

Book Review

Who Says Elephants can't Dance?

Louis V. Grestner

Reviewed by Vijita Agarwal*)

Who says Who says elephant can't dance narrates about the unprecedented changes that came in IBM under the leadership of Louis V. Grestner Jr. He was CEO and the chairman of IBM from April 1993 to March 2002. Grestner was the person who was responsible for IBM's turnaround, from the level of bankruptcy to where it is today. The book dwells a little on the environment in which IBM was working at the time of Grestner's recruitment. Mainframe system technology that was IBM forte once had been disseminated to other competitors. IBM's leadership position at this point was being challenged. Under his leadership, Grestner commercialized mainframe system. The book is divided into five parts 1st Grabbing Hold, 2nd Strategy, 3rd Culture, 4th Lessons Learned, and 5th Observation.

PART 1: GRABBING HOLD

This part very interestingly describes the C-level recruitment for fortune 50 company, from the insider's perspective and also the corporate politics which goes with it. Financial crisis gripped IBM when Grestner joined the organization and it was his first priority to keep the company solvent. This part very interestingly sets up the stage for the rest of the book.

PART 2: STRATEGY

This part very lucidly deals with the repositioning of IBM. Against the advice of all the corporate pundits to break IBM into manageable parts Grestner saw the size as strength. Grestner took all the advice but he also kept the core strength of IBM in his mind which helped IBM to get closer to its customer, and according to it he took the decisions. As the title of the book says "WHO SAYS ELEPHANT CAN'T DANCE" exactly meant for people who used to do business without using technology, and he wanted to change them revolutionarily by making THE ELEPHANT DANCE through introducing and implementing the technology in business which was not accepted very easily. This technology was in form of Mainframes, the most complex technology of that time.

Grestner realized that IBM had a unique and unequalled capability to "apply complex technologies to solve business challenges." It was this unique value proposition that would enable IBM to come back near extinction. The main aim of Grestner was to bring back IBM into limelight through its core competency of technology in form of Mainframes. This was a daunting task and for this he needed to reengineer the whole organization. Reengineering to quote from the book:

"Reengineering is like starting a fire on your head and putting it out with a hammer."

The new aim of strategy was thus to drive the company from the customer point of view. This needed a total shift in the focus and a cultural change.

PART 3: CULTURE IS EVERYTHING

Grestner empowered employees to make a difference. The employer and the personnel of IBM put on integrated efforts by people of IBM to create value to customer. Inspiring employees and providing self actualization to work according to the will of the employee and also to motivate employee to work for customer defined goals. In fact, Grestner puts it this way:

"Until I came to IBM, I probably would have told you that culture was just one among several important elements in an organization's makeup and success- along with vision, strategy, marketing, financials and the like....

I came to see, in my time at IBM, that culture isn't just one aspect of the game, it is the game. In the end, an organization is nothing more than the collective capacity of its people to create value.

PART 4 & 5: LESSONS LEARNED AND OBSERVATIONS

Major part of every industry has the services kind of role. This very thought lead to the establishment of the IBM global services. Now if the industry is major then it ought to be building on some open standards so that there are no hassles in working in that industry. Being in the manufacturing field does not guarantee that you can leverage your technology everywhere.

Grestner argues for abandoning proprietary development and embracing software standards. He states that the most valuable technology companies are OEM suppliers who leverage their technology wherever possible; therefore, IBM has to actively license its technology in order to be successful.

Three appendices of the book contains, some interesting e-mail correspondence, Grestner's vision of e-business (including the IBM IT On Demand automatic, and grid computing initiatives), and financial overview of IBM 1992 to 2002.

Grestner has been the most effective CEO of IBM till now. IBM has taken some of the most dramatic turns under his leadership. None of the business critics was able to utter a word against Grestner and his business decisions. I expected that such a man would be writing an autobiography, however it was a pleasant surprise to read this book which dwells very briefly on personal front and deals extensively on the corporate environment and strategy. This book provides an interesting and informative reading.