

**Who's on the Bus and Where is it Headed?**  
**A review of Jim Collins' book, GOOD TO GREAT:**  
**WHY SOME COMPANIES MAKE THE LEAP . . . AND OTHERS DON'T**  
**Rich Haglund<sup>1</sup> - September 2009**

“We don't have great schools, principally because we have good schools.”<sup>2</sup>

I'll start with two formulas that shouldn't require mathematical proficiency to understand.

$$(SR + RRC) - (EL + ET) = 0$$

In other words, the most rigorous, relevant curriculum and an abundance of resources are irrelevant without effective leaders and teachers. The State Board of Education's Master Plan<sup>3</sup> includes an image of a tree, with the top of the tree—the leaves—representing Tennessee students. For the “tree” to flower and produce leaves, it needs not only good soil for the roots, but also light and water. Effective leaders and teachers are like light and water, with curricula and resources more like the soil. Regardless of the soil quality, absent light and water, the tree will not produce leaves.

In his book, GOOD TO GREAT, Jim Collins notes, “In a good-to-great transformation, people are not your most important asset. The *right* people are.”<sup>4</sup> Effective leaders who model this principle for their teachers facilitate teachers modeling that for students. And when students are made to feel that they are the most important asset, they will not need external motivation to take responsibility for their learning.

Teacher Working Conditions = Student Learning Conditions

This hypothesis has been proven by research and ongoing analysis in several states.<sup>5</sup> Teachers working in environments of trust and respect, or, as Collins describes them, places with “a culture of discipline and an ethic of entrepreneurship,”<sup>6</sup> lead students to improved performance.<sup>7</sup>

**Effective Leaders Create an Environment Attractive to Effective Teachers**

Effective leaders get “the right people on the bus,” before “figure[ing] out where to drive it.”<sup>8</sup> They “confront the brutal facts” while maintaining faith in the organization's capacity to

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<sup>2</sup> Jim Collins, GOOD TO GREAT: WHY SOME COMPANIES MAKE THE LEAP . . . AND OTHERS DON'T 1 (2001).

<sup>3</sup> Available at <http://state.tn.us/sbe/masterplan.htm> (last viewed Sep. 1, 2009).

<sup>4</sup> GOOD TO GREAT at 51.

<sup>5</sup> . Begun in North Carolina, the Teacher Working Conditions Initiative has been applied in Kansas, Arizona, Ohio and Clark County, Nevada (Las Vegas). More information available at <http://ncteachingconditions.org/> (last viewed Sep. 9, 2009).

<sup>6</sup> GOOD TO GREAT at 121-122.

<sup>7</sup> See the research findings of the Teacher Working Conditions Initiative, available at <http://ncteachingconditions.org/research> (last viewed Sep. 9, 2009).

<sup>8</sup> GOOD TO GREAT at 41.

succeed.<sup>9</sup> And they produce breakthrough results because they base all of their decisions on a simple understanding.<sup>10</sup>

*First Who . . . Then What*

Collins agrees that effective school leaders “must be able to develop dynamic leadership teams to share responsibility and ownership of the school mission,”<sup>11</sup> but he also asserts that the people must come before the mission.

The good-to-great leaders understood three simple truths. First, if you begin with “who,” rather than “what,” you can more easily adapt to a changing world. . . . Second, if you have the right people on the bus, the problem of how to motivate and manage people largely goes away. The right people don’t need to be tightly managed or fired up; they will be self-motivated by the inner drive to produce the best results and to be part of creating something great. Third, if you have the wrong people, it doesn’t matter whether you discover the right direction; you *still* won’t have a great company. Great vision without great people is irrelevant.<sup>12</sup>

Dr. Jesse Register, who began working as the director of schools in Nashville in January 2009, appears to be following this pattern of “first who, then what.” First, Dr. Register reorganized the leadership team and most of the central office, moving many support staff out into the schools. After that was done, Dr. Register announced and brought to the local board of education his plan for transformational change in the district.<sup>13</sup>

