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## THE GREAT AWAKENING

DELTA LAMBDA KAPPA  
SEPTEMBER 25-28, 1983

C. WILLIAM POLLARD

IN THE YEAR 1740 THERE WAS A GREAT STIRRING AND AWAKENING IN TOWNS AND HAMLETS ACROSS AMERICA. MEN AND WOMEN WERE BEING CONFRONTED WITH THE CLAIMS OF JESUS CHRIST UNDER THE PREACHING OF GEORGE WHITFIELD AND JONATHAN EDWARDS. PEOPLE WERE BEING REMINDED THAT THEY HAD BEEN CREATED WITH A FREE WILL AND UNLESS THEY MADE A CONSCIOUS CHOICE FOR GOD, THEY WERE LOST SINNERS. CHURCH MEMBERSHIP OR ASSOCIATION, EVEN A GOOD MORAL LIFE, WAS NOT SUFFICIENT FOR SALVATION.

IN ENGLAND AT THE SAME TIME THERE WAS A SIMILAR AWAKENING UNDER THE PREACHING OF THE WESLEY BROTHERS, JOHN AND CHARLES. BOTH WERE CLOSE FRIENDS OF GEORGE WHITFIELD. BUT IN ENGLAND THERE WAS A DIFFERENCE. THE CHURCH OF ENGLAND WAS SUPREME, SUPPORTED BY THE RIGHT AND POWER OF THE KING. WITH LOYALTY TO THE CROWN AND THE CHURCH, THE WESLEYS SOUGHT TO WORK WITHIN THE ESTABLISHED CHURCH THROUGH SMALL SOCIETIES. THIS DIFFERENCE WAS ALSO TO HAVE AN INFLUENCE ON THE POLITICAL HERITAGE OF AMERICA.

THIRTY YEARS LATER, DURING THE 1770'S, POLITICAL LEADERS IN AMERICA, INFLUENCED BY WHITFIELD, EDWARDS AND OTHERS, MOVED TO EXTEND THE CONCEPT OF FREE WILL TO THE CONCEPT OF FREE CHOICE. THAT IS A GOD-GIVEN CHOICE WITH RESPECT TO THOSE WHO WOULD GOVERN.

PLACE YOURSELF IN THOSE TURBULENT TIMES, 1775 TO 1776. WHAT WOULD BE YOUR CHOICE? WOULD YOU BE A TORY OR A REBEL? THE TAXES WERE UNFAIR. IT WAS A BURDEN TO HOUSE THE ENGLISH TROOPS. THERE COULD HAVE BEEN GREATER REPRESENTATION IN PARLIAMENT. BUT WERE THESE BURDENS SUFFICIENT TO IGNORE THE BIBLICAL INJUNCTIONS IN ROMANS CHAPTER 13, TO SUBMIT ONE'S SELF TO THE GOVERNING AUTHORITIES? WHAT WAS IT ABOUT THE TENOR OF THE TIMES THAT LEAD A PATRICK HENRY TO DECLARE, "GIVE ME LIBERTY OR GIVE ME DEATH"? IT WOULD APPEAR THAT FOR THE MAJORITY OF THE REBELS THE ISSUE BECAME MORE THAN WHO SHALL GOVERN. IT INVOLVED THE RECOGNITION OF A GOD-GIVEN

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PRINCIPLE AND RIGHT--MAN WAS CREATED WITH A FREE WILL, THUS HE SHOULD HAVE THE FREEDOM TO CHOOSE. THE REBELS BELIEVED THIS INALIENABLE GOD-GIVEN RIGHT OF "LIBERTY" MUST BE EITHER HONORED BY GOVERNMENT OR THAT GOVERNMENT MUST BE CHANGED.

FOR THEM IT WAS BETTER TO REBEL AND CHANGE THE GOVERNMENT--AND IN THAT WAY OBEY AND HONOR GOD--THAN TO SUBMIT TO A KING WHO FAILED TO GRANT THIS LIBERTY. IN SO DOING, THE REBELS IDENTIFIED WITH THE APOSTLE PETER, WHO IN CONFRONTING THE AUTHORITIES OF HIS DAY CONCLUDED IT WAS BETTER TO OBEY THE LAWS OF GOD THAN THE LAWS OF MEN.

IT IS THIS GREAT PRINCIPLE OF FREEDOM--THE RIGHT OF A PERSON TO CHOOSE--THAT IS UNIQUELY CHARACTERISTIC OF THE AMERICAN WAY OF LIFE. THIS PRINCIPLE IS NOT JUST A POLITICAL VIEW OF GOVERNMENT, DEMOCRACY VERSUS MONARCHY, SOCIALISM VERSUS COMMUNISM, OR WAVING THE BANNER FOR THE FREE ENTERPRISE SYSTEM. IT IS A PRINCIPLE THAT CAN ONLY BE UNDERSTOOD IN ITS ORDERLY APPLICATION WITH REFERENCE TO ITS ORIGINATOR--GOD, OUR CREATOR. A CREATOR WHO GAVE US THIS FREEDOM--THIS RIGHT TO CHOOSE, TO CONFIRM THAT IT WAS HIS PLAN AND HIS DESIRE TO HAVE A VOLITIONAL, NOT A MANDATORY, RELATIONSHIP WITH THOSE HE CREATED. THUS, FREEDOM IS SOMETHING FOR US TO UNDERSTAND, TO APPRECIATE, TO EXERCISE AND TO PRESERVE.

