

**Book Review**  
**IN SEARCH OF EXCELLENCE (LESSONS**  
**FROM AMERICA'S BEST-RUN COMPANIES)**

**Author:** Thomas J. Peters and Robert H. Waterman, Jr.,

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“The Secret of joy in work is contained in one word – EXCELLENCE. To know how to do something well is to enjoy it.” – a million dollar quote stated by a famous American writer, Pearl S Buck can be considered appropriate to give the glimpse of the amazingly expressed views in the book. These views are about the core management practices that underlie the reason behind the real success of any organization. What sets great businesses apart? To answer this question Thomas J. Peters & Robert H. Waterman, undertook a research project into the forty-three best run companies in the US. This was the beginning of their journey in search of excellence.

For the authors, this journey wasn't easy because of the lack of defined directions to the ultimate destination. Therefore, in the book, they very well explain each and every intricacies of their journey in detail making it easy for the readers to follow. After the thorough investigation for several long years in corporate excellence, they came up with the eight profound theories of the management principles that contributed invaluable in making these companies outstanding performers. Above all, these were scientifically tested theories of time.

The beauty of the book lies in the fact that these eight basics of management excellence are not something out of the box theories that everyone must have had expected, but instead these are like those golden phrases of truth that are easy to say and agree upon but very difficult to implement and execute. These all theories are very much interrelated and revolve around the most significant asset or the only 'natural resource' of any company – 'people'. Authors have very beautifully emphasized a lot upon what an average employee can do for the company given the right management and environment. Likewise, attributes like strong culture, deep values, simplicity in complexity, superior quality and closeness to customers

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could be seen with profound stress. Expectation of extraordinary performance from an average man in the company can really do wonders and this is what excellent companies believe at. Each and every people associated with the company counts and can create exceptional situation. These justified thoughts of the authors are mind-boggling as they themselves are so motivating and inspiring.

The eight basic practices of management form the different chapters of the book and are based on the seven interdependent variables that formed the Mckinsey 7-S framework developed by authors during their research. They provide plenty of anecdotes and stories from their interviews to back up their appealing themes. Real life short examples of most of the best run companies related to each of the eight themes will make the reader wonder about the intensity of the research work and the passion of the authors to know and provide the honest answers that can be very well comprehended by the readers.

Thomas and Waterman have presented most their management ideas in the initial chapters of the book in reference to the Japanese excellent system of organization and have stressed on the fact that American companies were no less than them but were lacking in the conducive approach to understand the right management practices that were not apparent at that time. This also indicates their strong flavor of comparatives to make things crystal clear in front of readers.

As we move forward, the basic question which initiated their journey of research, 'what different the companies do that makes them reach the level of excellence' and gains prominence. It is really eye-opening to see how the 'motherhood' basics contributed to the each organization's effectiveness. The whole credit goes to the multitude of engaging narratives described beautifully by the authors not letting readers lose their interest. Small phrases like 'soft is hard', 'small is beautiful', 'Back to basics', instill excitement and fun while reading.

The eight down to earth yet splendid themes that form the essence of the book, starting from "a bias for action; close to the customer; autonomy and entrepreneurship; productivity through people; Hands-on, value-driven; stick to knitting; simple form, lean staff and simultaneous loose-tight properties" are what everyone agreed upon, but only excellent companies lived by it. What fascinated me the most was that even after thirty six years of publication of this book, most of these management practices still hold relevance in one way or the other behind any company's success. Autonomy and entrepreneurship which are one of the most globally discussed topics today were so much emphasized upon so long before. Treating every employee of the organization as the source of ideas and not just pair of hands working on some task automatically empowers them to perform better and increases productivity of the organizations. Deep shared values, grounded culture, encouraging

environment, positive reinforcement, evolution and innovation, simplifying and failure tolerating systems helps companies to stick to the brilliant basics of excellence. And these are exactly the attributes that are contributing to the success of the companies today like Google or Facebook. And most of the companies that formed the sample of the study continue to be successful even today in their respective domains like Proctor and Gamble, McDonalds, Hewlett-Packard etc. Concepts like 'Management by walking around'; 'Organizational fluidity'; 'chunking' are really captivating. At some places, it was interesting to find that some conventional wisdom was challenged beautifully by the authors with justification. Most common belief going by various economic theories is that companies must be either cost oriented or technology driven or both for becoming successful but most of the excellent companies were driven by the 'close to customers' attribute which led to their exceptional success. It is the intensity of the customer orientation that matters the most for the excellent companies.

Authors seemed curious to know about the role of leadership in the formation as well as working of excellent companies and were even expecting some unusual and unobvious answer to it, but they convinced the readers about the inseparable nature of leadership from the success of any organization. Here it is the transformational leadership that strives to excellence. What I personally admire the most about this management book is that the proper emphasis is given to the attribute/practice that deserved the utmost attention – The people. It is them who can make or break any organization, it is what they do is reflected in the annual reports of the organizations. Annual reports of the excellent companies reflect what these companies are proud of and what they value. And this gives the pride and purpose to everyone acquainted with the organization. Authors very well explain how much people are crucial to any organization's success portrayed through these thought provoking statements.

Now, talking about things that I think can become cause of distraction while reading is a little abstract approach used by authors with missing flow to multitude of anecdotes at some places. There is also lack of required amount of quantitative data to substantiate the approaches. Even the question arises on some points regarding the sustainability of these management practices in the long run with the changing dynamics of the world. Some stated management principles like 'simple form, lean staff' can be challenging for companies to retain with growing size of the organizations requiring thousands of employees and departments. In today's environment, where analytics is gaining prominence, just focusing on quality alone can also lead to a backseat. Authors stand for less of diversifications as a source of excellence may not be relevant today for different companies in different sectors and industries. The definition of innovation used by authors is subject to change with

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changing demands and trends in the world.

Despite of these above little concerns, the value added by the authors through their outbreacking management research, gives immense valuable insights about the management practices of the best run companies of America. Theways in which intricacies of these brilliant practices are narrated with tons of examples in the simple language make it an essential read for anyone who is interested in exploring the organizational effectiveness. Though with time some of the management practices may become outdated but the lessons it provides are timeless. This book illuminates the search and clearly lays out the path to the organizational success. Authors are not only successful in generalizing the common management practices of the excellent companies but they have also buttressed it beautifully with the sound social and economic theories. It is one of the all-time classics of business management and a must read to get useful insights into the management theories and evolution.

Thomas J. Peters and Robert H. Waterman have been truly able to accomplish their remarkable journey '**In search of excellence**' with excellence.