

GOD 1ST, FAMILY 2ND, PULTE FAMILY 3RD

THE HOME THAT BILL PULTE BUILT

WILLIAM J. PULTE
& WILLIAM J. PULTE



THE HOME
THAT BILL
PULTE
BUILT



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For my wife and two beautiful daughters who inspire me every day. Thank you for always supporting me.

For my mom. Thank you for always loving, believing in me, and supporting me. I love you with all my heart.

For my grandfather and best friend William J Pulte. Without you I wouldn't be the businessman I am today.



“I never went to work a day in my life, I just loved what I was doing”

Whenever you are working with my grandfather, he genuinely enjoyed what he was doing. Whether he was drawing up a plan with me to help clear out blight in inner-city Detroit, or you're working with him on floor plans. He just absolutely loved what he did. We'd be working with each other for a period of hours, and unexpectedly, it's almost like we woke up. We were in a spell of enjoying working together, and suddenly it was two o'clock in the afternoon or something like that and we would realize we hadn't even had lunch.

To me, his genuine interest in- whether it's the bulldozers in Detroit, or it's floor plans, is really what I think he meant by-- He didn't really work. He was really enjoying it. As I said, only after the fact we'd say, "Wow, I think it's time for lunch," or "Wow, I think it's time for dinner."



**“Everything is changing all the time.
Look how many people have changed
history because it wasn’t broke, but
they did fix it.”**

My Grandfather always used to say that “If it isn’t broke, don’t fix it” is one of the worst pieces of advice you could ever get, because he was always of the mindset that things could be continuously improved. You see this even with Elon Musk with Tesla, for example. He sees how people would say, “Oh, well, the cars aren’t really broken, you don’t need to invent.” Elon would say, “No, I have to invent. This is how we build a great business.”

My grandfather was very much of that same thought process. You can always be fixing things even if they are working. The other thought that he had around this was around technology. I remember it like was yesterday him telling me, “The building business hasn’t changed in 50 years since I was a carpenter and first started out.” He goes, “But if you’re Google or Amazon or Apple or one of these other guys, your business changes every six months.”

In many places, you don’t have the luxury of thinking, “Oh, just because it’s working, that it’s fine.” You constantly have to innovate, so it was always innovation, innovation, innovation. My grandfather was always thinking about innovation. He had many patents; I think something like 17 or 18 patents.



“So many times, over the years I’ve changed the rules of the sandbox. Never be afraid to make changes.”

Sometimes you have to break things to fix it. My grandfather was never afraid to break things to fix it. In fact, I remember when we were working in a team environment, and he would say something that you would think, “Wow, he really hurt that person’s feelings.” Really what he was trying to do was to break the mold and trying to shake things up in the sandbox. That’s often when the best growth happens in life is when you can shake the box and get people to think differently. You’ve got to change the reality sometimes if they’re stuck in a groove.



**“Any company that puts its
shareholders first will not keep a
customer very long.”**

I think this is why my grandfather cared so much about quality. He believed, much like modern Elon Musk of Tesla would believe, or probably even a Walt Disney, that you must have a customer experience and product that delights the customer. He would always say that there's a big difference between delighting the customer and making the customer content.

“Contentness is when they go home and they think, ‘Wow, that was a good meal, I had a good meal at that restaurant,’ whereas delight is when they go home, and they tell all their friends about how great their experience was. He always tried to create the Pulte homeowner for life mentality, which was, how do we delight the customer so much so that when they have a Pulte Home, they're going out and telling people about it? Therefore, you get more and more sales.



**“Unless you’ve got your own money in,
you’re not an entrepreneur.”**

Before he passed away, my grandfather wrote me a note. In the note, he was talking about how people who don't have money in a company are not really entrepreneurs. I remember being in the car with him on our way to my facility in Illinois and we would talk about different people. He would say, "Well, that guy's not an entrepreneur." We would talk about companies that said that they had cultures of entrepreneurship. He said that that's bullshit, and that these companies don't really have cultures of entrepreneurship, because, in order to be an entrepreneur, you really have to have your own money at risk.

Until you have your own money at risk, you really won't understand how to think like a businessman, how to think like an entrepreneur, because you're always dealing with other people's money. There's certain accountability, or as he used to call it, the bitter end of the rope. You have the bitter end of the rope when you are an entrepreneur because you have your own money in the game. It just gets you to think completely differently about how to deal with the business. You don't look at the customer as a problem you look at the customer as a source of your profits or your losses. Everybody should have their own money in their own businesses because it makes you think differently about each of the problems.



“Don’t be afraid to take calculated risks. You don’t have to have 100% of the facts. If you get 80% that should give you enough to make a good decision. If you wait too long the decision may disappear.”