LET ME SHARE WITH YOU SOME FURTHER THOUGHTS ABOUT FREEDOM, THOUGHTS THAT WERE DEVELOPED AS A RESULT OF A TRIP I TOOK IN THE SUMMER OF 1983 WITH MY FAMILY. I CONSIDER IT A SORT OF FREEDOM APPRECIATION TOUR.

MY THOUGHTS BEGIN WITH BERLIN. FREEDOM CAN BE RESTRAINED BUT ITS SPIRIT IS NEVER EXTINGUISHED. ONE OF THE MOST VIVID MODERN DAY SYMBOLS OF MAN'S ATTEMPT AT EXTINGUISHING FREEDOM IS THE BERLIN WALL. THIS MASSIVE CONCRETE WALL SPLITS AND SEGREGATES THE ONCE GREAT CITY OF BERLIN. THE WALL SPEAKS OF A WAY OF LIFE, A MIND-SET THAT FEARS FREEDOM OF CHOICE AND THAT TRUSTS IN MAN-MADE

BARRIERS, BARRIERS THAT ARE CONSTRUCTED NOT ONLY TO CONTAIN THOSE WITHIN BUT ALSO TO BAR THOSE FROM WITHOUT. YET NO MATTER HOW DIFFICULT THE OBSTACLES, THERE CONTINUES TO BE REGULAR ESCAPES TO THE WEST AND PEOPLE CONTINUE TO RISK THEIR LIFE FOR LIBERTY. A VISIT TO EAST BERLIN THROUGH "CHECKPOINT CHARLIE" INCLUDES A FORCED PURCHASE OF 25 EAST GERMAN MARKS PER PERSON AND AN OPPORTUNITY TO SHOP AT STORES WITH LITTLE OR NO MERCHANDISE. THERE IS A FEELING OF CONFINEMENT AND CONSTRAINT AS ONE SEES UNIFORMED "PEACE" GUARDS AT EVERY BLOCK AND AN ARTIFICIAL EXPRESSION OF UNIFORMITY AS ONE VIEWS THE DRESS OF THE PEOPLE AND THE CARS IN THE STREET.

NEXT, THERE WAS THE PRISON CAMP AT DACHAU. FREEDOM CAN BE FORFEITED. WHAT ARE THE DEPTHS OF MAN'S PROPENSITY FOR EVIL, HIS AFFLICTION OF PAIN AND SUFFERING UPON OTHER MEN? DACHAU WAS ONE OF HITLER'S EXTERMINATION CAMPS RESPONSIBLE FOR THE FINAL SOLUTION OF THOUSANDS OF JEWS. THE FIRST THING A PRISONER SAW AS HE ENTERED WAS A MESSAGE OVER THE GATES IN LARGE METAL LETTERS, "ARBEIT MACHTFREI", THAT IS, "WORK MAKES ONE FREE." AND WITHIN TWO HUNDRED YARDS OF THE GATE, BEHIND ANOTHER WALL WERE THE GAS SHOWERS AND CREMATORIUMS THAT BECAME THE DESTINATION OF THOSE WHO COULD NO LONGER WORK. IT WAS THE ULTIMATE IN DECEPTION AND WE ASK, EVEN TODAY, HOW COULD SUCH A THING HAPPEN? WHAT DID THE PEOPLE THINK IN THE CITY OF MUNICH, A CITY OF OVER 2 MILLION, AND JUST A FEW MILES FROM DACHAU? WHAT DID THE BUSINESSMEN AND INDUSTRIALS THINK, THOSE SAME PEOPLE WHO HAD SUPPORTED HITLER AND GAVE HIM THE FINANCIAL BACKING TO COME INTO POWER?

THERE IS A BEAUTIFUL CASTLE IN BAVARIA, AS THOUGH FROM A FAIRYTALE, PLEASANT TO LOOK UPON, AND IN AN EXQUISITE LOCATION. YET IT IS THE PRODUCT OF A MADMAN WHO JUST HAPPENED TO BE KING OF BAVARIA. FOR FORTY YEARS HIS EVERY WISH WAS EVERYONE ELSE'S COMMAND. SO, DURING THIS TIME, HE HAD THE MEN OF BAVARIA BUILDING THIS CASTLE. WITHOUT CHOICE OR FREEDOM THEY WERE CONSCRIPTED TO WORK SO THAT KING LUDWIG COULD HAVE THE FULFILLMENT OF HIS DREAMS. AFTER

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FINAL COMPLETION THE CASTLE WAS USED BY THE KING FOR ONLY 180 DAYS, AT WHICH TIME HE DIED A MYSTERIOUS DEATH. YES, HE HAD FREEDOM--FREEDOM TO CHOOSE ANYTHING HE WANTED BUT ONLY AT THE PRICE AND ON THE BACKS OF THOSE THAT HE RULED. THE LUXURY OF CHOICE FOR A FEW AT THE EXPENSE OF MANY IS NOT FREEDOM BUT TYRANNY.

