



Institute for National Transformation

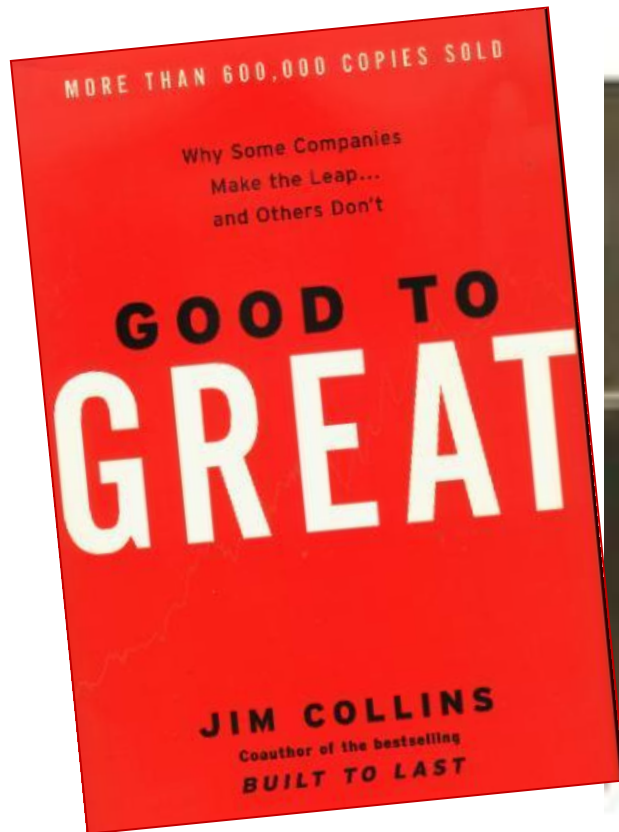
Lecture 9

The Good To Great Framework For National Development

Developing value-grounded, no-excuse leaders that will transform their organizations, communities and nations to greater levels of performance and achievement.



Good To Great – The Author



STANFORD
GRADUATE SCHOOL OF BUSINESS

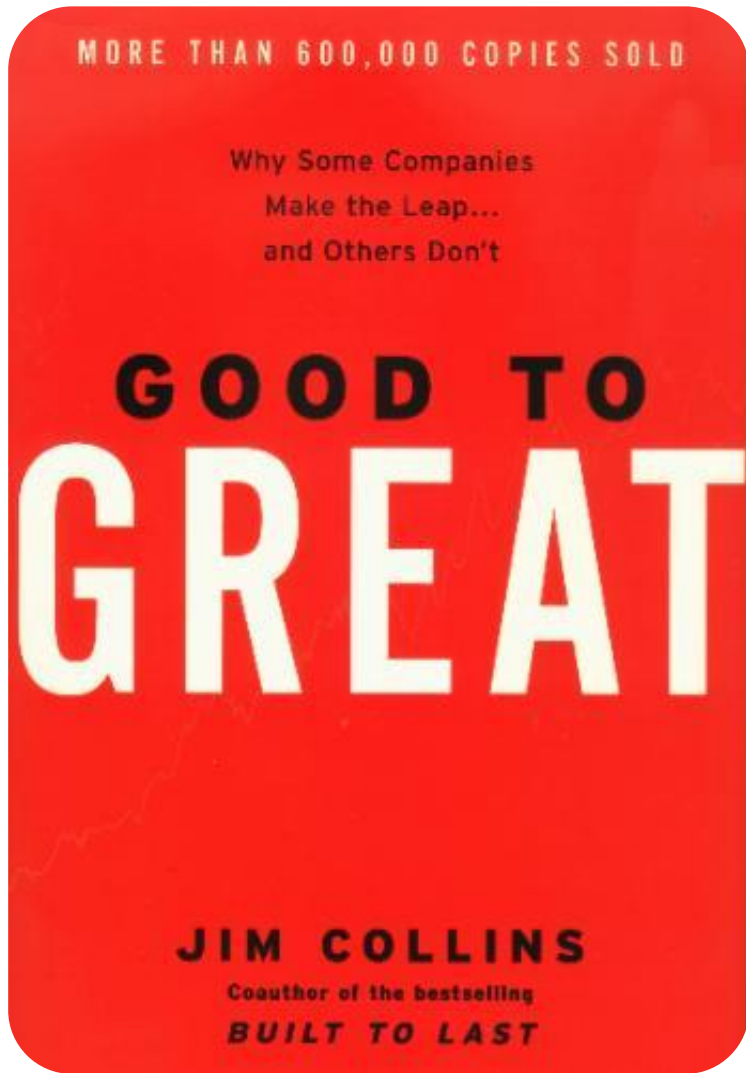


Objectives..

- 1) Introduce participants to the Good-to-Great Model - key features
- 2) Highlight – Contrast and compare the '***Level 4, Level 5***' leader concept
- 3) Explore (Challenge) the application of Good-to-Great principles in National Transformation (starting with ones own 'platform')



Good To Great – The Project



- Can a good company become a great company?
- *And if so, how?*
- Or is the disease of “Just being good” incurable?



Framework of the Study

1. Identified **Fortune 500 USA** companies that made the leap from good companies to great performance (3.5 times stock return than the market) and sustained for at least fifteen years;
2. Compared these companies to a carefully selected control group of companies that either failed to make or made but could not sustain the leap;
3. Carefully examined the two sets of companies to discover the **essential and distinguishing factors (principles)** at work in the transition from good-to-great companies.



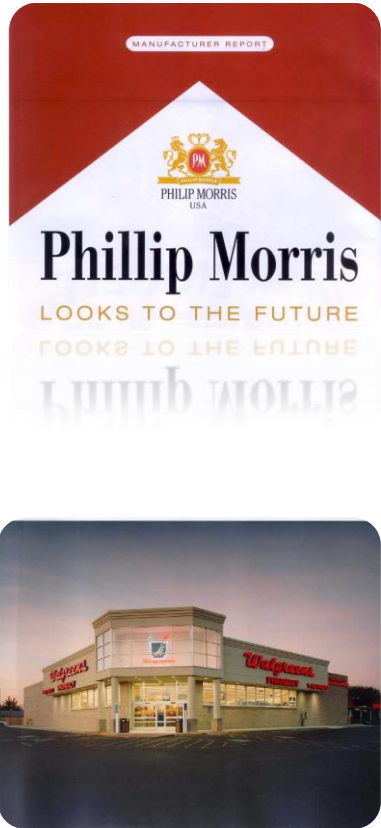
GOOD-TO-GREAT CASES



Company	Stock Result from T + 15 yrs	T – T+15
Abbott Laboratories	3.98 x market	1974-1989
Circuit City	18.50 x market	1982-1997
Fannie May	7.56 x market	1994-1999
Gillette Corporation	7.39 x market	1980-1995
Kimberly-Clark	3.42 x market	1972-1987
Kroger Food Company	4.17 x market	1973-1988



GOOD-TO-GREAT CASES



Company	Stock Result from T + 15 yrs	T – T+15
Nucor	5.16 x market	1975-1990
Philip Morris	7.06 x market	1964-1979
Pitney Bowes	7.16 x market	1973-1988
Walgreens	7.34 x market	1975-1990
Wells Fargo	3.99 x market	1983-1998



GOOD-TO-GREAT AND COMPARISONS





GOOD-TO-GREAT AND COMPARISONS



PHILIP MORRIS INTERNATIONAL

 Pitney Bowes

 **Walgreens**
The Pharmacy America Trusts

**WELLS
FARGO**

RJReynolds



**ADDRESSOGRAPH
BARTIZAN**

ECKERD
PHARMACY

Bank of America





Good to Great? Ugandan examples ..?

Great...	Comparison Companies?
MTN	CELTEL
Coca Cola	PEPSI
Centenary Bank	Cooperative Bank
Face Technologies	Passport Office/ NIRA
KCCA	KCC



Framework of the Study

How on earth did a **company** with such a long history of being nothing specially transform itself into an enterprise that out-perform some of the best-led organizations in the world?

And why were some **companies** able to make the leap from good-to-great while others in the same industry with the same opportunities and similar resources did not?

SOME ASTONISHING FINDINGS!

1. **Larger-than-life, celebrity leaders** who ride in from the outside are negatively correlated with taking a organization from good to great.
2. There were no systematic pattern linking specific forms of executive compensation package to the process of going from good to great.
3. **Strategy per se** did not separate the good-to-great companies from the comparison companies.





