

Book Review

WHO SAYS ELEPHANTS CAN'T DANCE ? INSIDE IBM'S HISTORIC TURNAROUND

**Louis V. Gerstner Jr., Harper Collins, 2002, 6th Edition,
Page: 360+xii, Rs.575/-**

Experience is the best teacher is a an often heard adage. However no contemporary writings drive this message back home better than reading memoirs of retiring Business Leaders specially those who have lead turnarounds. The reading becomes specially informative, educative and entertaining at the same time if the CEO is a Harvard MBA, Principal at McKinsey at 28, ran American Express before his inaugural IT Company stint at the Big Blue.

In this book the former CEO of IBM tells the story of his company's amazing comeback from 1993 to 2001. It is the story of how at a time IBM was challenged by customers and employees worldwide and featured product-service lines that defied integration, Gerstner implemented solutions to turn the company into the integrated business giant it is today. This book falls into this popular management/business book category for the mass market similar to the book published about a year earlier by another retiring prominent CEO of a large multinational company, "Jack: Straight from the Gut". However, there are significant differences between the two and the main differences are reflected in the titles. As the titles suggest, "Jack" is more of an autobiography told in a very opinionated manner whereas Gerstner's book is more about the company during Gerstner's years and how (in broad terms) the company transitioned to a more flexible, entrepreneurial organization.

Ordinarily such a memoirs book would not find place on a must read for management practitioners and researchers, however what makes this book different is that fact that Gerstner has the distinction of having quarterbacked one of history's most dramatic corporate turnarounds. The most readable section of the book is the opening section that snappily reports Gerstner's decisions in his first 18 months on the job-the critical "sprint" that moved IBM away from the brink of destruction. The following sections describe the marathon fight to make IBM once again "a company that mattered."

The book is organized into five parts: (1) Gerstner's beginnings at IBM, (2) Strategy, (3) Culture, (4) Lessons Learned, and (5) Observations. The first four parts are mostly about IBM and the transformation whereas the last section is mostly about Gerstner's views on industry, society, journalists, etc. In this book Gerstner writes most vividly about the company's culture. On his arrival, "there was a kind of hothouse quality to the place. It was like an isolated tropical ecosystem that had been cut off from the world for too long. As a result, it had spawned some fairly exotic life-forms that were to be found nowhere else." One of Gerstner's first tasks was to redirect the company's attention to the outside world, where a marketplace was quickly changing and customers felt largely ignored. He succeeded mightily. Upon his retirement this year, IBM was undeniably "a company that mattered."

The real striking feature of the book remains that it has been written in the style of popular business books so it has fairly short chapters and is easy to read. It does not try to espouse too much theory or universal answers. It does a good job at explaining why certain decisions were made and certain strategies selected. And, of-course, it does not get bogged down in stock prices and financial data. Nonetheless, Section 5 of the book is a weak chain in the link and is a bit disorganized. However, on the whole, Gerstner's writing occasionally is myopic.

However, on the whole, this book is a must read for management researchers, practitioners and students alike; for, it provides a deep insight into how cultural revolution within a company can completely turn around its business fortunes.

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