FREEDOM CAN BE ABUSED. IT SHOULD NOT BE USED AS A LICENSE TO PLEASE OR AMUSE ONESELF. AMSTERDAM IS ONE OF THE FREEST CITIES IN THE WORLD. SO FREE THAT DOPE IS LEGALLY SOLD AND USED IN THE STREETS. SO FREE THAT PROSTITUTION IS OPEN AND LEGALIZED. SO FREE THAT A ONCE BEAUTIFUL CITY PARK IS NOW THE PERMANENT LOVE-IN DORMITORY FOR YOUNG PEOPLE FROM ALL OVER THE WORLD. THE COMMERCIALIZATION OF SEX IS OPEN AND PART OF THE FREE ENTERPRISE SYSTEM OF THIS CULTURE. BUT, IS THIS FREEDOM? FREEDOM CARRIES WITH IT RESPONSIBILITY, RESPONSIBILITY FOR THE CONSEQUENCES OF ONE'S ACTION. FREEDOM CAN BECOME A VEHICLE OF SELF-DESTRUCTION IF WE ONLY FOCUS ON OURSELVES AND OUR OWN PLEASURE.

FREEDOM SOMETIMES REQUIRES SACRIFICE TO PRESERVE. PICTURE, FINALLY, A CEMETARY IN HOLLAND. ROW UPON ROW OF WHITE CROSSES REPRESENTING THE FINAL RESTING PLACE OF YOUNG AMERICANS WHO LOST THEIR LIVES ON FOREIGN SOIL TO PRESERVE OUR RIGHT TO BE FREE. AS ONE LOOKS UPON THIS SCENE THERE IS NO INTELLECTUAL DEBATE ABOUT DISARMAMENT OR THE JUSTICE OF WAR, THERE IS ONLY THE REMINDER OF THOSE WHO GAVE THEIR LIVES THAT WE MIGHT BE FREE.

IN FLANDERS FIELD THE POPPIES BLOW  
BETWEEN THE CROSSES, ROW ON ROW,  
THAT MARK OUT PLACE; AND IN THE SKY  
THE LARKS, STILL BRAVELY SINGING, FLY  
SCARCE HEARD AMID THE GUNS BELOW.  
WE ARE THE DEAD. SHORT DAYS AGO  
WE LIVED, FELT DAWN, SAW SUNSET GLOW,  
LOVED AND WERE LOVED, AND NOW WE LIE  
IN FLANDERS FIELDS.

TAKE UP OUR QUARREL WITH THE FOE:  
 TO YOU FROM FAILING HANDS WE THROW  
 THE TORCH; BE YOURS TO HOLD IT HIGH.  
 IF YE BREAK FAITH WITH US WHO DIE  
 WE SHALL NOT SLEEP, THOUGH POPPIES GROW  
 IN FLANDERS FIELDS.\*

WHAT CAN WE LEARN FROM THESE REFLECTIONS ON FREEDOM? IT IS TO REMIND US OF OUR BASIC NATURE AND THE RESPONSIBILITY WE HAVE TO CHOOSE FOR THE FUTURE. OUR LIVES ARE MADE UP OF A SERIES OF CHOICES, MOST OF WHICH REQUIRE A CONTINUING DECISION. THUS, THE CHOICE OF OUR SPOUSE, ONCE MADE, MUST BE CONTINUALLY NUTURED, ENCOURAGED, EARNED. THERE ARE CHOICES INVOLVED FOR THOSE WE WORK WITH AND LEAD, FOR THOSE WE SERVE--OUR CUSTOMER.

THE ISSUE IS ONE OF INVESTMENT. AN INVESTMENT OF OURSELVES FOR THE BENEFIT OF THE PEOPLE WE LEAD AND FOR THE CUSTOMERS WE SERVE AND FOR THE MINISTRY OF GOD. THUS, THE QUESTION WE MUST ASK IS, "WILL SERVICEMASTER BE A VITAL CHOICE FOR PEOPLE IN THE FUTURE?"