SOME ASTONISHING FINDINGS!

4. The good-to-great companies **did not focus principally on what to do to become great; they focused equally on what not to do and what to stop doing.**
5. **Technology and technology-driven change has virtually nothing to do with igniting a transformation.**
6. **Mergers and acquisitions play virtually no role. in igniting a transformation from good-to-great;**





SOME ASTONISHING FINDINGS!

7. The good-to-great companies **paid scant attention to managing change, motivating people, or creating alignment.** Under the right conditions, the problems of commitment, alignment, motivation, and change largely melt away - **disciplined culture.**
8. The good-to-great companies had **no name, tag line, launch event,** or program to signify their transformations.
9. The good-to-great companies **were not, by and large, in great industries, and some were in terrible industries.** In no case do we have companies that just happened to be sitting on the nose of a rocket when it took off - **no correlation to happenstance or serendipity**



Framework of the Study

Extrapolative Questions:

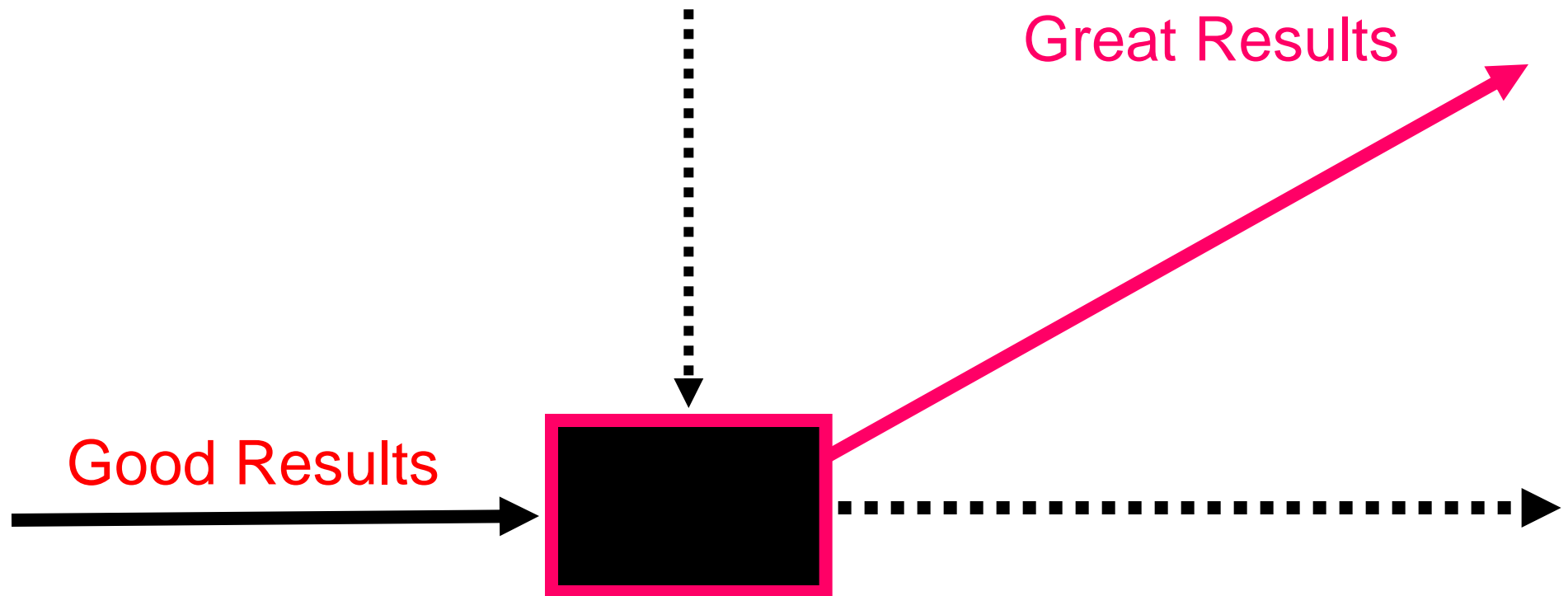
How on earth did RWANDA (KCCA, URA, DPP, NWSC) with such a long and difficult past transform herself into a continent with nations that out-perform some of the best-led nations in the world?

And why was RWANDA (KCCA, URA, DPP, NWSC) able to make the leap from good-to-great while other nations under similar circumstances, with the same opportunities and even better resources did not?



What's Inside The Box?

What happened In the black box?



Question addressed by developing theories through empirical deductions derived directly from the data and evidence.

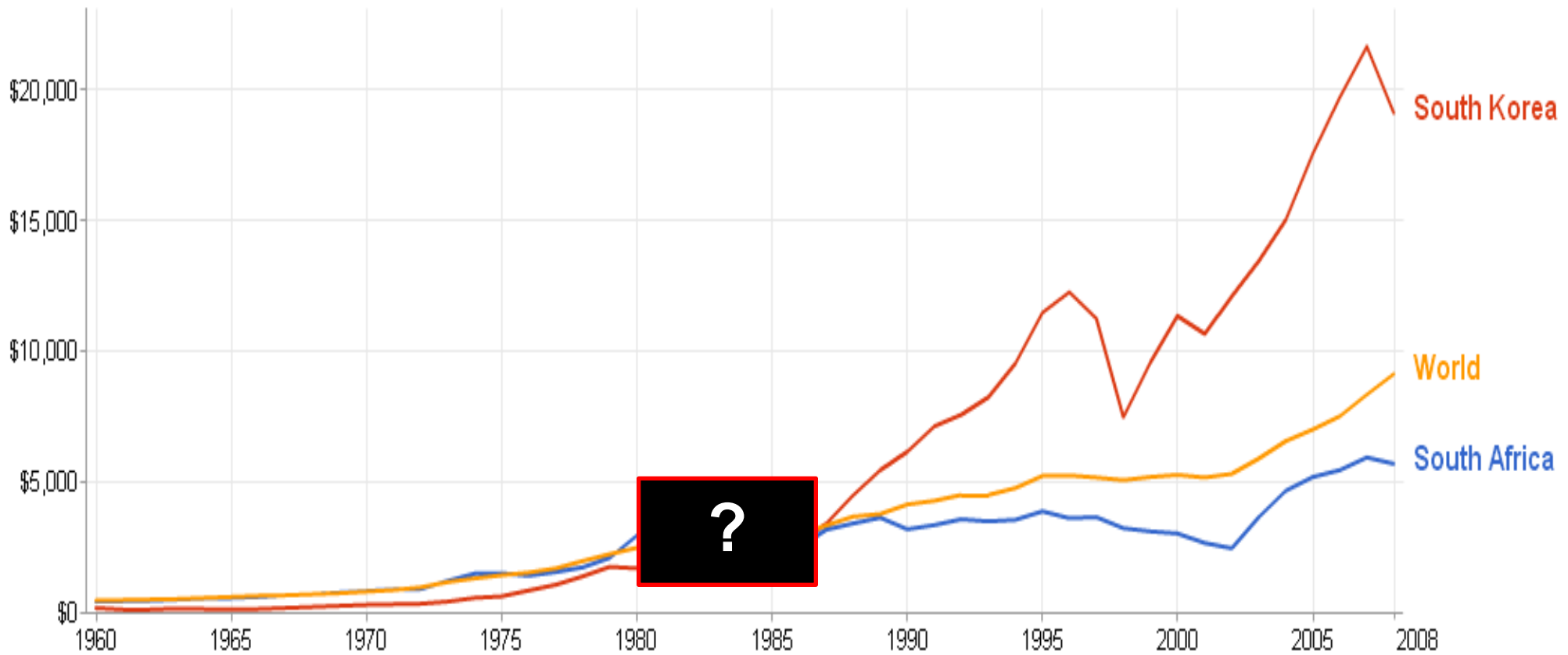


What's Inside The Box?

