



Some Points to Ponder

Every once in awhile, I find out that an apparently successful company, seemingly well established, with quite a few years under its belt, has gone belly-up. I recently went through this discovery process when I passed by an electrical construction company that had been a fixture in my neighborhood for as long as I can remember.

Now I'll admit that I still haven't come to grips with the disappearance of the Warner & Swasey Company—a Cleveland-based machine tool builder for more years than I can remember. But, somehow the "available" sign in front of the building that housed this particular company caught me totally unprepared. It was quite a shock—almost as if a part of me had vanished without my realizing it.

As I drove along thinking about what could have happened to this company that caused it to go out of business, I remembered the words of the managing editor of the first magazine I worked on. He was fond of saying, "Every organization carries within itself the seeds of its own destruction." Now, I'll admit that may sound very profound, but in reality, it doesn't provide very much useful information for someone trying to stay in business.

In the June issue, *MetalForming* carried an article about the evolution of the die set industry, comparing it to changes that have occurred at Superior Die Set Corporation during its 75 years in business. Casey Janiszewski, president and CEO of Milwaukee-based Superior Die Set, was quoted as saying, "When we try to look into the future, ... there's only one thing we know is going to happen for certain. We know that things are going to change, and we have to have a company that can as-

similate that change. If we can't, I think it's going to be really hard to stay in business."

There's little doubt that change is a necessary part of life and the ability to manage change will determine how successful a business or an individual will be over time. Of course, change can be good or bad. It's important to be able to differentiate between positive and negative change as it relates to any business.

My own over-simplified thesis concerning corporate longevity goes something like this: "Companies usually go out of business when they stop doing those things that made them successful in the first place." Armed with that wisdom, it should be fairly simple to stay in business, right?

Wrong! Unfortunately, a lot of companies that exist today really don't have a good grasp of why they are successful. Of course, this greatly increases the odds that they will stop doing the things that make them successful and subsequently pass out of existence.

When I ran this concept past my wife, she said that companies go out of business when they stop asking their customers what they want and start telling them what they are going to get. I think she makes a lot of sense. It also occurs to me that a successful marriage is a lot like a successful business, with each partner being a customer of the other.