The Stockdale Paradox

Jim Collins

In confronting the brutal facts, the good-to-great companies left themselves stronger and more resilient, not weaker and more dispirited. There is a sense of exhilaration that comes in facing head-on the hard truths and saying, "We will never give up. We will never capitulate. It might take a long time, but we *will* find a way to prevail."

The Stockdale Paradox

Every good-to-great company faced significant adversity along the way to greatness, of one sort of another—Gillette and the takeover battles, Nucor and imports, Wells Fargo and deregulation, Pitney Bowes losing its monopoly, Abbott Labs and a huge product recall, Kroger and the need to replace nearly 100 percent of its stores, and so forth. In every case, the management team responded with a powerful psychological duality. On the one hand, they stoically accepted the brutal facts of reality. On the other hand, they maintained an unwavering faith in the endgame, and a commitment to prevail as a great company despite the brutal facts. We came to call this duality the Stockdale Paradox.

The Stockdale Paradox

Retain faith that you will prevail in the end, regardless of the difficulties.	*AND at the same time*	Confront the most brutal facts of your current reality, whatever they might be.

An excerpt from *Good To Great*, by Jim Collins

The Stockdale Paradox
Chapter 4, pages 83–85

The name refers to Admiral Jim Stockdale, who was the highest ranking United States military officer in the "Hanoi Hilton" prisoner-of-war camp during the height of the Vietnam War. Tortured over 20 times during his eight-year imprisonment from 1965 to 1973, Stockdale lived out the war without any prisoner's rights, no set release date, and no certainty as to whether he would even survive to see his family again.

He shouldered the burden of command, doing everything he could to create conditions that would increase the number of prisoners who would survive unbroken, while fighting an internal war against his captors and their attempts to use the prisoners for propaganda. At one point, he beat himself with a stool and cut himself with a razor, deliberately disfiguring himself, so that he could not be put on videotape as an example of a "well-treated prisoner." He exchanged secret intelligence information with his wife through their letters, knowing that discovery would mean more torture and perhaps death. He instituted rules that would help people to deal with torture (no one can resist torture indefinitely, so he created a step-wise system—after x minutes, you can say certain things—that gave the men milestones to survive toward). He instituted an elaborate internal communications system to reduce the sense of isolation that their captors tried to create, which used a five-by-five matrix of tap codes for alpha characters. (Tap-tap equals the letter a, tap-pause-tap-tap equals the letter b, tap-tap-pause-tap equals the letter f, and so forth, for 25 letters, c doubling for k.) At one point, during an imposed silence, the prisoners mopped and swept the central yard using the code, swish-swashing out "We love you" to Stockdale, on the third anniversary of his being shot down. After his release, Stockdale became the first three-star officer in the history of the navy to wear both aviator wings and the Congressional Medal of Honour.

You can understand, then, my anticipation at the prospect of spending part of an afternoon with Stockdale. One of my students had written his paper on Stockdale, who happened to be a senior research fellow studying the Stoic philosophers at the Hoover Institution right across the street from my office, and Stockdale invited the two of us for lunch. In preparation, I read *In Love and War*, the book Stockdale and his wife had written in alternating chapters, chronicling their experiences during those eight years.

As I moved through the book, I found myself getting depressed. It just seemed so bleak—the uncertainty of his fate, the brutality of his captors, and so forth. And then, it dawned on me: "Here I am sitting in my warm and comfortable office, looking out over the beautiful Stanford campus on a beautiful Saturday afternoon. I'm getting depressed reading this, and I know the end of the story! I know that he gets out, reunites with his family, becomes a national hero, and gets to spend the later years of his life studying philosophy on this same beautiful campus. If it feels depressing for me, how on earth did he deal with it when he was actually there and *did not know the end of the story*?"

"I never lost faith in the end of the story," he said, when I asked him. "I never doubted not only that I would get out, but also that I would prevail in the end and turn the experience into the defining event of my life, which, in retrospect, I would not trade."

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I didn't say anything for many minutes, and we continued the slow walk toward the faculty club, Stockdale limping and arc-swinging his stiff leg that had never fully recovered from repeated torture. Finally, after about a hundred meters of silence, I asked, "Who didn't make it out?"

"Oh, that's easy," he said. "The optimists."

"The optimists? I don't understand," I said, now completely confused, given what he'd said a hundred meters earlier.

"The optimists. Oh, they were the ones who said, 'We're going to be out by Christmas.' And Christmas would come, and Christmas would go. Then they'd say, 'We're going to be out by Easter.' And Easter would come, and Easter would go. And then Thanksgiving, and then it would be Christmas again. And they died of a broken heart."

Another long pause, and more walking. Then he turned to me and said, "This is a very important lesson. You must never confuse faith that you will prevail in the end—which you can never afford to lose—with the discipline to confront the most brutal facts of your current reality, whatever they might be."

To this day, I carry a mental image of Stockdale admonishing the optimists: "We're not getting out by Christmas; deal with it!"