In order for school leaders to “create a school culture of high expectations conducive to the success of all students,”<sup>14</sup> they may want to follow the example of some of the good-to-great companies that “hired outstanding people whenever and wherever they found them, often without any specific job in mind.”<sup>15</sup> Wells Fargo’s chief executive officer, Dick Cooley, explained: “That’s how you build the future. If I’m not smart enough to see the changes that are coming, they will. And they’ll be flexible enough to deal with them.”<sup>16</sup>

As districts and states develop and implement methods of paying teachers and school leaders based on student performance, they should remember this concept of “first who, then what.” “The purpose of a compensation system should not be to get the right *behaviors* from the wrong people, but to get the right *people* on the bus in the first place, and to keep them there.”<sup>17</sup> Collins notes that, “in a good-to-great transformation, people are not your most important asset. The *right* people are.”<sup>18</sup>

Three disciplines regarding personnel that come from rigorous work environments can be applied in school settings.

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<sup>9</sup> *Id.* at 69.

<sup>10</sup> *Id.* at 95.

<sup>11</sup> SBE Master Plan 3.

<sup>12</sup> GOOD TO GREAT 42.

<sup>13</sup> *Transformational Change in Metro Nashville Public Schools*, available at <http://mnps.org/AssetFactory.aspx?did=34654> (last viewed Sep. 2, 2009).

<sup>14</sup> SBE Master Plan 3.

<sup>15</sup> GOOD TO GREAT 42.

<sup>16</sup> *Id.*

<sup>17</sup> *Id.* at 50.

<sup>18</sup> *Id.* at 51.

First, “when in doubt, don’t hire—keep looking.”<sup>19</sup> District leaders should take advantage of innovative staffing tools to make sure all their teachers are the “right” teachers. School districts often struggle to find enough qualified teachers to teach the courses they’d like to offer. They often feel like they can’t afford to determine if the qualified teacher is the “right” person to hire. However, following the pattern of the good-to-great companies, districts should be wary of hiring just anyone because they need a certified teacher. Perhaps, instead of hiring someone they aren’t sure is the right person, they should figure out how to offer a course virtually, using a highly qualified and effective teacher from another district to teach students. “The ultimate throttle on growth for any great company is not markets, or technology, or competition, or products. It is one thing above all others: the ability to get and keep enough of the right people.”<sup>20</sup>

Second, “when you know you need to make a people change, act.”<sup>21</sup> A recent study highlighted the impact of teachers’ peers on their job performance, and suggested that school-based performance pay may make more sense than individual performance pay models.<sup>22</sup> “Letting the wrong people hang around is unfair to all the right people.”<sup>23</sup> School leaders may complain about the arduous task of terminating tenured faculty for poor performance. But, the difficulty of the task for adults should never be an excuse for not doing the right thing for children. “Effective school leaders,” according to the Master Plan, “focus all school programs, procedures and practices to support student learning.”<sup>24</sup>

Third, “put your best people on your biggest opportunities, not your biggest problems.”<sup>25</sup> School leaders may feel that they spend all of their time focused on urgent but not important tasks. If they are to succeed in helping current and future students prepare for post-secondary work and education, however, they must recognize “the fact that managing your problems can only make you good, whereas building your opportunities is the only way to become great.”<sup>26</sup>

Perhaps most important, adhering to this principle extends benefits to individuals far beyond the workday:

Adherence to the idea of “first who” might be the closest link between and great company and a great life. For no matter what we achieve, if we don’t spend the vast majority of our time with people we love and respect, we cannot possibly have a great life. But if we spend the vast majority of our time with people we love and respect—people we really enjoy being on the bus with and who will never disappoint us—then we will almost certainly have a great life, no matter where the bus goes. The people we interviewed from the good-to-great companies clearly loved what they did, largely because they loved who they did it with.<sup>27</sup>

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<sup>19</sup> *Id.* at 54.

<sup>20</sup> *Id.*

<sup>21</sup> *Id.* at 56.

<sup>22</sup> C. Kirabo Jackson and Elias Bruegmann, “Teaching Students and Teaching Each Other: The Importance of Peer Learning for Teachers,” *National Bureau of Economic Research* (July 2009), available at <http://www.nber.org/papers/w15202> (last viewed Sep. 2, 2009).