Nations.... too

GDP per capita at current prices

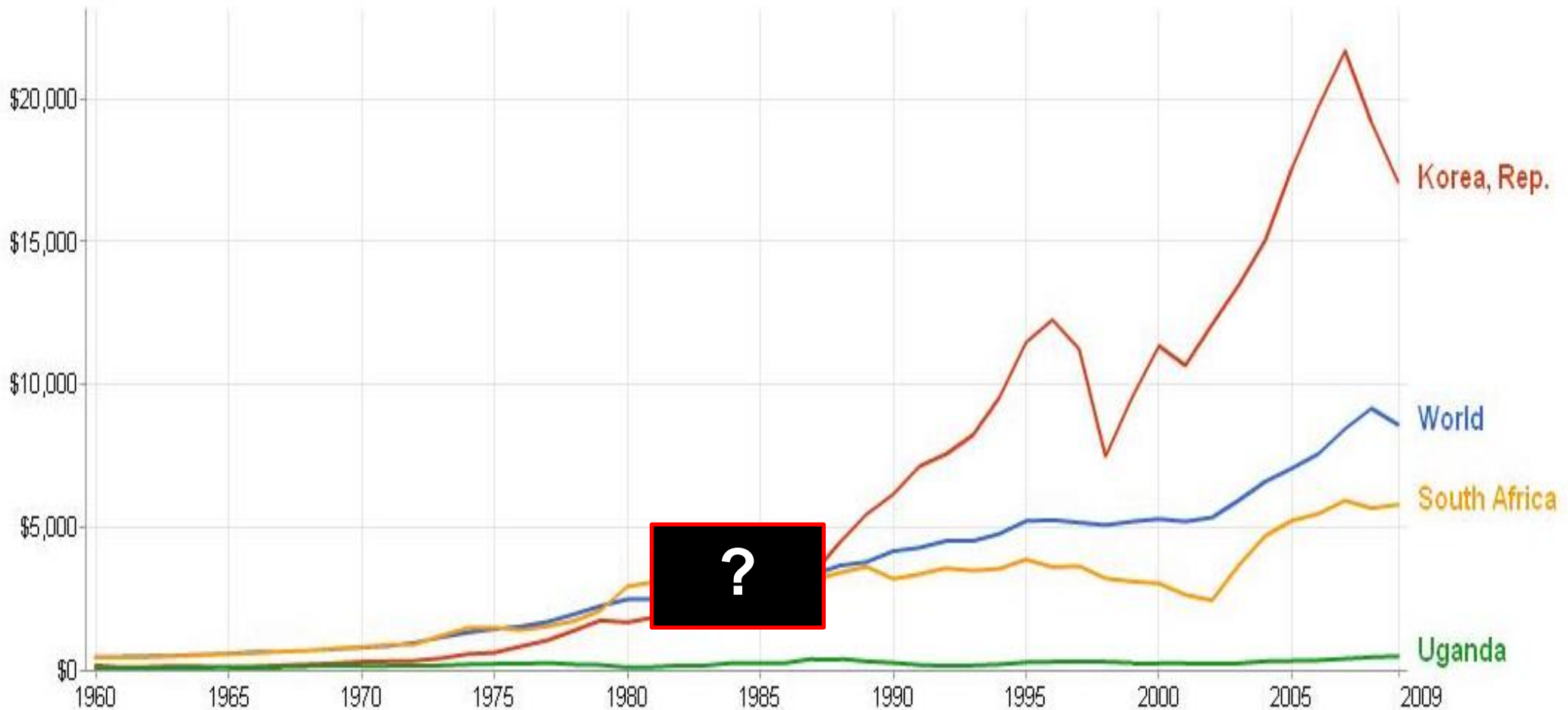
Gross Domestic Product per capita at current prices. Not adjusted for inflation and converted to US dollars applying market exchange rates. [More info »](#)





...and Uganda?

GDP per capita (current US\$)





Do You Agree?

**Greatness is not a function
of circumstances.
Greatness, it turns out, is
largely a matter of
conscious choice and effort.**

- Prof. Jim Collins



The Model

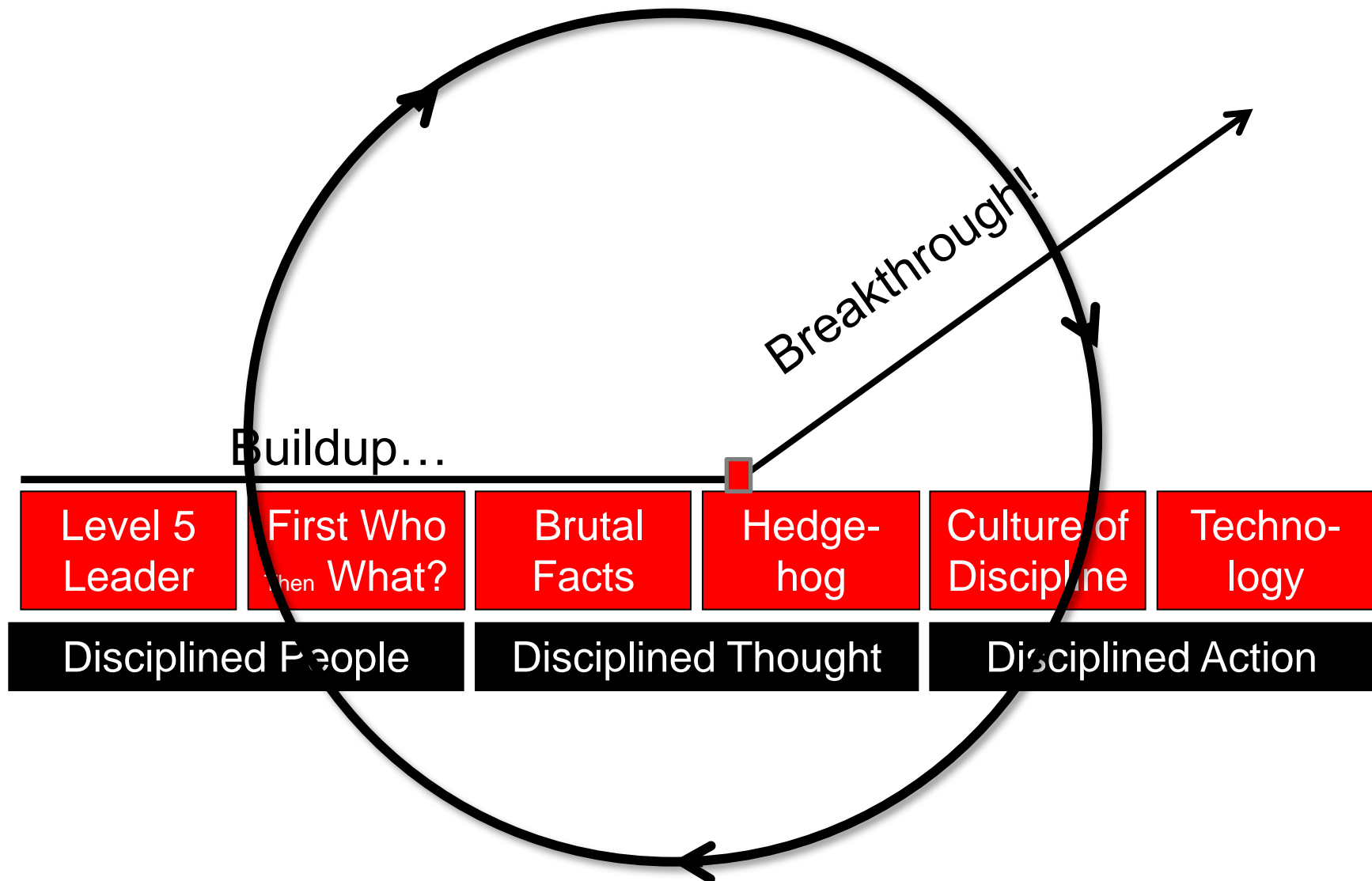
Key Features:

Part 1

- 1) The G2G framework**
- 2) Level 5 leadership**

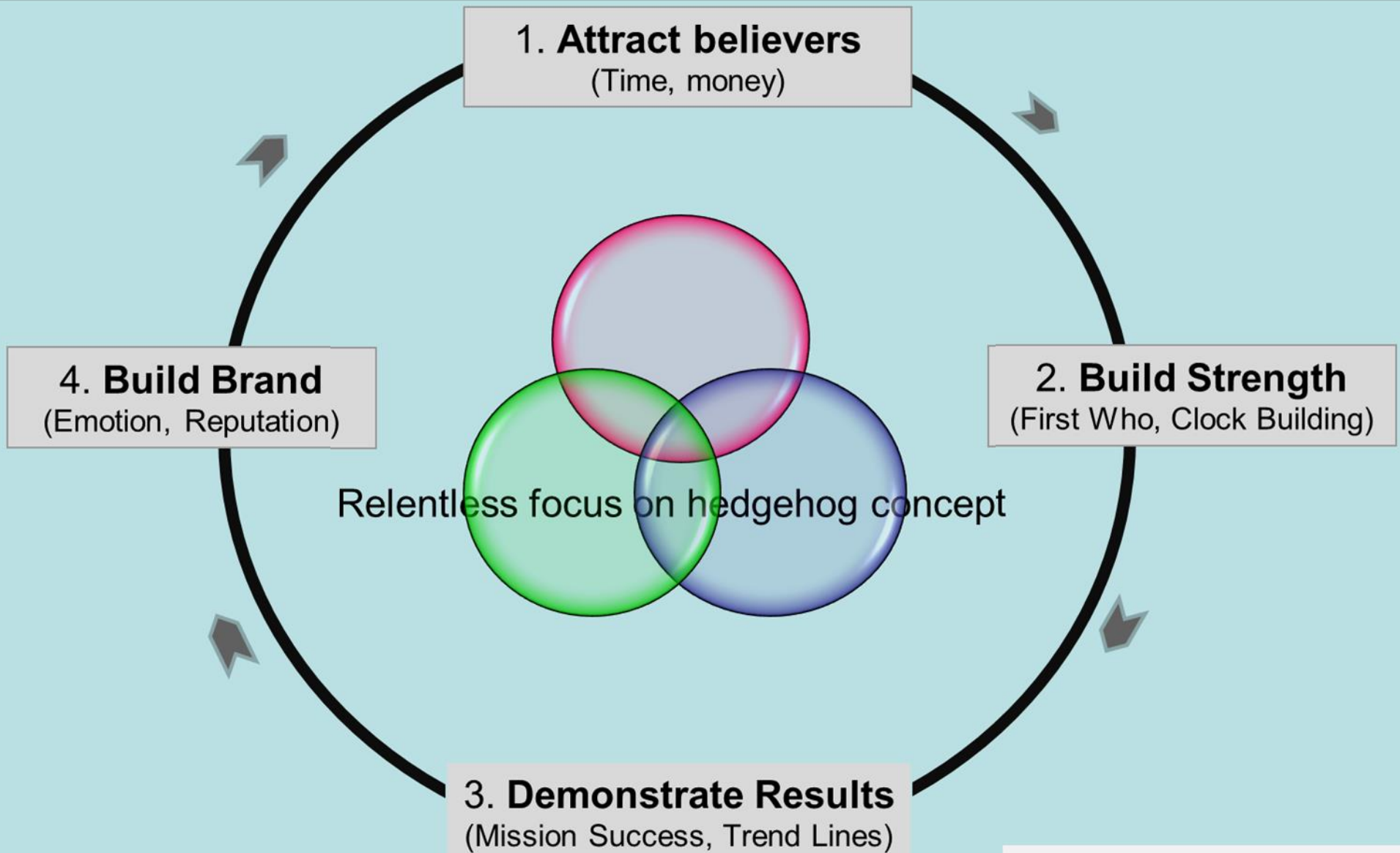


The Good To Great Framework





Flywheel... the big *Mo..*



...business /private sector

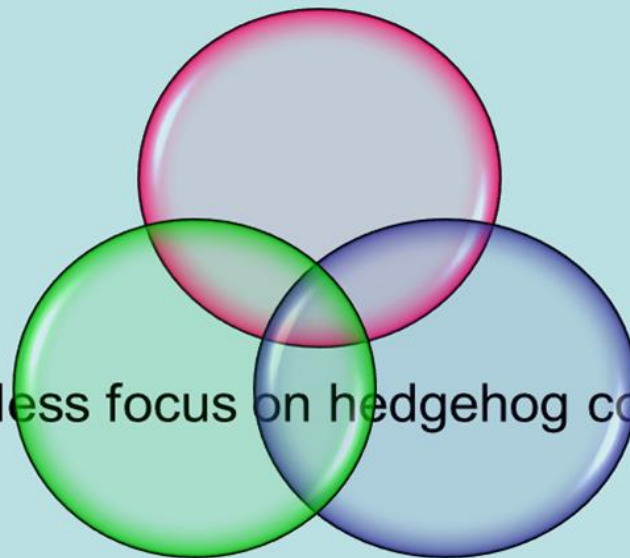
1. Steps forward, consistent with hedgehog concept