This was a big one, that he taught me, and this is one that I learned with him in working at my countertop company, Carstin Brands. Everybody was so focused on making these new R&D prototypes. They were focused on making these products 100% perfect. What he showed us was that it's almost impossible to get something a 100%, but if you have 80%, you can get a lot done in life. You really want to focus on getting 80% done, considering it done, and 8 times out of 10, you are going to win.

Of course, there's always going to be those 2 times out of 10, you're not going to win. If you have 80% of the information and you have good information, you're going to come out ahead. That's what he said, "Don't wait because by the time you get to a 100%, your competitor has 100% of the information and they're going to smoke you every time."



“Spend the money now. If you buy the right tools and spend the time, you’ll be able to get the money back.”

One of the things that was so interesting about my grandfather was, people would often try to do things the chintzy way. He often said, “Don’t do it the chintzy way. Don’t do it the chintzy way.” What he meant by that was that people try to get by with just a little bit of cost, and they say, “I can’t afford it.” What his argument always was, “You can’t afford to not be able to afford the expensive stuff.” When I say expensive stuff, I don’t really mean expensive stuff. You must spend what you have to spend to get the right tool, to use the right tool at the right time. That’s what he was big on. He wasn’t into the whole game of, “Well, we got to find the lowest cost tool.” He was like, “Okay, what’s going to do it for the fastest time at the lowest cost, and get the job done and get the job done quickly?”



**“Don’t fall in love with a product.
Fall in love with its profitability.”**

He used to talk about this a lot. He used to say, “There were all types of products that one could fall in love with, but you really need to focus on can you make money doing it.” He used to give an example of a division president in Chicago and how every time he’d go visit the division in Chicago, the division president would say, “Oh I love this product, this product is so great, blah, blah, blah.” He’d talk about how much money they had spent developing, and my grandpa said, “Well, how many houses did you sell with this particular product?” He’d say, “I only sold two of them.” My grandfather said, “Two of them? What the hell. You’re not making any money on the damn thing. I don’t care whether you like it or whether you think it looks good. You’re not making any money. Chuck it out the window,” that was a phrase he always used to say. He’d say, “Chuck that product out the window and get something that was more profitable.”

He came back the next year, and boom, the profits of the division had gone up, and they had focused on the sub-segment of products that were selling. The guy, I think, ended up telling him, “Man, these things are selling like hotcakes.” He said, “Well, because you focused on what the market wanted, not what you or I or the people picking out the product wanted.”



“There’s no such word as can’t, you would be surprised how often you can succeed if you really try and look at it differently.”

This, I think, is one of the keys to how my grandfather made so much money. A lot of people would scoff at this and say, “Well, of course, you would say there’s no such word as can’t,” but he really meant it in the sense that he would look at a problem completely differently. In many cases, he would look at the inverse of a problem.

For example, if somebody wanted to do something on a home that he thought looked stupid, he would do the opposite of that and say, “Okay, instead of having to go that way, let’s have it go this way. How would that look?” He would try a bunch of XYZ combinations. He’d just try- in his own words, he was a tinkerer. He would just constantly try to figure out, “Okay, how do we get this to fit in here?” I think that persistence really for finding a different way is one of the ways that he became so wealthy. It’s the persistence in looking at things and doing things differently and constantly trying.



“Without good people, you can’t do anything. You got to give people the authority. You got to reward them financially. Don’t look over their shoulders.”

This is an important one because I experienced this firsthand with him in 2015 and 2016 with PulteGroup. When we were trying to get rid of bad management, which we were eventually successful in doing, he gave me at the age of whatever it was, 25 or 26 years old, full authority for negotiating and drafting of letters and going on CNBC.

He gave me full authority to be able to make decisions, and at the time, I think his equity stake was \$800 million. Here he is giving his grandson, which he hadn't entrusted anybody else in the family throughout his life to do, the keys to the expensive Ferrari that's worth \$800 million and saying, "Don't get this thing in a crash. Actually, go make the family some money." I remember shortly before he died, we were laughing about it, and I told him how much money we had made for him, for the foundation and for the family. I said, "We did it," and he said, "You did it. You did it," and to me, that wasn't him just giving credit. That was also his recognition that at the appropriate times, it makes sense to give over authority, so that was a big win.



“So many people are afraid they’re going to lose their job if they tell the boss the truth. No that’s the way to keep a job.”

The thought process here is that you must be honest with your boss, and I say that even to my employees. You must be genuinely honest because if you are in any way trying to sugar coat it, your boss in many cases can pick up on that, and they can tell that you're insincere and that you're really being selfish by not saying what is the truth from your perspective that can help better the organization.