<sup>23</sup> GOOD TO GREAT at 56.

<sup>24</sup> SBE Master Plan 3.

<sup>25</sup> GOOD TO GREAT at 58.

<sup>26</sup> *Id.* at 59.

<sup>27</sup> *Id.* at 62.

*Confront the Brutal Facts (Yet Never Lose Faith)*

“Effective school leaders use both qualitative and quantitative assessment data to guide the professional learning community in a cycle of continuous growth and improvement.”<sup>28</sup> Good-to-great companies “displayed two distinctive forms of disciplined thought.”<sup>29</sup> First, “they infused the entire [good-to-great] process with the brutal facts of reality.”<sup>30</sup> Second, “they developed a simple, yet deeply insightful frame of reference for all decisions.”<sup>31</sup>

One brutal fact school leaders may be facing is the need for more teachers to meet increased math and science requirements for all students to graduate from high school. If they are focusing on student learning and post-secondary success (the “frame of reference for all decisions”), they will confront those brutal facts appropriately. They will be more likely to, for example, partner with a teacher preparation program to develop a licensing program that will help meet the district’s specific needs in a timely manner.

Creating a school culture where brutal facts are confronted without teachers losing faith is not easy. However, it can be done. Keeping in mind the fact that the right people “will be self-motivated,” leaders need to ask themselves, “How do [I] manage in such a way as not to demotivate people?”<sup>32</sup> Collins suggests four practices:

1. “Lead with questions, not answers.”
2. “Engage in dialogue and debate, not coercion.”
3. “Conduct autopsies without blame.”
4. “Build ‘red flag’ mechanisms” (turn “information into information *that cannot be ignored*”).<sup>33</sup>

“What separates people . . . is not the absence of difficulty, but how [people] deal with the inevitable difficulties of life.”<sup>34</sup> School leaders inevitably face changing curricular requirements, crumbling facilities, apparently less motivated students. However, they now have access to previously unimaginable curricular tools, new ways to connect students with the “right” teachers (who can make material relevant and engage many of the most “difficult” students).

Good to great companies established “a culture of discipline with an ethic of entrepreneurship.”<sup>35</sup> Taking disciplined action within the three circles, good-to-great companies “build a culture around the idea of freedom and responsibility, within a framework.” They then filled “that culture with self-disciplined people.”<sup>36</sup> Leaders could manage the system, rather than the people.<sup>37</sup> Also, these companies created “a ‘stop doing list’ and systematically [unplugged] anything extraneous.”<sup>38</sup> Stop doing lists are more important than “to do” lists,<sup>39</sup> and eliminating the extraneous things requires more tenacity than brilliance.<sup>40</sup>

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<sup>28</sup> SBE Master Plan 3.

<sup>29</sup> GOOD TO GREAT at 69.

<sup>30</sup> *Id.*

<sup>31</sup> *Id.* at 70.

<sup>32</sup> *Id.* at 74 (emphasis removed).

<sup>33</sup> *Id.* at 74-79.

<sup>34</sup> *Id.* at 85-86.

<sup>35</sup> *Id.* at 121-122.

<sup>36</sup> *Id.* at 124.

<sup>37</sup> *Id.* at 125.

<sup>38</sup> *Id.*

<sup>39</sup> *Id.* at 143.

<sup>40</sup> *Id.* at 128.

The State legislature and State Board of Education have created a legal and policy framework within which effective leaders can turn good schools into great schools. Of course, patience and perseverance are required: “[B]reakthrough results come about by a series of good decisions, diligently executed and accumulated one on top of the other.”<sup>41</sup>

*The Hedgehog Concept: What Can Your School do Best?*

According to Collins, “a Hedgehog Concept is a *simple, crystalline concept that flows from deep understanding about the intersection of the following three circles . . . What you can be the best in the world at (and, equally important, what you cannot be the best in the world at). . . What drives your economic engine. . . [And], [w]hat you are deeply passionate about.*”<sup>42</sup>

Like other questions, the answers to these questions depend on who is on the bus.