2. Accumulation of visible results

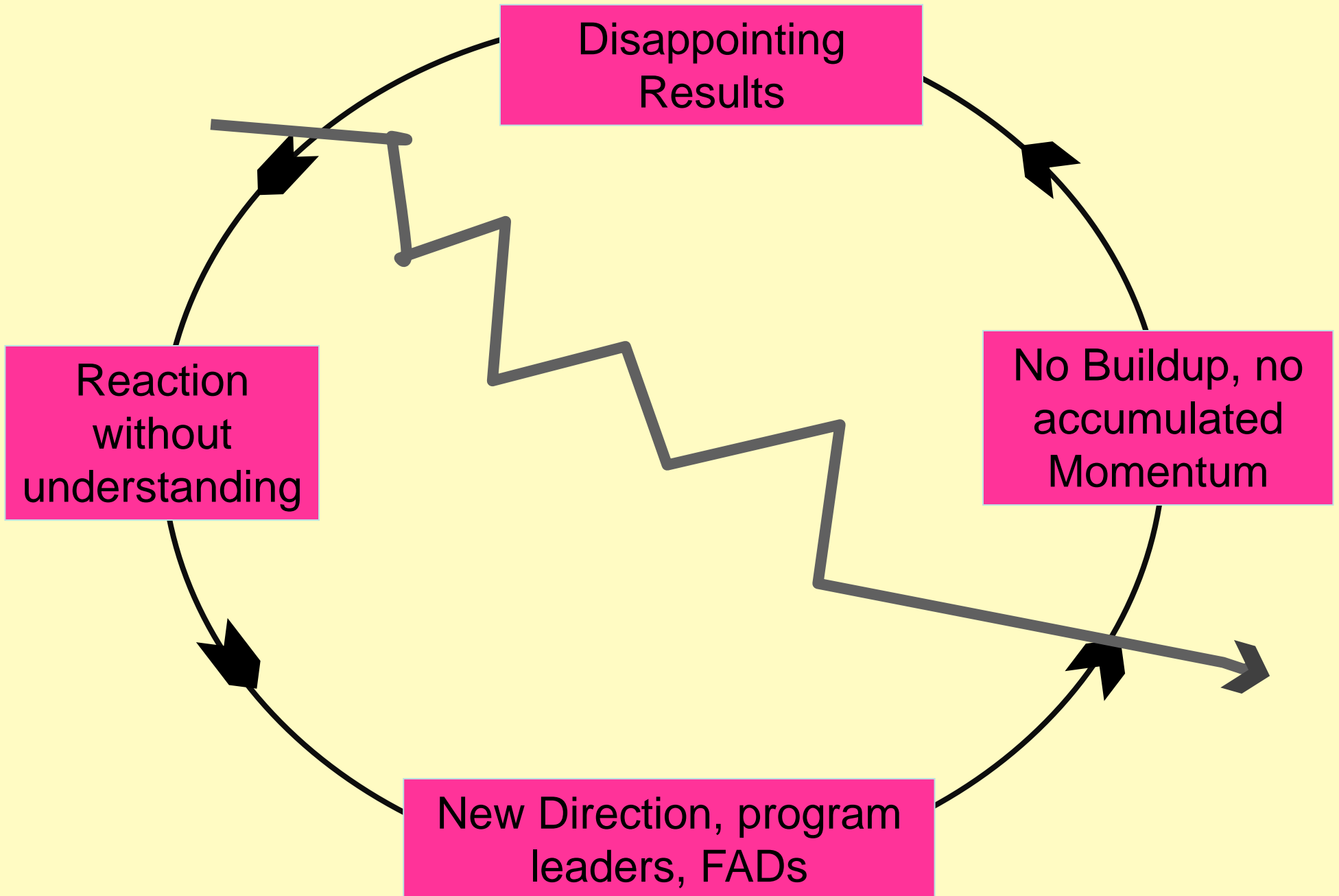
3. People line up, energized by results

4. Flywheel builds momentum

Relentless focus on hedgehog concept

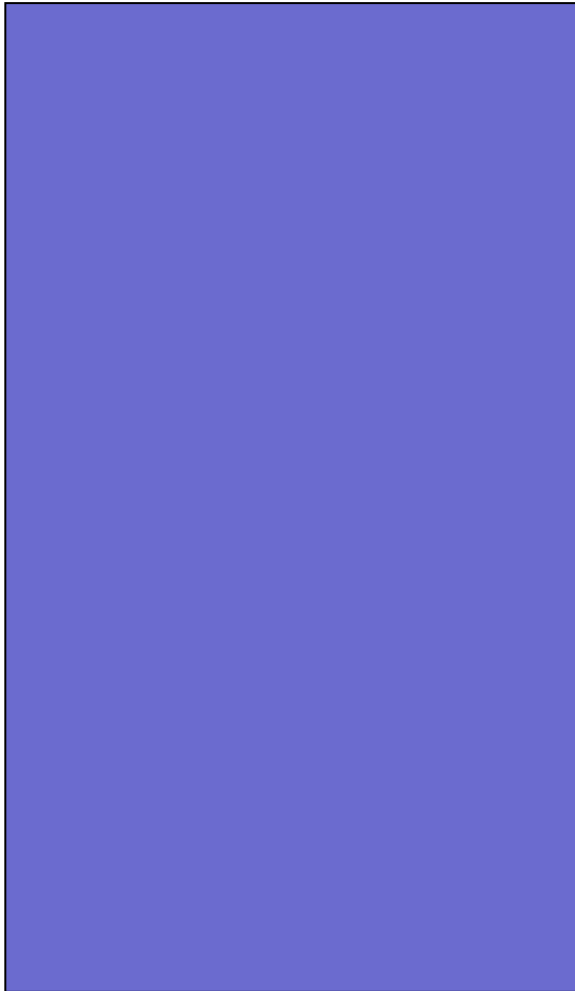


...or.. the Doom Loop





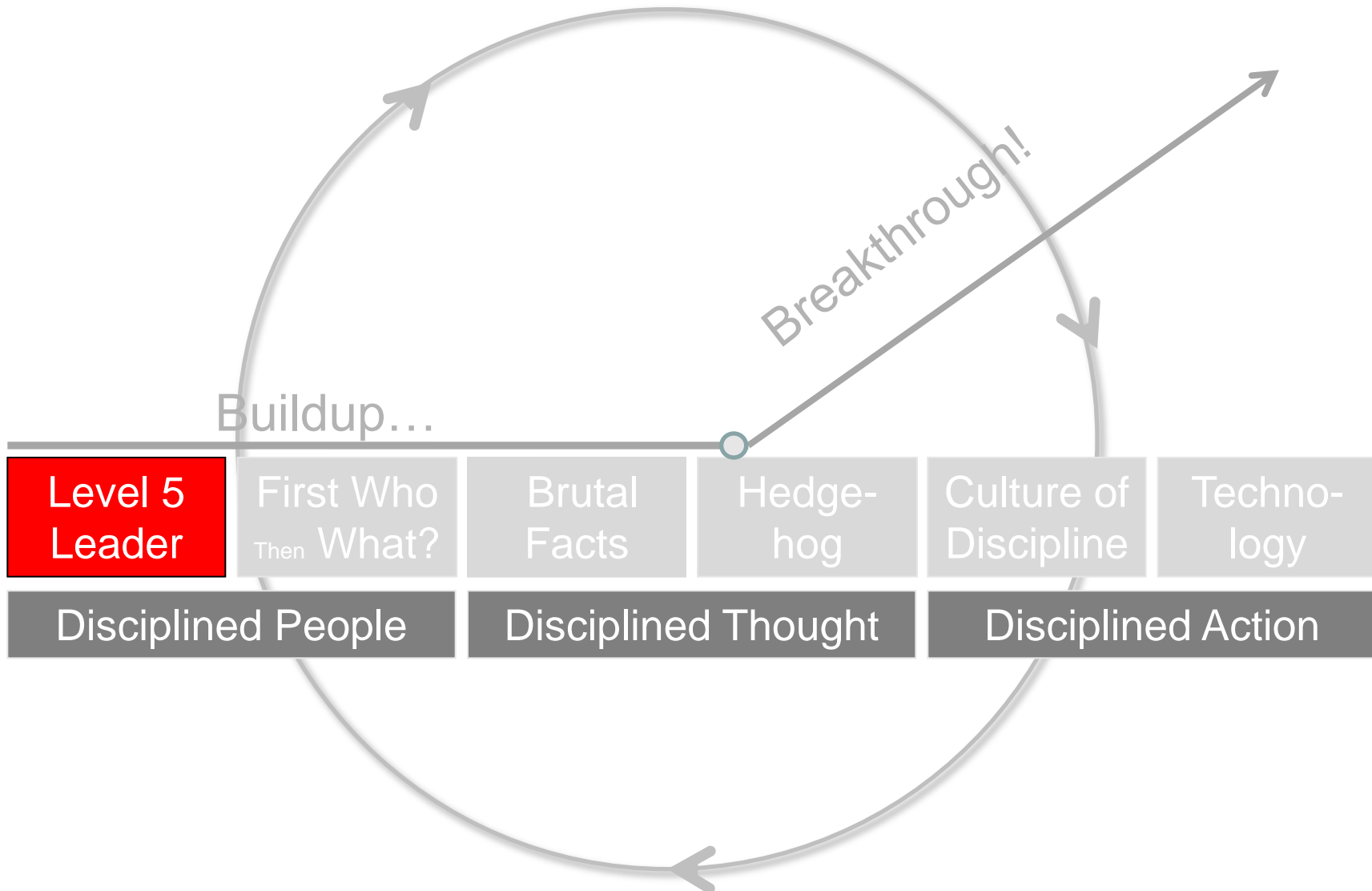
Disciplined People



*Level 5
Leadership*

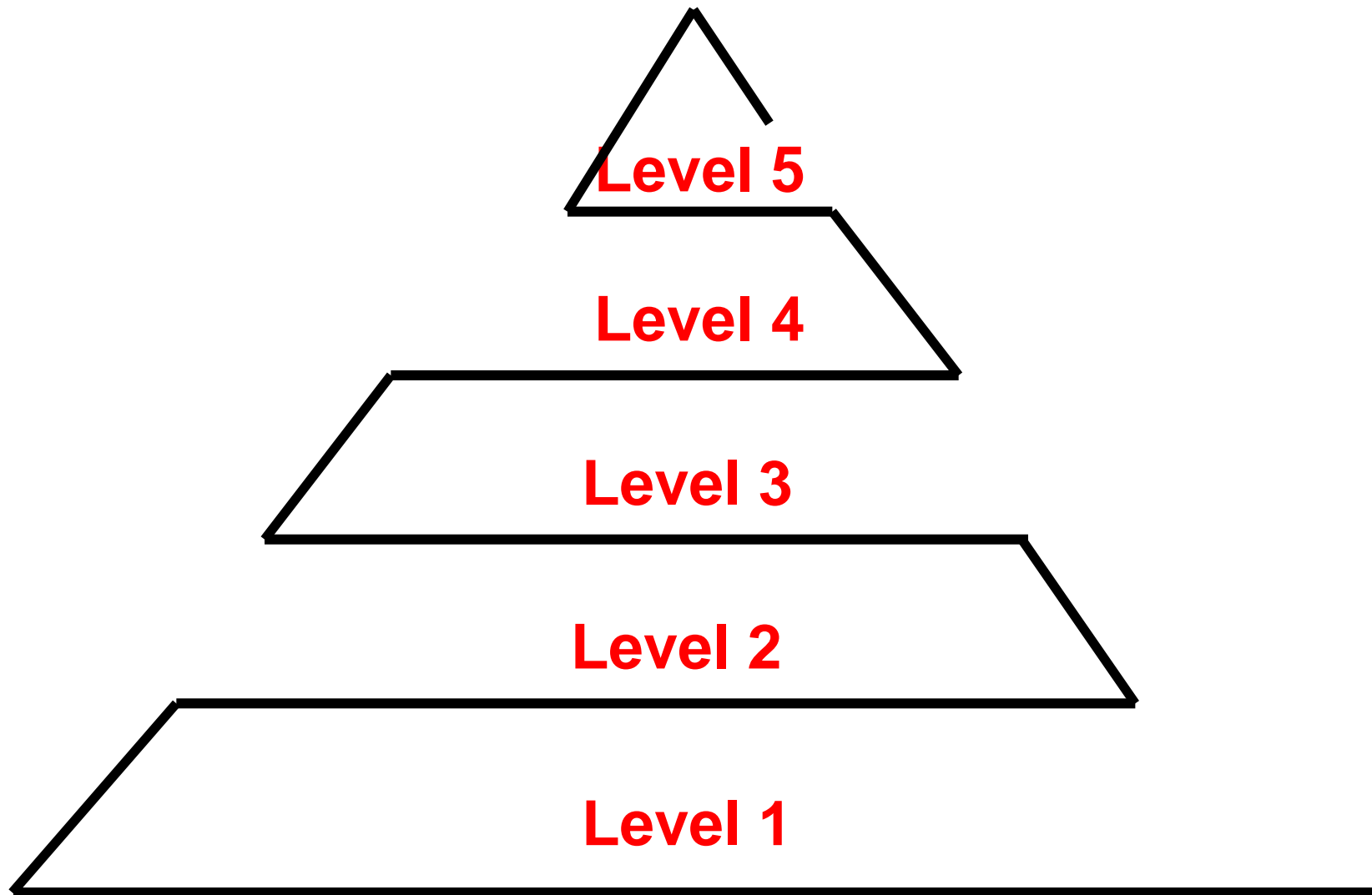


The Good To Great Framework





Five Levels of Leadership





Five Levels of Leadership

Level 5 - Executive Leadership

Builds enduring greatness through a paradoxical blend of **personal humility** and **professional will**

Level 4 - Effective Leader

Catalyzes commitment to and vigorous pursuit of a **clear and compelling vision**, stimulating higher performance standards.