MAYBE YOU WOULD BE INTERESTED IN HEARING AN APPRAISAL OF SERVICE-MASTER FROM SOMEONE OUTSIDE LOOKING IN. WE HAVE ALL GONE THROUGH APPRAISAL AND REVIEW SESSIONS. THIS APPRAISAL IS THE PERCEPTION OF SERVICEMASTER FROM SOMEONE WHO HAS BEEN A FORMIDABLE COMPETITOR. LET ME START FIRST WITH HIS ASSESSMENT OF OUR WEAKNESSES:

THE QUOTES ARE FROM HIS APPRAISAL:

--THE FIRST ONE HE LISTS IS ARROGANCE, ARROGANCE ON THE SURVEY, "WE ARE THE EXPERTS, THERE IS ONLY ONE WAY, OUR WAY. THE CUSTOMER'S PROBLEMS ARE NOT UNIQUE. WE HAVE ALL THE ANSWERS AND WE THUS PRESENT CONDESCENDING ATTITUDES OR DEMEANOR TO THE CUSTOMER."

SECOND ON THE LIST IS--BAD LOSERS, "THERE HAVE BEEN OCCASIONS

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WHEN THE REACTION OF SERVICEMASTER IN LOSING A CONTRACT HAS EFFECTIVELY LOCKED THEM OUT OF THE ACCOUNT FOR YEARS."

RELIGIOUS EMPHASIS IS NEXT. "COULD BE A WEAKNESS WHEN IT IS FORM AND NOT SUBSTANCE. IT CAUSES SOME STRESS AND EVEN CYNICISM IN SOME OF LOWER MANAGEMENT WHO FEEL THE NEED FOR LIP SERVICE."

THEN, RELUCTANCE TO TAKE RISKS. "WHY BE SATISFIED WITH 20 PERCENT?" HE TELLS US. "WHY NOT AIM FOR 30 PERCENT GROWTH RATE? IT IS MORE RISKY BUT IT WOULD STRETCH PEOPLE AND FORCE BRINGING IN DIFFERENT TALENTED PEOPLE AT SENIOR LEVELS. IS SERVICEMASTER COASTING ON THE EFFORTS OF THE FIRST GENERATION MANAGEMENT?"

--AS TO QUALITY CONTROL, HE WRITES, "SERVICEMASTER LOSES TOO MANY ACCOUNTS. THIS HURTS SERVICEMASTER AND THE INDUSTRY. SERVICEMASTER'S OPERATION SKILLS, WHILE GOOD, ARE NOT AS STRONG AS THEIR MARKETING AND SELLING SKILLS. HIGH TURNOVER OF ACCOUNT MANAGERS COULD BE A FACTOR."

REGARDING RESPONSIVENESS, HE SAYS WE SEEM TO SAY, "WE ARE NUMBER ONE SO WE DON'T HAVE TO TRY SO HARD. IN SOME CASES, SERVICEMASTER DOES NOT RESPOND QUICK ENOUGH TO THE CUSTOMER'S WISHES, ALLOWING SITUATIONS TO SLIP INTO A CRISIS AND THEN HITTING THE HOSPITAL WITH A FIX-UP TEAM AND THEN LETTING THE CYCLE REPEAT."

NOW SOME PERCEPTIONS ON STRENGTHS:

--"ABILITY TO RECRUIT, DEVELOP AND RETAIN GOOD MANAGEMENT IS SERVICEMASTER'S MAIN STRENGTH. STRONG COMPANY CULTURE. DISCIPLINE IN WORK AND LIVING HABITS."

--"OVERT RELIGIOUS EMPHASIS. SUCCESS BANDWAGON. WHY LEAVE A WINNER? DISCIPLINE, GROWTH, HARD-NOSED COMPETITOR."

--"WHEN SERVICEMASTER HITS A NEW MARKET IT DOES SO WITH MAJOR RESOURCE AND DETERMINATION TO BECOME A MARKET LEADER."

--"EXTRAORDINARY COMPETITIVENESS IN THE MARKETPLACE. WELL DRILLED, PERHAPS OVER DRILLED SALES FORCE."

--"MCDONALD'S OF THE INDUSTRY. SUCCESSFUL STANDARDIZATION OF THE MANAGEMENT SYSTEM. SERVICEMASTER'S SERVICE IS MORE PREDICTABLE MAKING THEM SAFER TO BUY."

--"DOMINANCE IN FEWER MARKETS. STICK TO THE KNITTING."

--"A MAJOR ASSET OF SERVICEMASTER INDUSTRIES IS ITS SALES FORCE. IS IT BEING FULLY UTILIZED?"

--"POM, A STAR PRODUCT WAY AHEAD OF ITS COMPETITORS, GIVES ABILITY TO PACKAGE WITH EASIER TO LEARN SERVICES, HAS OPENED THE DOOR TO INNOVATIVE NEW APPROACHES IN THE EDUCATION MARKET."

--"WILLINGNESS TO SHARE OWNERSHIP WITH EMPLOYEES. GREATER IDENTIFICATION WITH CORPORATE GOALS BY EMPLOYEES ALLOWS ENTREPRENEURSHIP IN OPENING NEW MARKETS."

