

*Built To Last: Successful Habits of Visionary Companies*

Book Review by Mike Taigman

Bill Metcalf, the publisher of JEMS Magazine, cornered me in the exhibit hall at the Seattle AAA convention. While we were discussing the state of EMS he ask me if I'd read *Built to Last* by James C. Collins and Jerry I. Porras. When I told him that it had been in my to-read pile all summer, he gave me a look that said, "You of all people. This is one of the best business books ever written and you, who writes a book review column spent your summer reading People Magazine and murder mysteries."

Chagrined and embarrassed I dug it out of the stack as soon as I got home. *Built to Last* isn't your average business book, it's actually a report on a business study. The six-year research project at the Stanford University Graduate School of Business sought to discover what makes truly exceptional companies different from other companies. They studied exceptional and long lasting companies and directly compared them with their competitors.

I don't know about you, but when I think about reading the results of a research study from a sophisticated academic institution my eyelids get droopy. This book is nothing like the dry academia that you'd expect from the ivory tower. It's very well written, funny, and packed with ideas and concepts that ambulance industry leaders can use.

Most of the companies profiled in this study are familiar, 3M, American Express, Boeing, Ford, Marriott, Sony, and Motorola, to name a few. Even though most of these organizations are much larger than yours (even if you work for AMR), most of them started small. And the decisions they made in their early years laid the groundwork for them to become long-lasting and much more successful than their competitors.

To be included in this study the companies had to meet these criteria: Premier institution in its industry, widely admired by knowledgeable business people, made an indelible imprint on the world in which we live, had multiple generations of chief executives, been through multiple product (or service) life cycles, and founded before 1950. Here are some of the gems contained in this wonderful book:

- In the 1920s Merck founder George Merck said, "Medicine is for the patients not for the profits. The profits follow." That purpose guides decision making to this day. In case your wondering, Merck has been more profitable over the years than most of their competitors.

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- Meticulous planning was not a factor in most of the success stories. Bill Hewlett and Dave Packard decided to first start a company and then figure out what they would make. When Masaru Ibuka founded his company in August of 1945, he had no specific product idea. In fact, Ibuka and his seven initial employees had a brainstorming session after starting the company to decide what products to make. It was after a failed attempt at building a simple rice cooker that Sony had it's first successful product, a crude but marketable heating pad.
- Visionary companies have a clear guiding purpose rather than a mission statement. The reason Hewlett-Packard exists is to provide something which is unique and makes a contribution. The purpose of Disney is to make people happy. At Marriott it is to make people who are away from home feel like they are among friends and really wanted. "Intentions are all fine and good, but it is the translation of those intentions into concrete items-mechanisms with teeth-that can make the difference between becoming a visionary company or forever remaining a wannabe.
- They tend to set and achieve "Big Hairy Audacious Goals" (BHAG). Ford in 1907 declared that they would, "Build a motorcar for the great multitude.... It will be so low in price that no man making a good salary will be unable to afford one and enjoy with his family the blessing of hours of pleasure in god's open spaces....Everyone will be able to afford one, and everyone will have one. The horse will disappear from our highways and the automobile will be taken for granted."
- They have an almost cult-like culture. "Joining these companies reminds me of joining an extremely tight-knit group or society. And if you don't fit, you'd better not join. If you're not willing to really buy in and dedicate yourself to what the company stands for, then you'll probably flounder, feel miserable and out-of-place, and eventually leave-ejected like a virus. You're either in or you're out, and there seems to be no middle ground. It's almost cult like."

They go on to describe in detail the advantages of home grown management, quality improvement processes, the need for alignment, and much more. There are lessons in this book for consolidators and independents alike. Every chapter finishes with a discussion of application for small businesses. Read this book and apply its lessons to your own organization I'm sorry that I didn't read it earlier.