Level 3 - Competent Manager

Organizes people and resources toward the effective and efficient pursuit of **predetermined objectives**

Level 2 - Contributing Team Member

Contributes **individual capabilities** to the achievement of group objectives and works effectively with others in a **group setting**.

Level 1 - Highly Capable Individual

Makes productive contributions through **individual talents, skills, etc.**



Two Types of Leadership Models

Level 5 Plus Quality Management Team

A Genius with 1000 Helpers

Level 5 Leader

Level 4 Leader

First Who - Get the right people on board- build a superior executive team.

First How - Level 4 leader sets a vision and road map for where the bus is going. Creates an inferior executive team.

Then How - With the right people in place, collectively they figure out the best path to greatness. Vision ownership

Then Who - Enlist a crew of highly capable “helpers” to make the vision happen. No ownership of vision.



Summary of Level 5 Leadership

Professional Will

1. **Creates superb results**, a clear catalyst in the transition from good-to-great.
2. Demonstrates an **unwavering resolve** to whatever must be done to produce the best long-term results, no matter how difficult.

Personal Humility

- Demonstrates a compelling modesty, shunning public adulation, never boastful.
- Acts with quiet, calm determination, **relies principally on inspired standards**, not inspiring charisma, to motivate.



Summary of Level 5 Leadership

Professional Will

3. Sets the standard of building an enduring great organization, will not settle for nothing less.

4. Looks in the **mirror**, not outside the **window**, to apportion responsibility for poor results, never blaming other people, external factors, or bad luck.

Personal Humility

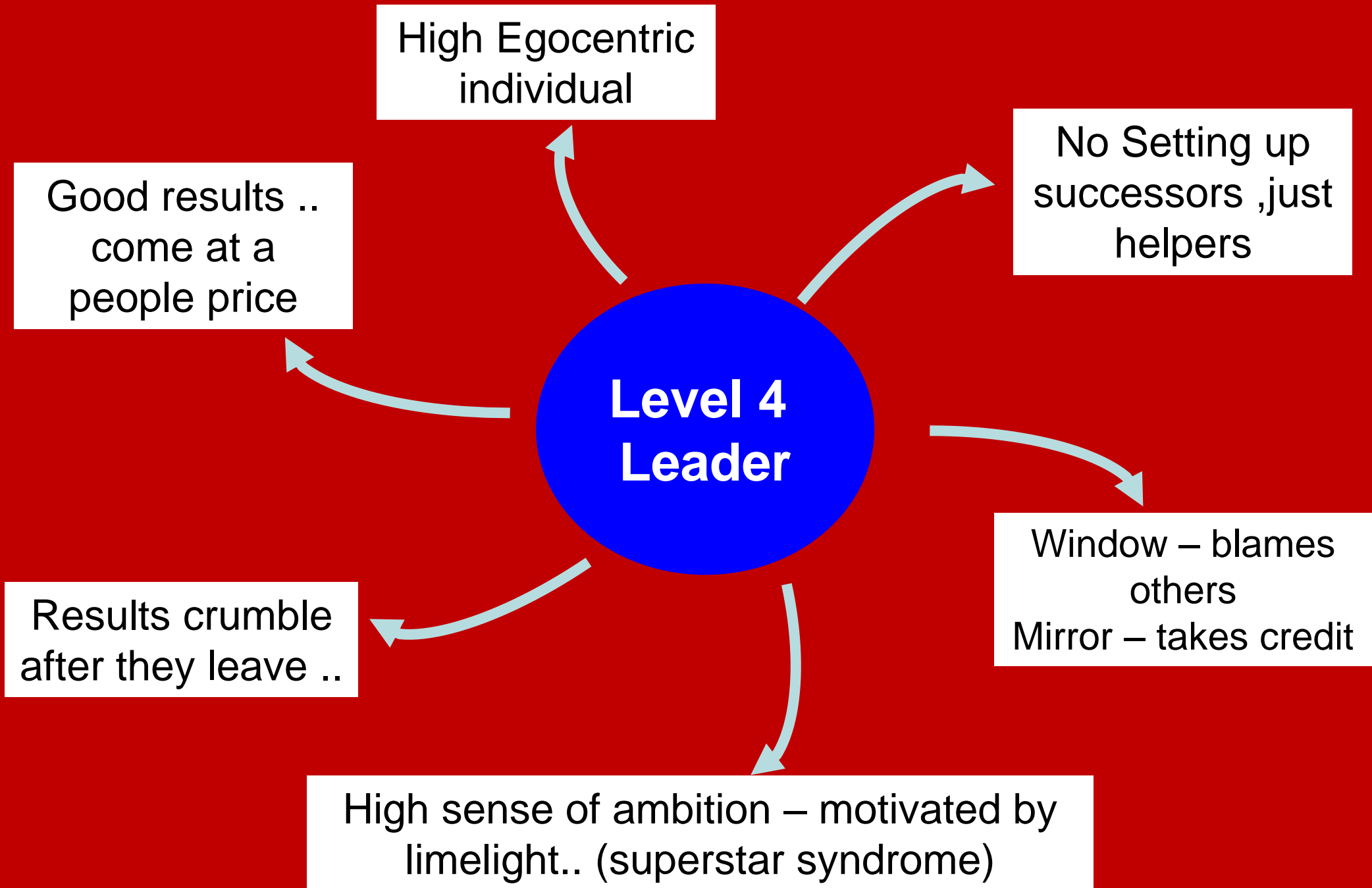
Channels ambition into the organization, not the self; sets up successors for even greater success in the next generation.

Looks out the **window**, not in the **mirror**, to apportion credit for the success of the organization- to other people, external factors, and good luck.

Distinctives of a level 5 leader ...



... and a level 4 leader ?





Level 5 Leadership

Part 2:

*...at personal level in
NT – An Application*

Leadership: A definition...

Leadership is the capacity to influence others through inspiration; that inspiration is generated by passion; the passion is motivated by a vision which is birthed from a conviction, conviction is produced by a purpose...

Dr Myles Monroe



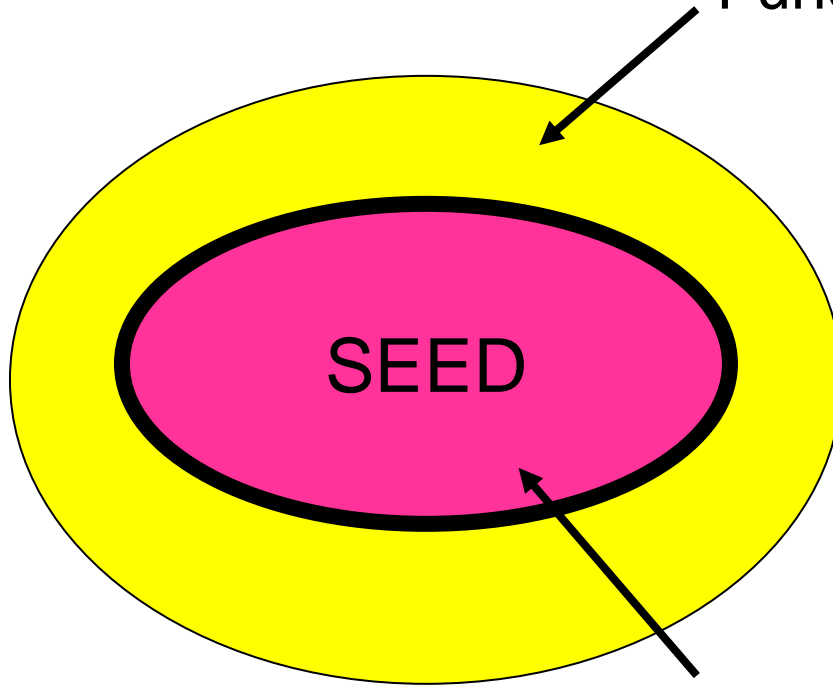
SEED HYPOTHESIS

Jim Collin's hypothesis is that there are two categories of people:

- 1) Those who **do not have** the Level 5 leadership capability **SEED**;
- 2) Those who **do have** the **SEED**.