--"TECHNICAL STRENGTH, GOOD PRODUCTS, AND EQUIPMENT IN HOUSEKEEPING. WHENEVER A NEW PRODUCT IS INTRODUCED IT HAS A NEGATIVE EFFECT ON THE COMPETITOR'S SALES."

--"SERVICEMASTER HAS A TREMENDOUS POSITION IN ALL OF ITS U.S. MARKETS. IT IS AN OUTSTANDING COMPANY. I AM ABOUT TO BUY SOME SERVICEMASTER STOCK, EVEN AT A 30+ PE (PRICE EARNINGS RATIO)."

AN INTERESTING ASSESSMENT FROM SOMEONE ON THE OUTSIDE. WHAT DOES IT TELL US ABOUT CHOICES FOR THE FUTURE?

TODAY WE STAND AT AN EXCITING MOMENT AND PLACE IN OUR BUSINESS, THAT \$1 BILLION MARK THAT HAS BEEN REFERRED TO SO MUCH IN OUR YEARS OF DELTA PLANNING IS NOW WITHIN SHOUTING DISTANCE. AS OF YEAR-END THE COMBINED CONSUMER LEVEL REVENUE OF OUR LICENSEES AND OUR DIRECT SERVICE BUSINESS WILL EXCEED \$850 MILLION.



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IN 1984 WE WILL BE OVER THE \$1 BILLION MARK.

IN OUR READINGS WE HAVE BEEN REMINDED OF MAJOR TRENDS IN OUR SOCIETY. THERE IS AN INFORMATION EXPLOSION. AS THE QUANTITY OF INFORMATION INCREASES THE REQUIREMENTS OF MANAGEMENT WILL CHANGE. IT WILL NOT BE AN ISSUE OF SUPPLY BUT INSTEAD A CRITICAL ISSUE OF SELECTION. NO MATTER WHAT THE INCREASE IN TECHNOLOGY, THE NEED FOR "HIGH TOUCH" WILL ALWAYS BE PRESENT BECAUSE PEOPLE WILL NEVER BECOME OBSOLETE. OUR LIVES WILL INCREASINGLY BE AFFECTED BY A WORLD ECONOMY. OUR BUSINESS PERSPECTIVE MUST INCLUDE A DIMENSION BEYOND THE DOMESTIC.

THE SHORT-TERM, LONG-TERM TENSION WILL ALWAYS BE THERE. TO MAINTAIN GOOD BALANCE, THOSE WITHIN THE FIRM MUST HAVE A PROPRIETARY INTEREST AND DIRECTION FOR DECISIONS IN THE FUTURE. THE EXPANSION OF OWNERSHIP WITH AN APPROPRIATE RISK/REWARD RELATIONSHIP TO AND AMONG THOSE MAKING IT HAPPEN HAS BEEN, IS, AND WILL BE, A DISTINCTIVE DIFFERENCE FOR MEMBERS OF THE SERVICEMASTER TEAM. THE NETWORK OF AN ORGANIZATION SUCH AS SERVICEMASTER WHICH ALLOWS FOR THE COMBINATION OF PERSONAL VALUES AND ECONOMIC VALUES IS AND WILL INCREASINGLY BECOME A VEHICLE FOR CHANGE IN OUR SOCIETY.

WE HAVE A GREAT HERITAGE. THE COMMITTED AND VISIONARY LEADERSHIP OF MARION WADE, KEN HANSEN, AND KEN WESSNER HAS PROVIDED FOR EACH OF US GREAT OPPORTUNITIES FOR THE FUTURE.

YOU WILL RECALL THAT DURING 1980, KEN WESSNER LEAD US THROUGH THE SMIXX I PLANNING PROCESS. WE IDENTIFIED THE NEED TO EXPAND IN NEW SERVICES AND NEW MARKETS DURING THE 1980'S. IN THE FALL OF 1981, I SHARED WITH YOU SOME OF THESE NEW OPPORTUNITIES THAT WOULD AFFECT OUR FUTURE. THE VISION IS NOW A REALITY.

THE FIRST ITEM WE TALKED ABOUT WAS THE DEVELOPMENT OF OUR MANAGEMENT SERVICES TO SCHOOL DISTRICTS, COLLEGES AND UNIVERSITIES. RICH WILLIAMS AND STEW STAMBAUGH WERE THE PIONEERS IN DEVELOPING THIS BUSINESS. NOW IN JUST THREE SHORT YEARS, WE SHOULD END

1983 SERVING 110 SCHOOLS WITH OVER \$80 MILLION IN ANNUALIZED REVENUE.

--WE NOTED PLANS TO EXPAND OUR HEALTH CARE BUSINESS TO THE NORTHWEST. TODAY WE HAVE A NORTHWEST DIVISION, LED BY STEVE BLASKIE, SERVING NORTHERN CALIFORNIA, OREGON, WASHINGTON, IDAHO, AND UTAH, WITH ANNUALIZED REVENUE IN EXCESS OF \$30 MILLION.

