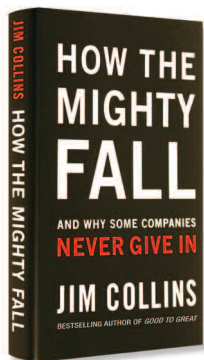


Diagnosing the Corporate 'Silent Killer'

Review by Andrew B. Clancy



How the Mighty Fall

By Jim Collins

Self-published by Jim Collins © 2009, 222 pages, \$23.99, ISBN 978-0-9773264-1-9

This isn't what author Jim Collins is supposed to be doing right now. He's the first one to admit it. In the preface to *How the Mighty Fall and Why Some Companies Never Give In*, he confesses that his new book began as an article, a mere distraction while researching his next epic release.

His subject matter, how top-tier companies disintegrate, rapidly altered his intended trajectory. Collins knows a good idea when it latches its hooks into his mind. He's the author of one of the most referenced and celebrated business "must-reads" of the last 30 years, *Good to Great*. If that book chronicled the arduous trek to the zenith of the business world, *How the Mighty Fall* stands on the shadowy side of the mountain, where businesses tumble down at varying rates of speed and terror.

The strange coincidence concerning Collins' book is that its creation occurred largely before the 2008 global economic apocalypse. Fearing accusations of an attempt to capitalize on the current financial crisis, Collins is quick to assert that *How the Mighty Fall* is not about Wall Street, nor are its observations confined to the latter half of this decade.

In Search of a Cure

Collins is careful in his choice of metaphor to describe the decline of a great company. He does not specifically label corporate downfall as a cancer, because, as he writes, cancer is not self-inflicted. Collins elects to view the situation as an internal illness that, despite the outward appearance of strength and vitality, grows inside a corporation until it reaches a terminal state.

Perhaps a better metaphor would be heart disease caused by the gluttonous intake of the spoils of success. In this case, overexpansion and lack of strategic focus form the plaque that clogs once-healthy arteries. Much like any cardiovascular illness, Collins believes early detection is the secret to preventing one's untimely demise.

How the Mighty Fall is Collins' attempt to answer a simple question about the business equivalent of the silent killer: How would you know? He provides five recognizable stages that create the timeline of a business' fall from triumph. Each stage is given a thorough examination and is reinforced by key historical examples.

An important distinction in regard to these examples is Collins' desire not to rely on the crutch of hindsight. Readers should admire Collins for not taking the easy road in this area. He tried, wherever possible, to use materials (financial reports, press releases, etc.) contemporaneous to the period when the company began its downward trend. It's the "How" of *How the Mighty Fall* that is paramount to Collins.

A Light in the Darkest Hour

Collins' writing is sharp and crackling with energy. He titles one chapter "The Silent Creep of Impending Doom," an epigraph worthy of H.P. Lovecraft, author of *The Doom that Came to Sarnath* and other tales of the macabre. However readers should note that Collins frequently repeats that his book is intended to be a beacon of hope. His goal is to provide a diagnostic that, if only in the subconscious sense, may cause business leaders to recognize the symptoms of critical errors before the company ends up on the corner's slab. If the past 12 months are any indication, there's no time like the present to read this book.

The Buzz

Notability: ★★★★★
Readability: ★★★★★
Takeaways: ★★★★★
Innovation: ★★★★★
Shelf Life: ★★★★★