What is the **DNA encoding** of the Level 5 SEEDS?

Attractive and Juicy
Covering in God's
Functionality



Tough and durable
Godly Character or
Image

ational
ion

Developing Oaks of Righteousness

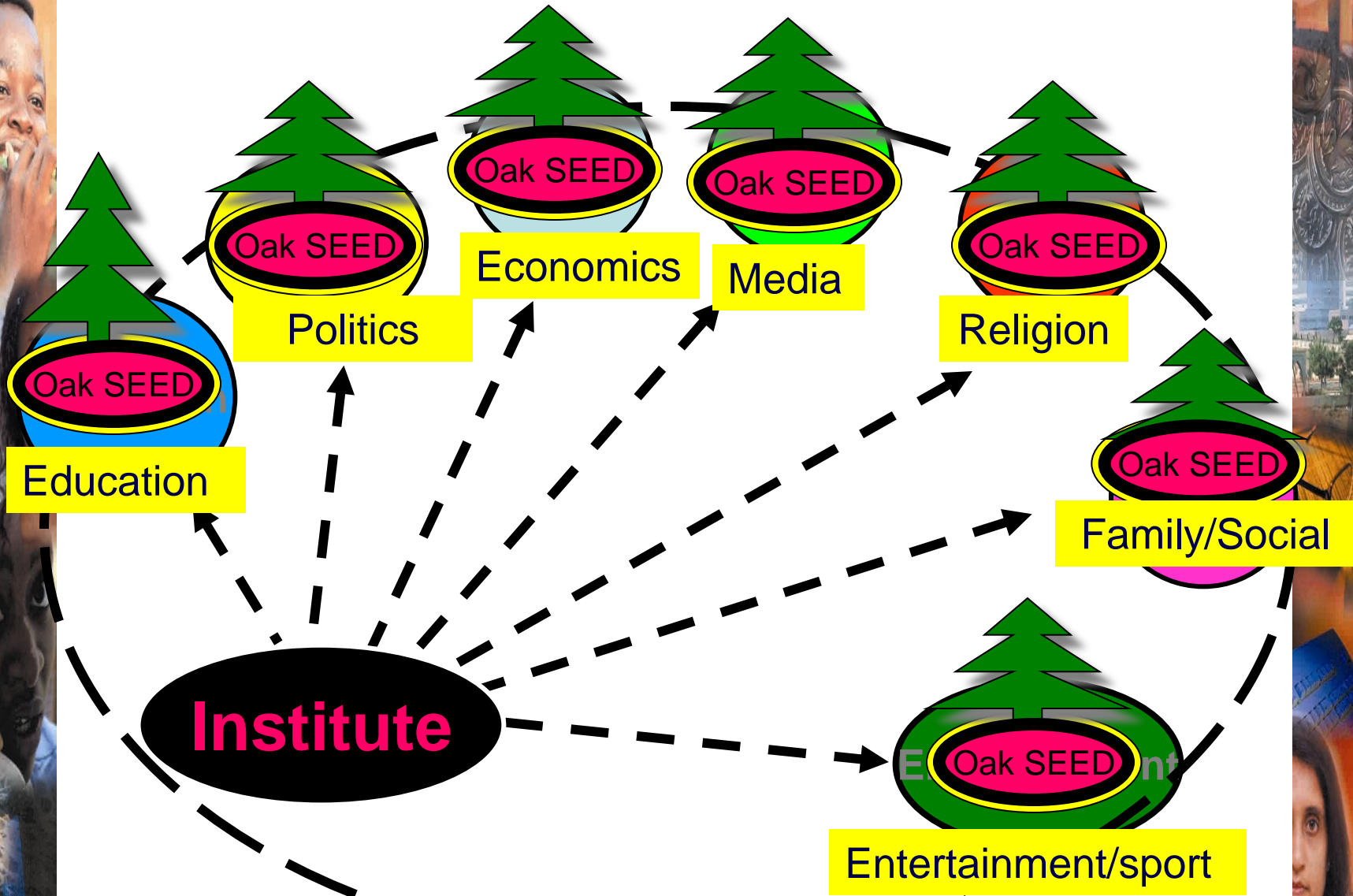


grounded, no-excuse leaders that w

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Level 5 SEEDS

Good-to-Great Leaders

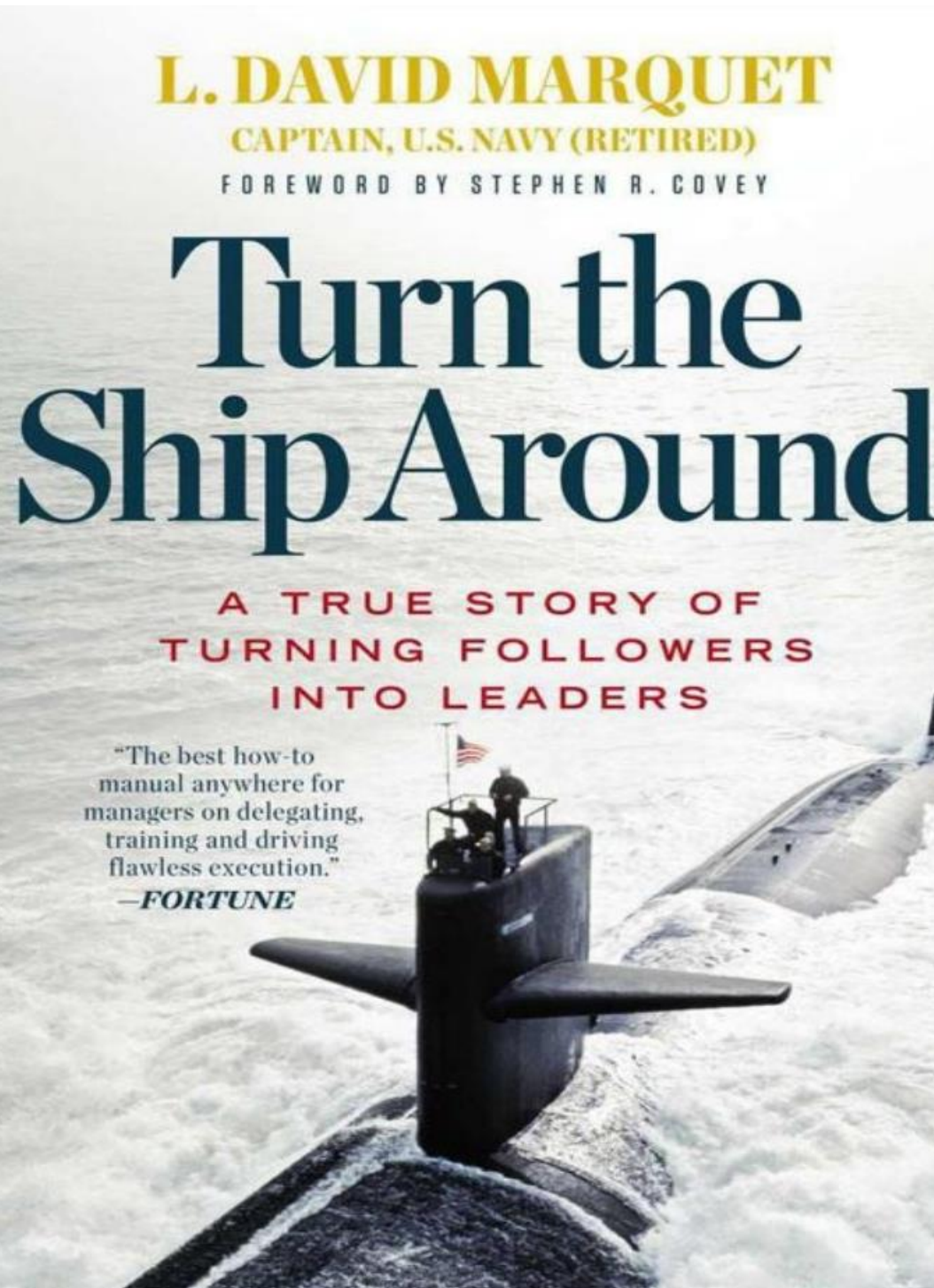




Case studies....