--WE REFERRED TO OUR PLANS TO ENTER INTO THE CANADIAN MARKET. TODAY, UNDER ED MORGAN'S LEADERSHIP, WE HAVE A BUSINESS BASE OF \$8 MILLION IN ANNUALIZED REVENUE AND A GREAT OPPORTUNITY FOR THE FUTURE.

--WE DISCUSSED OUR CHOICE TO INVEST AND EXPAND OUR MANAGEMENT SERVICES TO THE INDUSTRIAL MARKET WITH A NEW BUSINESS VENTURE TO BE LED BY JACK BAKER. AT THAT POINT THE MARKET WAS AN UNKNOWN. CALL IT A VISION, CALL IT A DREAM, BUT TODAY IT IS A REALITY. WE ARE NOW AT AN ANNUALIZED REVENUE RATE OF \$50 MILLION. THIS IS A GROWTH RATE IN A NEW MARKET THAT BREAKS ALL RECORDS. SOMEONE WAS WILLING TO TAKE THE RISK, TO INVEST HIMSELF IN MAKING IT HAPPEN.

--WE ALSO COMMENTED AT THAT TIME ON THE CHANGING HEALTH CARE MARKET AND THE NEED FOR US TO DEVELOP A SYSTEM APPROACH IN THE SALE OF OUR BUSINESS. AT THAT TIME, YOU MAY REMEMBER, WE WERE NEGOTIATING A CONTRACT WITH THE SUNBELT SYSTEM. SINCE THAT TIME WE HAVE COMPLETED A MAJOR AGREEMENT WITH VHA AND SOON EXPECT TO HAVE ANOTHER MAJOR AGREEMENT WITH A HEALTH CARE SYSTEM.

--WE COMMITTED TO HAVING THE CAPABILITY OF PROVIDING A QUALITY FOOD SERVICE PROGRAM. PAT GALLAGHER, KARL GERSTENBERGER AND THE TEAM AT SERVICE DIRECTION HAVE NOT ONLY HELPED US ACCOMPLISH THIS GOAL, BUT THEY HAVE ADDED A POSITIVE EXAMPLE AND DIRECTION FOR OUR BUSINESS. AS THIS BUSINESS CAME ABOARD IT WAS RUNNING AT THE RATE OF APPROXIMATELY \$4 MILLION IN ANNUALIZED REVENUE. WITH THE NEW COMMODITY PERFORMANCE APPROACH AND AN INCREASED

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SALES ACTIVITY, WE SHOULD CLOSE THE YEAR 1983 IN EXCESS OF \$40 MILLION.

--WE ALSO SHARED PLANS FOR THE EXPANSION OF THE HEALTH CARE BUSINESS IN THE INTERNATIONAL MARKET. TODAY, UNDER THE LEADERSHIP OF DICK ARMSTRONG, WE ARE SERVING IN SWEDEN, AND JAPAN, AND HAVE JUST SIGNED AN AGREEMENT FOR EXPANSION IN THE MIDDLE EAST.

--WE ALSO SPOKE OF AN INVOLVEMENT IN OFFERING A BRAND NEW SERVICE IN THE AREA OF HOME HEALTH CARE. TODAY THAT HAS BECOME A REALITY UNDER THE LEADERSHIP OF ALEX BALC AND BILL HARDY. ON JULY 1, 1983, WE OPENED OUR FIRST HOME HEALTH CARE AGENCY; ON SEPTEMBER 1, OUR SECOND. THE FIRST AGENCY HAS ALREADY PASSED THE BREAK EVEN POINT.

THUS WE HAVE HAD SOME DRAMATIC FORCES OF CHANGE INFUSED IN OUR BUSINESS DURING THE LAST FEW YEARS; CHANGE THAT WAS ANTICIPATED AS PART OF THE SMIXX I PLANNING PROCESS, AND CHANGE THAT IS NOW A REALITY PRODUCING RESULTS. OUR GREATEST CHALLENGE AS WE LOOK FORWARD TO THE NEXT FIVE YEARS IS TO MANAGE THE OPPORTUNITIES ALREADY BEFORE US.

WITH THE ADDITION OF FOOD SERVICE, WE NOW HAVE A POTENTIAL HEALTH CARE MARKET IN EXCESS OF \$20 BILLION. OUR COMBINED PLANT OPERATION AND MAINTENANCE AND HOUSEKEEPING PROGRAM IN EDUCATION REPRESENTS ABOUT A \$12 TO \$14 BILLION MARKET. THE INDUSTRIAL MARKET REPRESENTS AN ADDITIONAL \$13 BILLION. HOME HEALTH CARE IS AN EXPANDING MARKET, THAT SHOULD BE AT A LEVEL OF \$20 BILLION IN JUST FIVE YEARS. WITH THESE MARKETS BEFORE US IS THERE ANY QUESTION ABOUT A \$4 TO \$5 BILLION SERVICEMASTER IN 10 YEARS.

