terms of your ability to grow is the ability to get and cling to enough of the right people. It's also a great time to force yourself to look back. Once you've broken the Packard Act, you can let a lot of people get wrong on the bus. This is a good time to take them out. In fact, it's a little easier to do it now. We can blame the circumstances. What else would you do to take advantage of this reerated period? This is also a great time to ask yourself some really tough questions. In a time of ridiculous prosperity, where the market will give you money whether you delivered or not, a lot of companies have not answered any questions in three circles (What can we be the best in the world now? What is the best economic model that drives our economic enginess? And what are our core people deeply passionate?). They have no concept of what they can do better than any other company in the sustainable world, they don't have a profit deed and the only thing they have a passion for is flipping the company. Now we can no longer live in that fantasy land. We have to take a close look at all the things we're doing and put it all in the three-circle test. Any thing that does not test we must stop doing - today. I see many companies have found themselves with a lot of capital. So they wander into all sorts of acquisitions or new joint venture or new directions, simply because they can. But they do not necessarily fit in three circles. Today, the task is for them to trim away. People who Their three circles will come out of this just fine. People who don't deserve to die. CEOs today find themselves with little time to prove their worth. What advice do you have for a CEO in the hot seat? If I'm an CEO on the hot seat take over a company that I want to move from good to great, here's what I want to do. I want that good-to-great stock chart, and I want to put it in front of my director. I would say, We're on the left side of this curve. We want to be on the right side of the curve. If that's what we all want, we know what it's going to take to get it. You cannot continue lurching from CEO to CEO. If you do that, you'll find yourself in Doom Loop – and then we'll end up as one of the comparison companies, not one of the big companies. I don't think all directors are stupid. Most of them are smart, but they are operating out of ignorence rather than lacking good intentions. We need to hit them on the head with experimental results. Our job is to beat the market in a sustainable way over time. We need to think about the share price over a five-year period. And we need to start doing all the things it's going to do to get that spind waterc wheel. Finally, if I am ceo, I want the board to give me the following assurance: No matter how long or short my CEO term may be, whoever you choose as my successor needs to pick up that daut in the middle of the hour and keep pushing in a consistent direction. I can only get the spins at 16 RPMs. But my successor must take it to 100 RPMs. His successor must take it to 500 RPMs, and his successor is 1,000 RPMs. It's not about me as CEO – it's about a commitment to a suitable program. We're not going to do a Doom Loop.The CEOs who took their company from good to large were largely anonymous – a far cry from the famous CEOs we read about. Was it an accident? Or is it cause and effect? I believe it is a matter of cause and effect rather than an accident. There is something directly related between the absence of celebrity and the presence of good-to-great results. Why? First, when you have a celebrity, the company turns into a genius with 1,000 help people. It creates a sense that the whole thing is really about the CEO. And that leads to all sorts of problems - if the person goes away or if the person turns out not to be a genius after all. On a deeper level, we find that in order for leaders to create something great, their ambition must be for the greatness of work and company, not for themselves. That doesn't mean they don't have an i.m. It doesn't mean they don't have any self needs. It means that at the time of deciding after deciding point - at a critical time when Choice A will support their ego and Choice B will support the company and its work - time and again the leaders who choose the famous Choice B. CEO, at similar decision points, are more likely to support themselves and themselves than the company and the job. Like anonymous CEOs, most companies have from good to big is unheralded. What does that tell us? The truth is, most people don't work in the sexiest things in the world. They're doing real work – which means most of the time they're doing a heck of a lot of drudgery with just a few points of excitement. Some people are giving toast. Some are building retail stores. The real work of the economy is done by car-making people, real estate sellers who run grocery stores and banks. So one of the great findings of this study is that you can stay in a great company and do it in steel, in pharmacies, in grocery stores. It simply isn't the case that if you're not in Silicon Valley, you're not cool. It doesn't matter where you are. So no one has the right to whine about their company, their industry, or the type of business they're in – ever again. Are the 11 companies that made the switch benefited by their anonymity? One of the great advantages that these companies have, no one cares! Kroger began the transition; Nucor begins the transition; no one expected much. They can underpromise and overdeliver. In fact, if I took over a company and tried to make it go from good to great, I would tell my vice president of communications that his job was to make the whole world think we were constantly on the edge of doom. During our research, we actually printed out transcripts of ceo presentations for analysts of good-to-great companies and comparison companies. We read all those things. And it's striking. Good people to be great always talk about the challenges they're facing, the programs they're building, the things they're worried about. You go to comparison companies, they're constantly hyping themselves, they're selling in the future – but they never deliver results. If I'm not an executive, how do good-to-great lessons apply to me? The good concept to great is applied to any situation - as long as you can choose the people around you. That's what's important. But basically, we really do – we have a lot of decisions on people in our lives who we decide to let on our buses, whether it's in our department at work or in our personal lives. But the basic message is: Build your own daut. You can do it. You can start building momentum in something that you already have a responsibility to. You can build a great department. You can build a large church community. You can grab each one of the good ideas to great and apply them to your own work or your own life. What has your research taught you about change in business in general? Is it basically a message to go back to basics? Very rarely does significant change ever lead to results in a sustainable way. It's one of the book's really important findings. We started with 1,435 companies. And 11 companies did it. Let's look at that reality for a moment. The fact is, it doesn't happen very often. Why not? Because we don't know we're doing it! And because we don't know what we're doing, we launch into all sorts of things that don't produce results. We ended up like a primitive bunch dancing around the campfire chanting at the moon. What I feel strongly is that we need some science to understand what it really takes to change things. Does it return to the basics? No, it's forward to understanding. Why does it return to the basics to say that CEOs need to be ambitious for their companies and not for themselves? Why does it return to the basics to do those and who questions first and what and where the second question? Since when does it return to the basics for a company to start with a question like, Why are we sucked in 100 years, and what are the brutal events that we face? Why is it back to the basics to say that stopping making lists is more important than to-do lists? And since when did it return to the basics to say that technology is just an acceleration machine and not an author of anything? I don't think these concepts are back to basics. Because if so, we'll be able to go back in time and see that people have used those ideas. People didn't - that's why there were only 11 out of 1,435. So no, it doesn't go back to basics. It's forward to understanding. How do you assess the new economy? We've seen a lot of changes, and we've seen a lot of backlash against change. How do you make sense out of it all? The tremendous changes that are taking place around us make it the most exciting time in history to be alive. It's really interesting. All these changes - changes in technology, globalization - they are brutal events that must be integrated into any decisions we make. People at Walgreens didn't ignore the Internet because they just focused on the basics. They faced the brutal reality of the Internet and then asked, How does it fit into our three circles, and how can we use it to spin our bakery faster? You never ignore the changes - you hit them head-on like brutal events, or you come to them with a great sense of glee and excitement. This change, this new technology opens up a way for you to prevail, even better as a company. All good-to-great companies have changed and used them to their advantage, usually with great glee. When the new piano appeared, Mozart did not hang his music. You didn't say, There are new pianos! Harpsichord is out of the way, so I'm washing up as a composer! He thought, This is so cool! I can do it big with piano forte! This is really neat! He keeps great songwriting discipline and, at the same time, accepts with great glee and excitement proving the piano. With all the changes around us, we need to be like Mozart. We maintain a great discipline on our music, but at the same time, we embrace things that can allow us to make music even bigger. Alan M. Webber (awebber@fastcompany.com) is a founding editor of Fast Company. Jim Collins (jimcollins@aol.com) wrote the Essay Built to Flip in the March 2000 number of Fast Company. Company. new book, Good to Great: Why some companies make leaps and bounds... And others No, will be available in October. Oct.