... *let's talk*



L. DAVID MARQUET

CAPTAIN, U.S. NAVY (RETIRED)

FOREWORD BY STEPHEN R. COVEY

Turn the Ship Around!

**A TRUE STORY OF
TURNING FOLLOWERS
INTO LEADERS**

"The best how-to manual anywhere for managers on delegating, training and driving flawless execution."

—**FORTUNE**



Case Studies

How its practically done.... **Let's Talk**

1. Transforming URA (when God invaded URA)
2. KCCA – A city can be clean, win awards and financial ratings
3. Rwanda *KIST, the Airport, RwandaAir, The City* (LKY??)
4. NWSC – Muhire - Turning NWSC around... profitable organization – unthinkable at the time
5. DPP – speed up justice, plea bargains ...

Leadership Case studies... What Level are they?

1. **Allen Kagina** – turning URA around... (Level 5), UNRA – taken as a “superstar – fix it”
2. **Jennifer Musisi** – What level? Courageous leadership, succession planning,
3. **Lee Kwan Yee** – transforming nation (using scientific Model – Akin to the Good to great)
4. **Paul Kagame** – Rwanda and the Singapore model;
5. **Lady Justice Catherine Bamugemereire** – resolve amidst difficult tasks..
6. **James Mulwana** ... rising up the levels
7. **Muhirwe** – Turning NWSC around... profitable organization – unthinkable at the time,
8. **Dr Martin Alier**.. The brand... personal brand

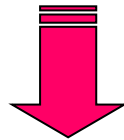


Transforming Nations From Good To Great

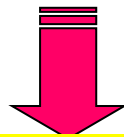
1. Develop Disciplined People



2. With Disciplined Thought



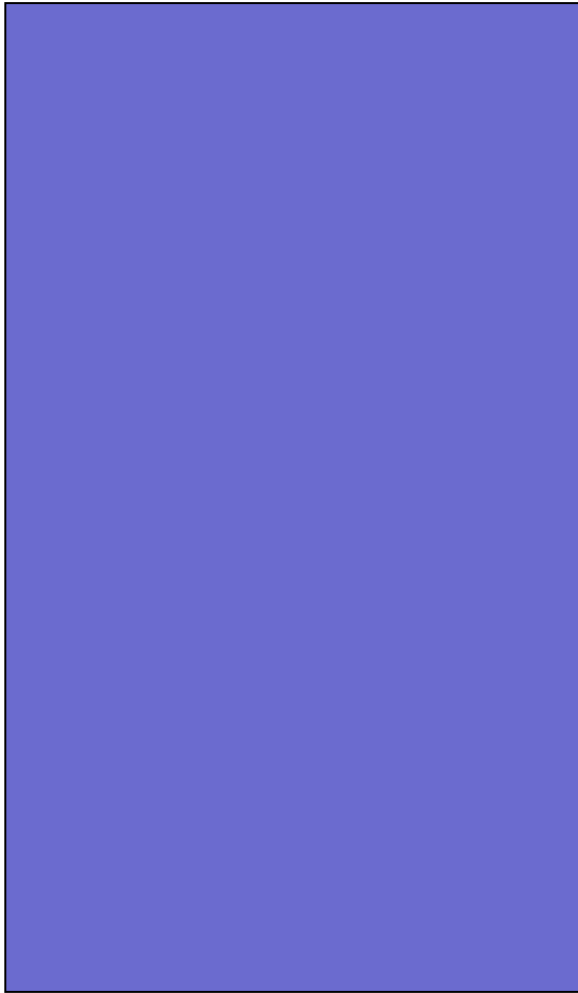
3. Executing Disciplined Action



Leads to National Transformation



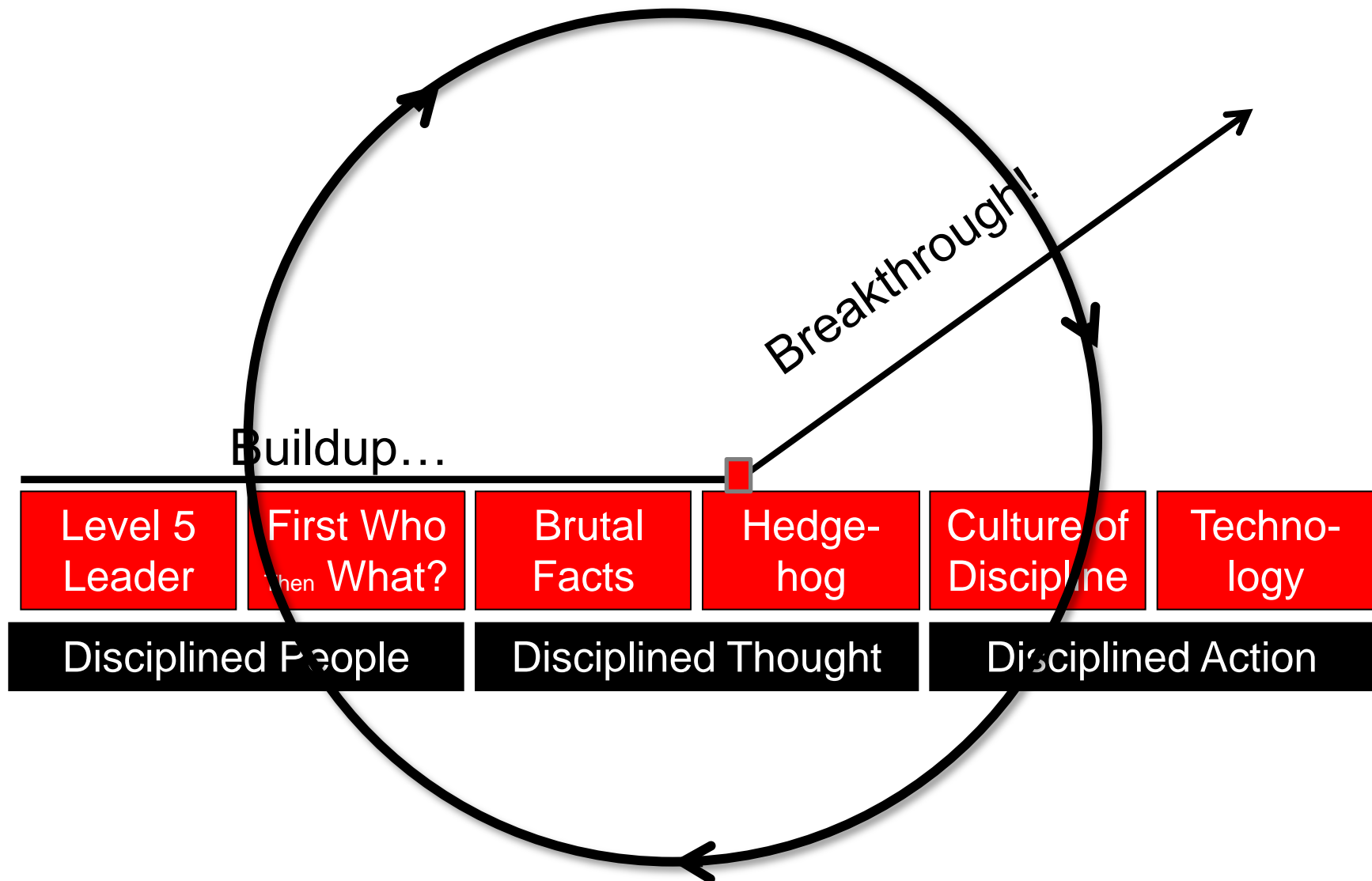
A Final word



Conclusion



The Good To Great Framework



Grow your Leadership ..

- 1. Position:** People follow you because of your position.
- 2. Permission:** People follow you because they want to
- 3. Production: Results:** People follow you because of have done for the organisation.
- 4. People Development:** People follow you because of what you have done for them
- 5. Personhood:** People follow you because of who you are and what you represent



Thanks

Q & A