AS I THINK ABOUT THIS POTENTIAL, MY MIND IMMEDIATELY MOVES BEYOND DOLLARS AND RELATES TO THE PEOPLE WHO MUST BE INVOLVED. PEOPLE WHO ARE FREE TO MAKE A CHOICE. THE RICHNESS, DEPTH, AND VALUES OF THE CHOICES TO BE MADE WILL, FOR THE MOST PART, BE DEPENDENT UPON THE LEADERSHIP THAT WE GIVE.

TO MEET THIS CHALLENGE, SERVICEMASTER MUST BE CHARACTERIZED AS AN ORGANIZATION WITH A PENCHANT FOR RESULTS, A LOVE FOR PEOPLE, AN INFECTIOUS VISION FOR THE FUTURE, A REASON FOR DOING AND BEING.

A PENCHANT FOR RESULTS MEANS WE MUST NEVER BE SATISFIED WITH SECOND BEST. WE MUST HAVE AN OBSESSION FOR QUALITY WHEN IT COMES TO SERVING OUR CUSTOMERS. WE CAN NEVER ALLOW ACTIVITIES TO BE EQUATED WITH PERFORMANCE. WE MUST ALWAYS STAY CLOSE TO OUR BUSINESS, OUR CUSTOMERS, OUR PEOPLE. WE MUST TAKE TIME PERIODICALLY TO GET OUR HANDS IN THE BUCKET. HOW FAMILIAR TODAY ARE YOU WITH OUR NEW PROCESSES? WHEN WAS THE LAST TIME YOU HAD THE OPPORTUNITY TO PERSONALLY USE OUR PRODUCTS?

TO BE AN EFFECTIVE GENERAL MANAGER WE MUST PERIODICALLY AND STRATEGICALLY INTERCEPT WHERE THE SERVICE AND THE PRODUCT MEETS THE CUSTOMER. I REFER TO IT AS A STRATEGIC INTERCEPT POINT. ALL OF US MUST PLAN THESE IN OUR SCHEDULES IF WE ARE TO LEAD AN ORGANIZATION THAT HAS A PENCHANT FOR RESULTS.

WE MUST ALSO EXHIBIT A LOVE FOR PEOPLE. THIS IS EXPRESSED IN MANY WAYS. TEST YOURSELF. TAKE A LIST OF YOUR ALERT TEAM OR THOSE REPORTING DIRECTLY TO YOU. WHEN WAS THE LAST TIME YOU PRAYED FOR THEM? WHEN WAS THE LAST TIME YOU HAD THEM IN YOUR HOME OR SHARED WITH THEM AS A FRIEND? WE HAVE A BUSINESS BUILT UPON RELATIONSHIPS. WHERE ARE WE TODAY IN NUTURING THOSE RELATIONSHIPS? HAVE WE TAKEN THE TIME OR ARE THERE MORE IMPORTANT THINGS FOR US TO DO? THE POINT IS, WE HAVE LOST TOO MANY GOOD CUSTOMERS. WE HAVE LOST TOO MANY GOOD PEOPLE. YOU SEE, WE ARE DEALING WITH PEOPLE WHO ARE FREE TO MAKE A CHOICE. WHAT WILL YOU BE DOING DIFFERENTLY TO CHANGE THIS RESULT? THERE IS NO WAY THAT WE CAN TAKE ADVANTAGE OF THE OPPORTUNITIES BEFORE US WITHOUT GOOD PEOPLE AND A BASE OF GOOD REFERENCE FROM CUSTOMERS. IT IS AT THE HEART OF OUR BUSINESS.

AN IMPORTANT INGREDIENT IN ANYONE'S CHOICE IS HIS VISION FOR THE FUTURE. ARE WE PROVIDING A CLIMATE AND AN ENVIRONMENT WHICH

GENERATES AN INFECTIOUS VISION FOR THE FUTURE?

LOOK AT THE BUSINESS POTENTIAL AND ITS IMPLICATION FOR THE FUTURE. THINK FOR A MOMENT ABOUT THE DIVISION, THE UNIT, THE GROUP, THE DEPARTMENT THAT YOU ARE LEADING. WHAT CHANGES MUST OCCUR NOW IN THE SCOPE OF RESPONSIBILITIES AND DIRECTION FOR THE PEOPLE UNDER YOUR LEADERSHIP? THINK FOR A MOMENT OF THE ROLE OF THE SERVICE CENTER LEADER. AS HE EXPANDS HIS AREA FROM \$10, \$15, \$25, \$30 MILLION, WILL HE BE CAPABLE OF INSPIRING OTHERS, SELLING THE CUSTOMER, OF PRODUCING RESULTS? DOES HE HAVE A VISION THAT IS LONG-TERM? IS HE WILLING TO BET THE EGG MONEY ON THE FUTURE? ARE WE WILLING TO SET THE EXAMPLE? ONE YEAR AGO I ASKED THE QUESTION, "WOULD YOU BE A BUYER OR SELLER OF SERVICEMASTER STOCK AT ITS THEN MARKET VALUE?" ON A POST SPLIT BASIS IT WAS SELLING AT ABOUT \$21.00 A SHARE. TODAY WE ARE OVER \$30 A SHARE.

