

Curiosity and Discipline: Reflections on the Words of Jim Collins

By John Durel

This article was published in Hand to Hand, the journal of the Association of Children's Museums in the summer of 2008, following a talk by Jim Collins at ACM's annual meeting in Denver in April.

Two words echo for me as I reflect on Jim Collins' talk at Interactivity 2008: *curiosity* and *discipline*.

Those in attendance will remember curiosity. Collins bounded onto the stage, saying he was giddy like a kid in a museum, eager to be in front of people who work in children's museums, as curious as Curious George about the work that you do. Curious George is his personal mascot. He refers to his research group as "Chimp Works," he conducts "chimposiums," and Curious George sits in his office chair when he is away. For Collins, curiosity defines the way he works and lives.

His is not idle curiosity, a passing interest in this or that. Collins' curiosity is tied to discipline. It is the curiosity of a scientist, seeking to discover what is really going on, or how something really works. Collins is disciplined in his thinking and research. His studies of how businesses succeed have used an empirical approach, comparing successful companies to others in similar circumstances that have been less successful, and digging deep to understand what accounts for the differences. As a result he has given us powerful insights into how to create not only great businesses, but also great museums.

In this essay I will focus on a handful of his insights that I find especially compelling for museums. I first read Collins in 1998, the first paperback edition of *Built to Last: Successful Habits of Visionary Companies*, which he had published originally in 1994 with his fellow Stanford professor, Jerry I. Porras. In 2000 I wrote an article, "What Can Museums Learn from the Habits of Visionary Companies?" which appeared in *History News*, the magazine of the American Association for State and Local History. Following the 2001 publication of *Good to Great: Why Some Companies Make the Leap... and Others Don't*, I conducted an email exchange with a number of museum leaders, introducing the concepts and asking how they might apply them in museums. Then in 2005 Collins published a brief monograph, *Good to Great and the Social Sectors: Why Business Thinking is Not the Answer*, which offers insights in how the Good-to-Great principles can be used in nonprofits.

Curious about Leaders

Collins gives us several useful concepts about leadership. In *Built to Last* he discovered that the leaders of the successful companies attended not only to new products and markets, as did the leaders of comparison companies, but also to creating an organization that could respond to *any* opportunity or challenge that came along. He called this "clock building, not time telling." Successful leaders focused on building a robust organizational

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culture, instilling a sense of purpose and values that would serve the business for generations.

In *Good to Great* he gave us the concept of “Level 5 Leaders,” who are characterized by modesty and professional will. They look out the window to give credit to others when things go well, and look in the mirror to examine their own actions when things go poorly. They commit to doing whatever it takes to succeed.

In *The Social Sectors* Collins sees that nonprofit leaders need to possess not only the traits of a Level 5 CEO, but also the skills of a legislative leader. More so than business sector executives, nonprofit leaders must be skilled at coalescing power held by numerous stakeholders. The goal of a great legislative leader is not to make the right decision, but to make sure that the right decision gets made.

Curious about *Plans and People*

When asked how they knew where to take their businesses, the leaders of Good-to-Great companies replied that they did not know until they surrounded themselves with the right people, and then they figured out where to go together. First, the people, then the plan. This contrasts starkly with most museum directors who tell me they have a plan for their museum but don't yet have all of the right people in place. To use Collins' parlance, until you have the right people on the bus, in the right seats, you cannot figure out where to drive the bus. It is more important to get strong leaders on the staff and board, than to have a strategic plan.

Who are the right people? They should possess these qualities:

- Passion for the cause
- A good fit with the organization's core values
- Self-discipline: they do not need to be “managed”
- They understand it's a responsibility, not just a job.
- They do what they say & say what they do
- They take responsibility for mistakes and praise others for success

In an interview for a new board or staff member it is difficult to discern whether an individual possesses these characteristics. Collins recommends a disciplined approach to setting expectations, coaching, and evaluating performance during a person's first few months with the organization. If the person doesn't measure up, acknowledge the mistake and find someone else. The message to new people in leadership positions must be: “You have to be great to stay on our team.”