There's a big difference between telling the truth and knowing that you're qualified or not qualified and you must really understand whether you're qualified to give the truth, but if you're qualified to give the truth which-- My grandfather and I would take advice from anybody. If you're qualified to give the truth, then you need to say it, and even if you're not qualified, your input is still valuable. You just need to make sure that you understand really what the problem is, so you can give the best answer possible.



“The difference between a leader and a manager is a leader has vision. He’s not like a Sargent in the trenches: “Take the hill fellas” No, he’s willing to say “Come on fellas. Let’s all take the hill.”

I use this in my business all the time specifically in the air conditioning space. I tell the owners all the time, you can't just tell your guys, "Oh, go sell," if you're not willing to get in the truck yourself, and that was very much my grandfather.

In fact, I remember he was interviewing builders once for a job for his own house. The one builder was stepping back from the building and looking out and giving him advice, whereas the second builder was down on his hands and knees, looking in the basement, trying to understand how the foundation was laid out. He said, "Man, I want to hire that guy, ". To me, that represents the "Come on, fellas, let's all take that hill" there's no work that's beneath them, they'll do whatever it takes to win.



“A good leader has to radiate trust, he has to demonstrate over and over again, that he is for his people.”

This is, I think, one of the big differences between somebody like my grandfather, who I call a founder CEO, and one of these corporate Fortune 500 CEOs that exist all throughout corporate America, is he really wanted the people to make more money than he did.

In fact, I think one of the proudest moments that he had, in terms of compensation of his executives, was when there was a division president, I think it was in Las Vegas, and a division president in Arizona, that made more money than he did, and he was the founder and CEO of the company. He really liked to make sure that his people made the most money because in an ironic way, if you get people to make a lot of money around you, you end up making a lot more money yourself.



“You never take full credit for anything because you couldn’t have gotten it done by yourself.”

My grandfather was just all about the team. It was never about him and he built a great culture. As a result, people worked there for 10, 20, 30 years. Now, corporations go on and corporate leaders take over, yes, that can sometimes change, but by and large, when he was running the company, and when he was in charge, it was a family. He meant it was a family. That comes from giving recognition to other people and not saying, “Oh, this is all about Bill Pulte.”



“There’s no such thing as a self-made man. Ego has destroyed a lot of people and companies. Ego is often a cover-up for a lack of self-confidence.”

Humility is a sign of self-confidence. Humble leaders can accomplish more than egotistical leaders. I think this came really from not just his business experience, but also growing up in the great depression. He was very frugal. In fact, he would always not replace his shoes, for example, because he thought, “Oh, I could just get the soles replaced in the shoes.”

I remember I think it was sometime back in like 2012, I was going to visit him in Naples, and I was driving down the road, and I saw this old guy out of his car. He had a flat tire, and it was my grandpa, so I pulled over, I said, “Grandpa, what are you doing here?”. He goes, “I’m waiting for a tow truck,” and he goes, “But I’m trying to figure out what the name of the tire is, what the name, and the model of the tire is.” I said, “Why are you doing that?” He says, “Well, I’m going to have you take me this afternoon to a junkyard and we’re going to try to find a tire that would fit on this thing because I don’t want to pay retail for a new tire. There must be one on a junkyard.”

This was probably about 11 AM in the morning, so we went to Five Guys for lunch, and after Five Guys, we literally went to different junkyards, and sure as hell, we went, and we found a car that had been in a car accident that had this extra wheel. He decided to have the wheel be put on his car, and in true Bill Pulte fashion. He didn’t even have money on him, so I had to pay for the tire which at the time 200 to 300 bucks was a lot of money for me. I think he came from humble beginnings, and he certainly went out with humble beginnings.



“You must have self-confidence. Every individual won’t find peace in their life unless they have self-confidence in themselves.”

You got to have self-confidence. If you don't have self-confidence, you're constantly looking over your shoulder, you're constantly living in your own shadow, you're constantly questioning everything you do. It's okay to question yourself, but I think what he really meant was, at some point, you just say, "You know what? It is what it is, and I go forward." He always used to say, "I'm not going to worry about something if I can't control it."

That's very much of this fatalistic "It is what it is" attitude, and I think it's a great attitude that everybody should have. In fact, Elon Musk at Tesla often talks about how the best approach is to be fatalistic. When he talks about having self-confidence, you can question yourself, but at some point, you got to say, "It is what it is." You've got to move on. You've got to have self-confidence.



“People think if you ask another person for advice, that shows a lack of self-confidence. I think it shows great self-confidence.”

I've had tremendous success in my career, and I know he did, in asking for advice from other people. Sometimes people are going to think, "Oh, you're insecure. Oh, why are you asking me for advice?"