What can a school or district be the best in the world at? Collins warns that companies that succeed realize that a “Hedgehog Concept is not a goal to be the best, a strategy to be the best, an intention to be the best, a plan to be the best. It is an *understanding* of what you *can* be the best at. The distinction is absolutely crucial.”<sup>43</sup> So, given economic, political and geographic realities, a school or district may need to accept that it cannot be the best school or district in the country, or have the highest number of National Merit Scholars. But, perhaps it can develop the best model of job-embedded professional development in a small, rural school system. Or, maybe a school can be the best language immersion program in the state.

What is the economic engine for schools and districts, and what drives it? Companies succeed, Collins writes, “by taking one simple concept and just doing it with excellence and imagination.”<sup>44</sup> “Good-to-great companies “attained a very simple concept that they used as a frame of reference for all their decisions, and this understanding coincided with breakthrough results.”<sup>45</sup> “Schools and school districts should,” according to the Master Plan, “provide environments that support continued development of content knowledge and teaching skills, and that reward effective teaching (measured by student performance).”<sup>46</sup> Moreover, effective leaders “guide the professional learning community in a cycle of continuous growth and improvement.”<sup>47</sup>

Sometimes, businesses—and schools—succeed by changing their “frame of reference for all their decisions.” Every good-to-great company discovered “a single ‘economic denominator.’”<sup>48</sup> In other words, they asked what “one ratio—profit per x (or, in the social sector, cash flow per x), . . . [if] systematically increase[d] over time, . . . would have the greatest and most sustainable impact on your economic engine?”<sup>49</sup> Walgreens, for example, changed their “economic denominator” from profit per store to profit per customer visit.<sup>50</sup> Similarly, school leaders could ask, What ratio—e.g., number of students prepared for post-secondary success per x—if systematically increased over time, would have the greatest and most

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<sup>41</sup> *Id.* at 69.

<sup>42</sup> *Id.* at 95-96 (emphasis in original).

<sup>43</sup> *Id.* at 98.

<sup>44</sup> *Id.* at 93.

<sup>45</sup> *Id.* at 95.

<sup>46</sup> SBE Master Plan 3.

<sup>47</sup> *Id.*

<sup>48</sup> GOOD TO GREAT at 104.

<sup>49</sup> *Id.*

<sup>50</sup> *Id.* at 104.

sustainable impact on the economy and well-being of our community? School leaders, of course, may have to determine a new “y”, as well as the right “x”!

What are you deeply passionate about? Before answering this question, school leaders should recall that, “[y]ou can’t manufacture passion or ‘motivate’ people to feel passionate. You can only *discover* what ignites your passion and the passions of those around you.”<sup>51</sup> Rather than trying to compel teachers, students and parents to become passionate about what they are currently doing, effective leaders ensure that teachers, students and parents are only doing those things that they “can get passionate about.”<sup>52</sup> If no one can get excited about a given curriculum, software tool or field trip, then schools should stop doing those things. “We’ve always done that,” is insufficient justification for doing something that’s not at the intersection of the three circles.<sup>53</sup>

### **Curricula and Resources are Nothing without Effective Teachers**

Gatorade won’t help you if you’re just sitting on the couch.

Effective leaders understand that technology and other resources may be accelerators of momentum, but not creators of momentum.<sup>54</sup> They recognize whether they are operating a “flywheel” or are caught in “the doom loop.”<sup>55</sup> With this understanding and recognition, effective leaders can use their most important resources to build a great organization into a lasting great organization.<sup>56</sup>

#### *Technology Accelerators*

“When used right,” Collins concludes, “technology becomes an *accelerator* of momentum, not a creator of it.”<sup>57</sup> Why is this? “You cannot make good use of technology until you know which technologies are relevant. And which are those? Those—and *only* those—that link directly to the three intersecting circles of the Hedgehog Concept.”<sup>58</sup>

So, a school district that hasn’t figured out what it can be the best at, what drives its engine of producing successful students, and what its people are passionate about, will not change its course or trajectory with more money, more technology or more time. Putting fancy GPS gear in a sinking ship will not make it float, let alone help its passengers make it to their preferred destination.