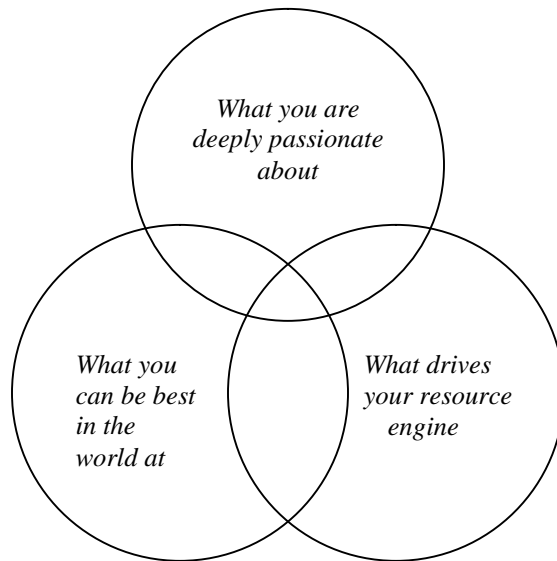
Curious about *Hedgehogs and Flywheels*

One of the joys of reading Collins is his use of stories and models to reveal his insights. Take the hedgehog, not a very inspiring animal, waddling along, minding its own business. Collins recounts an old fable of the hedgehog and the fox. The fox pursues many ends, always looking for a new line of attack, whereas the hedgehog focuses on

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what it is designed best to do – defending itself by rolling up into a ball with sharp spikes pointing outward. And the hedgehog always wins. Collins’ insight is that great companies are like hedgehogs, having the discipline to focus on what they can do best.

From this story he draws a model, which he calls the Hedgehog Concept, placing the focus of a great organization at the intersection of three circles:



Great companies, and potentially great museums, achieve a deep understanding of these intersecting circles, and are relentless in executing actions at the center.

For children’s museums, the first circle is the passion that is felt for the well being of children and families in communities across the nation. Each museum, in its own way, expresses this passion through its mission, programs and services. Acting in this circle means not only providing a place where children play and learn, but also having a positive impact on their lives.

The second circle distinguishes a children’s museum from other organizations that also seek to improve children’s lives. What can a children’s museum do in its world that no other organization can do as well? Each museum has to answer this question in its own way. It must define its “world,” the arena in which it acts. This might be a town or city, a region, a state, the whole nation, or conceivably the entire world via the internet. It must then differentiate itself, showing how its expertise and resources provide distinctive value for children.

The third circle – what *drives* your resource engine – relates to the activities you undertake to bring resources to the museum. Resources for nonprofits come in the form

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of money (earned and contributed,) volunteer time, and talent. Each museum must find the right combination of resources to ensure that it can execute its programs and services, and sustain them over the long haul.

It is possible to design actions in any of the three circles. However, the path to greatness lies in acting at the intersection of the three: doing things that fit your passion AND make you distinctive AND generate resources.

There is no single action or event that leads to greatness. Rather, like a flywheel, each successful action builds momentum, slowly at first, as you begin to understand the three circles. With discipline, focus and persistence the flywheel begins to pick up speed. You measure results, learn what works, and become more efficient and consistent in execution. Eventually the organization breaks through and flies forward with almost unstoppable energy.

Curious about *Discipline*

The flywheel will build momentum only if the organization has a culture of discipline. Disciplined people focus on actions that drive the organization forward – the hedgehog concept. They create *systems* for efficient and effective execution of actions. They set goals and *measure* results so that they know what works, and are able to correct what doesn't. They are *consistent*, doing whatever it takes to succeed and holding each other accountable for high performance standards. Collins calls this *smack!* – systems, measurement and consistency.

Consistent, systematic measurement of results is a hallmark of a great organization. No museum will be great until it

1. Determines its key performance indicators – those that reveal whether or not the organization is succeeding
2. Sets objectives and benchmarks for each indicator
3. Tracks results daily, weekly, monthly or quarterly, depending on the indicator
4. Reports regularly to board and staff, using a dashboard that compares actual results to benchmarks
5. Modifies the work as necessary to close any gap between actual results and benchmarks.

In a for-profit business this is called “managing by the numbers,” and the numbers almost always relate to dollars. For nonprofits the dollars are important. However, other numbers – such as the number of volunteer hours, the number of donor cultivation calls, or the number of school children served – may be important as well. Each museum must determine its own key performance indicators.