That's where the best ideas are generated from, when you ask other people for advice, and you get other perspectives. People can be afraid to ask for other advice because sometimes people look at it and say, "Didn't I already answer your question," or "Didn't I already do this?" It's like, "Yes, but I'm asking for your advice because I'm trying to engage in a dialogue to get good things for you and my relationship." He was very keen on saying, "Hey, what do you think about this? What do you think about that?" There was nobody who was beneath him. He would ask anybody, any Tom, Dick, and Harry or anybody, what their advice was about things.



“Never be afraid to hire people better than yourself.”

I think really what he meant, and I wish he was still alive to talk to him about this, but I think really what he meant was never afraid to hire people better than yourself in their particular disciplines because he used to tell me that all the time.

My grandfather wasn't the strongest finance guy in the world. He happened to know product layout and house plans probably better than anybody in the world, but he didn't really understand finance in the way that maybe the best person in the world would. Another thing is at some point he was not the best person for operations of the company, Pulte Homes, so he hired a gentleman named Howard Johnson. Howard Johnson was the guy who really helped build the operations side of Pulte Homes throughout the 1970s and 1980s. Howard Johnson was a perfect example of somebody who was better than him at operations. He would hire the best person for these individual jobs.



“You can never succeed when you have hate on your mind. You can never succeed when you are so mad you can’t think clearly.”

When you're in business, you best perform if you are genuinely coming from wanting to move things forward in a good way. Money follows. It doesn't lead.

What actions can we take today that are genuine, good, whole, and abiding by God that can result in good outcomes instead of hate-filled vindictiveness? Now, I think there's something to be said, and I know he would agree, which is if somebody hit you, you got to hit him back. He was a big fan of that. He was a big fan of self-defense, but how do we lead from a good intention? Use the past only to make better decisions in life. He hated people who focused just on the past. He used to say, his high school friends, some of them kept talking about that touchdown that they scored in 1948, and he'd say, "I'm so sick of hearing about this touchdown that occurred 50 years ago." He says, "They got to move on. You got to move on, you got to move on," and it reminds me of a comment saying, "Keep moving forward." He would say, "You got to move on, Billy. Move on."



“Always do the right thing. If you always do the right thing, you can’t go wrong.”

“Always do the right thing.” That was what he always taught me. Always do the right thing. If you do the right thing, you can sleep good at night, you can have inner peace, you can know that you gave it your best. He also said, “Don’t go to bed angry.” This just came from doing the right thing. We did the right thing with our family; we did the right thing with our employees. He was big on doing the right thing with the customer. If something was going to cost the company more, he didn’t give a shit. He wanted to just take care of the customer, just take care of them. He’d say, “Damn it, I don’t care, just take care of them.” That’s how he approached life. If something was there, even if there was a boulder in the way, he would get it done.



“If you want to really find true happiness, you must have inner peace every day of your life, not just on Sundays.”

I think that to him, the definition of success in life was inner peace, and that was being happy with yourself and being happy with what you had accomplished. I was fortunate to work side by side with him with PulteGroup, which was formerly known as Pulte Homes for the last 10 to 15 years of his life. One of the things that you could just tell whether you're driving in the car with him, or whether you're conversing with him, was that this was a man who didn't have so much pride about what he had done. He was just very comfortable with himself and very at peace with what he had accomplished. I think that is something that is very hard to get, but if you do the right thing all every day, my guess is you're going to end up having that as well.



“There is no greater gift than giving of yourself.”

What you quickly determine, I think if you're of the right mind, is that it's better to give than to receive. My grandfather was a great example of that. He literally died as everybody does, but he intentionally left it for other people to spend it after he died. He didn't have a private jet. He didn't have a yacht. He didn't have expensive things. As I mentioned earlier, he had shoes that he would get the soles repaired on. For him it was better to save money and use it to help other people than to spend it on frivolous things. His whole mantra of "It's better to give than to receive" is really the genesis, the wellspring of Twitter philanthropy.

Grandpa,

*Thanks for all the lessons and
for the partnership, especially
in business and the blight work.
I miss you every day, and as
we discussed shortly before you
passed, I look forward to seeing
you on the other side.*

*All my love,
William F. "Bill" Pulte*

THE HOME THAT BILL PULTE BUILT

William J Pulte was the founder of Pulte Homes, which he built into the #1 USA Homebuilder. Growing up in the Great Depression he had to work hard to succeed. He had a passion for teaching others and giving advice on how to be successful not only in business, but in life as well. Those who worked for him fondly look back on his memorable sayings that always had a lesson or two worked in. His grandson and namesake William J Pulte worked closely with his grandfather not only in Pulte Homes, but in his own companies as well. In this book he explains what each of his grandfather's most used sayings mean and shares stories to go along with them.
