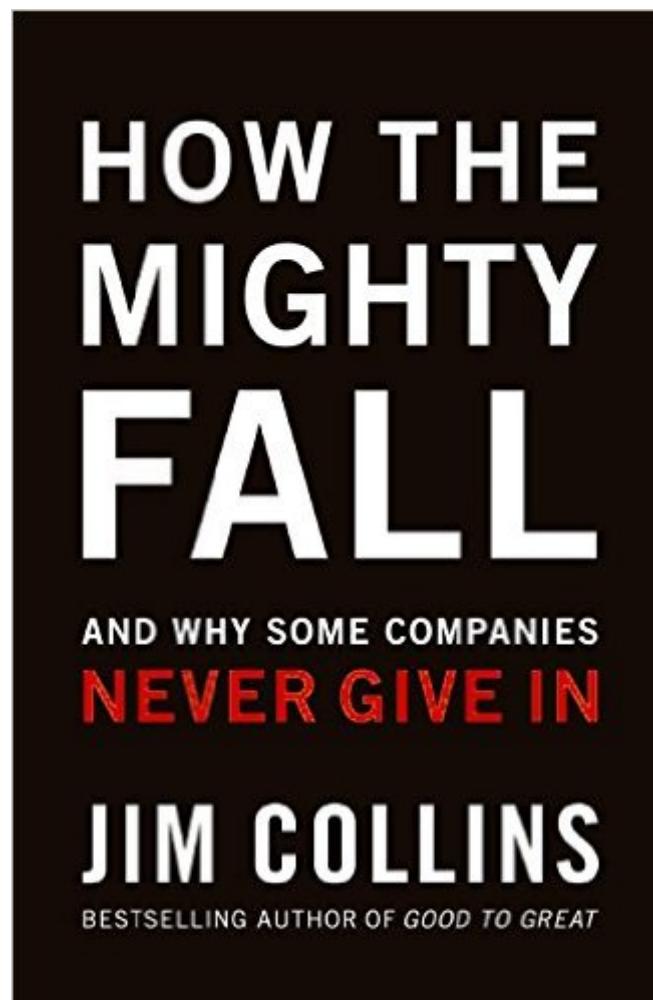


The book was found

How The Mighty Fall: And Why Some Companies Never Give In



Synopsis

Decline can be avoided. Decline can be detected. Decline can be reversed. Amidst the desolate landscape of fallen great companies, Jim Collins began to wonder: How do the mighty fall? Can decline be detected early and avoided? How far can a company fall before the path toward doom becomes inevitable and unshakable? How can companies reverse course? In *How the Mighty Fall*, Collins confronts these questions, offering leaders the well-founded hope that they can learn how to stave off decline and, if they find themselves falling, reverse their course. Collins' research projectâ "more than four years in durationâ "uncovered five step-wise stages of decline: Stage 1: Hubris Born of Success Stage 2: Undisciplined Pursuit of More Stage 3: Denial of Risk and Peril Stage 4: Grasping for Salvation Stage 5: Capitulation to Irrelevance or Death By understanding these stages of decline, leaders can substantially reduce their chances of falling all the way to the bottom. Great companies can stumble, badly, and recover. Every institution, no matter how great, is vulnerable to decline. There is no law of nature that the most powerful will inevitably remain at the top. Anyone can fall and most eventually do. But, as Collins' research emphasizes, some companies do indeed recoverâ "in some cases, coming back even strongerâ "even after having crashed into the depths of Stage 4. Decline, it turns out, is largely self-inflicted, and the path to recovery lies largely within our own hands. We are not imprisoned by our circumstances, our history, or even our staggering defeats along the way. As long as we never get entirely knocked out of the game, hope always remains. The mighty can fall, but they can often rise again.

Book Information

Hardcover: 240 pages

Publisher: JimCollins; 1 edition (May 19, 2009)

Language: English

ISBN-10: 0977326411

ISBN-13: 978-0977326419

Product Dimensions: 5 x 0.8 x 7.8 inches

Shipping Weight: 15.5 ounces (View shipping rates and policies)

Average Customer Review: 4.3 out of 5 starsÂ See all reviewsÂ (195 customer reviews)

Best Sellers Rank: #19,464 in Books (See Top 100 in Books) #33 inÂ Books > Reference > Words, Language & Grammar > Study & Teaching #71 inÂ Books > Business & Money > Biography & History > Company Profiles #77 inÂ Books > Education & Teaching > Schools & Teaching > Certification & Development

Customer Reviews

Let me preface this review by saying that I am a fan of Collins' earlier work. *Built to Last* was a great book, and *Good to Great* was very good. *How the Mighty Fall*, however, is neither. The issue of corporate failure is critical, particularly in the current downturn. Unfortunately, the core of Collins' analysis in this book is flawed. *How the Mighty Fall* addresses two related questions: Why do good companies fail? and how does management respond once a company gets into trouble? Collins introduces a five stage model to answer these questions, where steps one and two address the roots of corporate failure and steps three through five managements' response. Collins' analysis of management response to decline--denial of risk, grasping for salvation, and capitulation to irrelevance or death--accurately describe how leaders respond to deterioration in their business. This analysis here is solid, the writing clear, and the tempo brisk. Collins does a particularly good job of describing dysfunctional leadership behaviors of companies in decline. Collins' analysis of why companies get into trouble in the first place is much less compelling. Companies fail, according to Collins, when success breeds managerial hubris, which leads to overreach and ultimately failure. Like many of Collins' findings, this makes intuitive sense. Unfortunately in this case, his core argument runs counter to research on hundreds of companies, conducted over decades by dozens of scholars. There are two major flaws in Collins argument. First, he claims that companies get into trouble because they overreach and expand beyond their core. This is consistent with data showing that diversified companies trade at a discount to focused rivals.