For nonprofits, some performance indicators are qualitative rather than quantitative. This may be especially true when a museum assesses its *impact* on children in its community. In these cases, stories that illustrate the impact must be collected and reported regularly.

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By talking with visitors and program participants, staff can assess impact and report the stories. If the stories do not regularly reveal the intended impact, adjust the program or visitor experience.

Managing in this way is about managing systems for results, not about managing people. If you find yourself creating systems to manage people, you probably have the wrong people on the bus. In great organizations, people manage themselves. They use systems to focus on what is most important, build on their successes, and eliminate activities that don't produce.

Everyone has a "to do" list. In great organizations, people also have "stop doing" lists.

Curious about *Brands*

For a business, the flywheel's impetus is money: a successful action leads to profits and attracts new investment, which in turn support the next action. For nonprofits, Collins suggests that the key driver of the flywheel is brand reputation. I find this suggestion intriguing. As several attendees at Interactivity pointed out, nonprofits often face a dilemma. When a business is profitable it attracts additional capital, because people want to invest in a winner. When a nonprofit achieves financial success, funders often stop investing in it, saying that other organizations have greater need. That is, financial success can work against the flywheel.

To counter this, Collins proposes that nonprofits focus on building their brand reputation, based on tangible, measurable results and stories that touch the heart. The brand, which should evoke an emotional response, must convey to funders not only that your mission is crucial to society, but also that you are heads above any other organization in delivering the mission.

As an example, Harvard University has a brand. It also has a \$35 billion endowment, more than enough to support the entire operating budget and continue to grow. Yet alumni continue to give because they believe that no institution provides a better education. The aim of every museum should be to have a brand that compels donors to say, "Of course we support the children's museum; they do such important work and they do it better than anyone else."

Curious about *Greatness*

One of Collins' dictums is "good is the enemy of great." Good organizations run the risk of becoming satisfied with what they have accomplished already, rather than what they can yet achieve. He applies this to America as well: we are a good nation, not yet a great one. He argues that great businesses may produce a prosperous nation, but great nonprofits are needed to build a nation that is truly great.

In *The Social Sectors* Collins observes that nonprofits must define greatness not in terms of money, but in terms of impact on society. Indeed, money must be seen as an *input*, not

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an outcome. Nonprofits with the discipline to measure consistently the impact they have – using both quantitative data and illustrative stories – will establish their value in the eyes of supporters. Less like an accountant and more like an attorney, nonprofits must marshal a preponderance of evidence that demonstrates their impact.

Children’s museums, for Collins, have a special role to play in making our nation great. He urged us to inoculate children against the destruction of curiosity that happens so often in our schools. He implored us to nurture irreverent, curious kids, like curious George.

One of the businesses Collins studied in *Built to Last* was the Walt Disney Company. Arguably no other organization has had a greater impact on American families over the past half century. For millions of children the Disney brand evokes positive feelings and drives parents to spend thousands of dollars.

Looking forward to the next half century, can children’s museums have as great an impact as Disney has had? I am not suggesting that children’s museums become like Disney. Rather, I’m asking if they, collectively through ACM, can create a nationally respected brand that induces families everywhere to use children’s museums as a matter of course, and compels funders to support children’s museums nationwide because of their consistently positive impact on the lives of children?

It sounds audacious. What would it take? Following Collins’ teachings, children’s museums would have to embrace clock building as well as time telling. They would focus on creating great organizations as well as great programs. Each museum would figure out its own hedgehog concept, get its flywheel going, build a culture of discipline, consistently measure impact, demonstrate value, and build a strong local or regional brand. At the national level, ACM would build an *uber-flywheel* powered by the energy of all of the individual flywheels. It would monitor and assist individual museums whose flywheels are not yet up to speed; accumulate and promulgate the measured impact of museums nationwide; and create a single national brand with recognition on par with other nonprofit brands, such as the World Wildlife Federation or the American Red Cross.

Can the people who lead and work in children’s museums achieve this? Collins argues that you have no choice. You must, for the sake of the future nation and its children, do whatever it takes to create great museums.