“Those who turn good into great are motivated by a deep *creative* urge and an *inner* compulsion for sheer unadulterated excellence *for its own sake*. Those who build and perpetuate mediocrity, in contrast, are motivated more by the fear of being left behind.”<sup>59</sup>

How people respond to technological change is, Collins argues, a good indicator of whether an organization has a drive for greatness or a drive for mediocrity. Collins found that the good-to-great companies weren’t reactionary and “never defined their strategies principally

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<sup>51</sup> *Id.* at 109.

<sup>52</sup> *Id.*

<sup>53</sup> This is similar to Ken Robinson’s idea of “The Element,” “the place where the things we love to do and the things we are good at come together.” Ken Robinson, *THE ELEMENT: HOW FINDING YOUR PASSION CHANGES EVERYTHING* xiii (2009).

<sup>54</sup> *GOOD TO GREAT* at 152.

<sup>55</sup> *Id.* at 162.

<sup>56</sup> *Id.* at 192.

<sup>57</sup> *Id.* at 152.

<sup>58</sup> *Id.*

<sup>59</sup> *Id.* at 160.

in response to what others were doing. They talked in terms of what they were trying to create and how they were trying to improve relative to an absolute standard of excellence.”<sup>60</sup>

Effective school leaders focus all of their resources “to support student learning.”<sup>61</sup> However, school leaders and education policymakers are often heard exclaiming, “we could help our students meet these standards, but only if we have more resources (money, time, technology).” Collins flatly refutes that idea.

Mediocrity comes not from the failure of technology or resources, but from management failure.<sup>62</sup> Leaders of most of the good-to-great companies “didn’t even mention technology as one of the top five factors” in their transition from good to great.<sup>63</sup> An executive at one company said, “Twenty percent of our success is the new technology that we embrace . . . [but] eighty percent of our success is in the culture of our company.”<sup>64</sup> The CEO of one company said, “The primary factors were the consistency of the company, and our ability to project its philosophies throughout the whole organization, enabled by our lack of layers and bureaucracy.”<sup>65</sup>

### *The Flywheel and the Doom Loop*

Breakthrough changes follow patient, disciplined work that may take a long time—many years, in fact. Collins uses an egg analogy to illustrate this point. The egg cracking is not the transformative event we might perceive it to be. “From the chicken’s point of view, cracking the egg is simply one more step in a long chain of steps leading up to that moment—a big step, to be sure, but hardly the radical, single-step transformation it looks like to those watching from outside the egg.”<sup>66</sup> Understanding this again belies the notion that new technology or an acquisition can be a creator, rather than an accelerator of momentum.<sup>67</sup>

If you build it—really—people will come. “Tremendous power exists in the fact of continued improvement and the delivery of results.”<sup>68</sup> When effective leaders show real accomplishments (even small ones at first), and how they fit into the organization’s overall purpose (the Hedgehog Concept), people will “see and *feel* the buildup of momentum [and] they will line up with enthusiasm.”<sup>69</sup> This is the “flywheel effect:” acting in a disciplined way, consistent with the Hedgehog Concept, an organization accumulates visible results. People—both within and without an organization—are “energized by results” and the “flywheel builds momentum” for further action.<sup>70</sup>

In contrast, organizations that aren’t leveraging their visible results to create internal motivation act desperately. “They [seek] the single defining action, the grand program, the one killer innovation, the miracle moment that would allow them to skip the arduous buildup stage and jump right to breakthrough.”<sup>71</sup> These organizations push their “flywheel” in one direction. They see it yielding no results, and try a different direction. Does this sound familiar? A state or

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<sup>60</sup> *Id.* at 160.

<sup>61</sup> SBE Master Plan at 3.

<sup>62</sup> GOOD TO GREAT at 156.

<sup>63</sup> *Id.* at 155.

<sup>64</sup> *Id.* at 156.

<sup>65</sup> *Id.* at 156.

<sup>66</sup> *Id.* at 168.

<sup>67</sup> *Id.* at 180.

<sup>68</sup> *Id.* at 174.