One thing that strikes me about Jim Collins' work is that he is passionate about what he does. He and his researchers dig down deep into companies and examine them from different perspectives over a period of time. As he says, "We do not decide which companies we 'want' to study... we lay out the criteria for the study-set selection before we see the data and systematically eliminate companies from consideration based on whether they meet the criteria." This has given him great insight into what success is, not just for corporations, but for any institution. What comes through in his recent book, along with passionate study, is honesty. Collins previously chose Fannie Mae as a "Good to Great" institution. Recently, they have demonstrated anything but greatness in facing economic and marketplace changes. There are other companies he chose, like Circuit City, that have gone the same path. Collins discusses why these enterprises were chosen in his previous book and why they fell on hard times after once being great. Because a great company stumbles into mediocrity does not mean the criteria is flawed or the framework wrong. Rather, as the study shows, somewhere along the way these companies strayed away from what once made them great.

"How the Mighty Fall" uses the same criteria from "Good to Great," only in reverse, to show how and why once great enterprises have fallen. Collins does this with the same attention to detail and passion as in his previous works. There are a couple of parts that I found most interesting from the book. First is the chapter entitled "The Undisciplined Pursuit of More." The examples of Ames and Rubbermaid, along with the other ideas presented in this chapter, really hit home in light of recent developments in our financial markets.

"Come, let us build ourselves a city, and a tower whose top is in the heavens; let us make a name for ourselves, lest we be scattered abroad over the face of the whole earth." -- Genesis 11:4

How the Mighty Fall takes a methodology similar to Built to Last and Good to Great and searches for differences among paired companies (Loser--Winner; A&P--Kroger; Addressograph--Pitney Bowes; Ames--Wal-Mart; Bank of America--Wells Fargo; Circuit City--Best Buy; Hewlett Packard--IBM; Merck--Johnson & Johnson; Motorola--Texas Instruments; Rubbermaid--None qualified; Scott Paper--Kimberly-Clark; and Zenith--Motorola) As you can see, it all makes for strange bedfellows (Motorola is on both sides of the divide and Rubbermaid doesn't have a winning comparison partner). As before, the analysis relies on public information from that period (such as annual reports, business journalism articles, and analyst reports). From these data, Jim Collins discerns the following taxonomy of stages:

1. Hubris (excess pride) due to prior success
2. Undisciplined pursuit of more
3. Denial of risk and peril
4. Grasping for salvation
5. Capitulation to irrelevance or death

Reaching any one of these stages doesn't mean that stage 5 is inevitable in Collins' view. The result is more like a monograph than a full business book with limited examples and observations. Many readers will find themselves hungering for more. I was grateful to Mr. Collins for the excellent way that he defined and described his cases. As a result, I was able to look into what he was measuring to see what else might be there. I had the good fortune to work with most of these companies as a consultant either just before or during the measurement period.

[Download to continue reading...](#)

How The Mighty Fall: And Why Some Companies Never Give In
Don't Give Up...Don't Ever Give Up: The Inspiration of Jimmy V--One Coach, 11 Minutes, and an Uncommon Look at the Game of Life
Give Me Liberty or Give Me Obamacare I've Got Some Good News and Some Bad News:
YOU'RE OLD: Tales of a Geriatrician, What to expect in your 60's, 70's, 80's, and Beyond
The Guide to Ohio Divorce: Some Basics and Some Advanced Topics
Start Your Own Corporation: Why the Rich Own Their Own Companies and Everyone Else Works for Them (Rich Dad Advisors)
Cholesterol: The Great Cholesterol Hoax: Why Cholesterol Lowering Drugs Won't Help You Live

One Day Longer And Drug Companies Know It (Cholesterol diet, ... Cholesterol lowering foods, heart disease) Why Did He Stop Calling? Diagnose Why Men Grow Distant, Don't Commit, and Lose Interest - 14 Ways To Never Chase Again (Bring Out The Sass) You Never Give Me Your Money: The Beatles After the Breakup Hepatitis C Never Give Up HOPE Why Can't My Child Behave?: Why Can't She Cope? Why Can't He Learn? The Feingold Diet updated for today's busy families IS THIS WHY AFRICA IS? (Why Africa is poor, Why Africa is not developing, What Africa needs, What Africa needs to develop): Africa, Africa, Africa, Africa Africa, Africa, Ebola, Ebola, Ebola, Ebola Why I am an Atheist Who Believes in GOD: How to Give Love, Create Beauty and Find Peace The Myth of Matriarchal Prehistory: Why an Invented Past Won't Give Women a Future Made to Stick: Why Some Ideas Take Hold and Others Come Unstuck The Politics of Innovation: Why Some Countries Are Better Than Others at Science and Technology "Born in a Mighty Bad Land": The Violent Man in African American Folklore and Fiction (Blacks in the Diaspora) Unbreakable Bonds: The Mighty Moms and Wounded Warriors of Walter Reed The Mighty Queens of Freeville: A Mother, a Daughter, and the Town That Raised Them Amazing Conversions: Why Some Turn to Faith & Others Abandon Religion

[Dmca](#)