WHERE ARE WE TODAY IN LEADING OUR TEAM, IN COMMITTING AND BELIEVING IN THE FUTURE? THE BOTTOM LINE OF VISION FOR THE FUTURE AND OUR ABILITY TO LEAD OTHERS IS HOW WE BET THE EGG MONEY. THIS IS THE ANSWER FOR KEEPING THE PROPER BALANCE BETWEEN THE SHORT-TERM TENSION AND THE LONG-TERM VIEW. IT IS WHAT I WILL REFER TO AS A STRATEGY WITH A VIEWPOINT ALWAYS ON THE HORIZON.

RATHER AMBITIOUS GOALS WHICH MAY CAUSE ONE TO ASK, "WHAT IS LIFE ALL ABOUT; MORE WORK, MORE TIME WITH PEOPLE, MORE TRAVEL, MORE RESPONSIBILITY, MORE GROWTH. EVEN ALL THAT MAKES ME TIRED! WHAT IS THE REASON FOR DOING AND BEING? FOR ME, THAT REASON BEGINS AND ENDS WITH MY RELATIONSHIP WITH GOD. YOU SEE, I HAVE REALLY CHOSEN TO FOLLOW AND COMMIT MYSELF TO HIM. AND IN THAT TRANSACTION OF CHOICE I HAVE RECEIVED A NEW LIFE. A LIFE NOT UNTO MYSELF BUT A LIFE UNTO HIM. AND IN THIS NEW LIFE I FREELY BECOME A BOND SERVANT, A SLAVE, TO JESUS CHRIST. THE APOSTLE PAUL PUT IT IN HIS OWN WAY, IN I CORINTHIANS 9:19, WHEN HE SAID "THOUGH I AM FREE AND BELONG TO NO MAN, I MAKE MYSELF A SLAVE TO EVERYONE I WIN AS MANY AS POSSIBLE." THUS, MY REASON FOR BEING AND DOING IS TO SERVE MY GOD. AND, THIS IS EXPRESSED IN MY SERVICE TO

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OTHERS. IT IS FOR THIS REASON THAT SERVICEMASTER PROVIDES SUCH A UNIQUE VEHICLE FOR SERVICE. CERTAINLY NOT AN EXCLUSIVE ONE, BUT AS LONG AS EACH OF US ASSUME AND COMMIT OURSELVES TO LEADERSHIP IT BECOMES THE PRINCIPLE VEHICLE.

IN A SOCIETY THAT IS INCREASINGLY MOVING TO MULTIPLE CHOICES AND OPTIONS THERE NEEDS TO BE A FOUNDATION, AN ULTIMATE VALUE, A REASON FOR BEING AND DOING THAT GOES BEYOND THE SURFACE.

NOW, AS WE THINK OF THIS ULTIMATE PURPOSE IN OUR WORK, WE MUST BE CAREFUL NEVER TO BUILD A WALL SEEKING TO EXCLUDE OTHERS WHO MAY NOT HAPPEN TO HAVE JUST THE SAME BELIEF WE DO. WE MUST NEVER FIND OURSELVES IN A PATTERN OF DECEIT WHERE WE TALK ONE WAY AND DO ANOTHER WAY, OR FIND OURSELVES USING PEOPLE TO BUILD OUR OWN BEAUTIFUL PLATFORMS OF POWER AND POSITION. WE CANNOT USE THIS VEHICLE OR OUR LEADERSHIP POSITION AS A LICENSE TO PLEASE OURSELVES. WE HAVE A GREAT FOUNDATION UPON WHICH TO BUILD FOR THE FUTURE. "BUT EXCEPT THE LORD BUILD THE HOUSE, THOSE THAT LABOR, LABOR IN VAIN." OUR WORK IS WITH PEOPLE--PEOPLE WHO PHYSICALLY WILL DIE IN A FEW YEARS. IN THAT SENSE, NOTHING WE DO WILL HAVE ANY PERMANENCE. YET, THEY POSSESS IMORTAL SOULS. IF INDEED WE ARE DOING GOD'S WORK THE RESULTS WILL BE MORE PERMANENT THAN THE EGYPTIAN PYRAMIDS. THE OPPORTUNITY IS HERE FOR A CHOICE TO COMMIT, TO COMMIT OURSELVES TO INVEST IN THOSE WE LEAD AND THOSE WE SERVE. YOU HAVE MY COMMITMENT.

\* EXCERPTED FROM "FLANDERS FIELD" BY JOHN McCRAE (1872-1918).