<sup>69</sup> *Id.* at 174-175.

<sup>70</sup> *Id.* at 175.

<sup>71</sup> *Id.* at 178.

school or district decides that the accelerated reader technology or the latest licensure program or a new dress code will solve all their problems. When such an initiative fails to show immediate results, the next big thing is tried. And so on. This is Collins “doom loop.” The initiative was fundamentally flawed. It wasn’t part of something the organization could be best at, didn’t fit the thing that drives their student success engine, and people in the organization didn’t have a passion for it.<sup>72</sup>

Effective school leaders model the flywheel and not the doom loop. They understand that “while you can buy your way to growth, you absolutely cannot buy your way to greatness.”<sup>73</sup> Breakthrough results come from disciplined people using disciplined thought and then taking disciplined action.<sup>74</sup> It is difficult. And it doesn’t happen overnight. So, it won’t matter how much stimulus money the State receives for education, or how much money the State legislature allocates for education. If we don’t have the right people on the bus, who understand the Hedgehog Concept, and who create cultures of disciplined and entrepreneurial action, we still won’t succeed at preparing “all Tennessee children for successful post-secondary work, education and citizenship.”<sup>75</sup>

#### *From Good to Great to Built to Last*

In his 2009 state of the State speech, Tennessee Governor Phil Bredesen highlighted the State Board of Education’s action to invite more high-quality, non-traditional teacher preparation programs to Tennessee: “If you believe as I do that in the end it all comes down to the teacher in the classroom, then these changes are going to be profound.”<sup>76</sup> Those changes will only be profound, however, if they are implemented over the long term, and if they are supported by a culture infused with an understanding of what it takes to sustain transformative innovations. Otherwise, these changes made on paper may not translate into post-secondary success in work, education or citizenship for our children.

David Packard, of Hewlett and Packard, had a law: “No company can grow revenues consistently faster than its ability to get enough of the right people to implement that growth and still become a great company.”<sup>77</sup> In the school context, this means that no school or school district can consistently prepare students for post-secondary success faster than its ability to recruit and retain enough of the most effective teachers and other school personnel.

#### **Conclusion**

The State Board of Education has worked with state, local and national leaders over the past three years to:

- revise its master plan for PreK-12 education, with new goals and measures for student success;
- develop more rigorous curricular standards and requirements for high school graduation;

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<sup>72</sup> *Id.* at 180-181.

<sup>73</sup> *Id.* at 181.

<sup>74</sup> *Id.* at 12.

<sup>75</sup> SBE Master Plan.

<sup>76</sup> “Focus on the Basics: Improving Education, Job Creation and Health Care,” Feb. 9, 2009, available at <http://news.tennesseeanytime.org/node/947> (last viewed Sep. 4, 2009).

<sup>77</sup> GOOD TO GREAT at 192.

- require all Tennessee eighth and tenth graders to take the precursors to the ACT, to diagnose where they need assistance;
- oversee revisions to standardized tests given in third through eighth grade to more closely align with the standards of the National Assessment of Educational Progress (NAEP);
- revise rules regarding teacher preparation to allow competent professionals to more easily transition to teaching, and to enable teacher preparation programs, whether or not affiliated with a post-secondary institution, to partner with local education agencies and provide programs leading to teacher licensure; and
- revise rules to ensure that school leaders are qualified as instructional leaders.

If the findings elucidated in GOOD TO GREAT are correct, these changes will not lead Tennessee’s good schools to become great, unless they are embraced by the right people and applied in the right working environment.

Any new or additional resources and tools—technology, new educator preparation programs or additional funding—cannot, of themselves, lead to great schools. If, however, state and local school leaders have gotten “the right people on the bus (and the wrong people off the bus), and *then* figured out where to drive it,”<sup>78</sup> we’re more likely to use recent policy changes, updated technology and increased funding to accelerate the preparation of “all Tennessee children for successful post-secondary work, education and citizenship.”<sup>79</sup>

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<sup>78</sup> *Id.* at 41.

<sup>79</sup> Available at <http://state.tn.us/sbe/masterplan.htm> (last viewed Sep. 1, 2009).