

Ten Lessons I Learned from Peter Drucker

By Jim Collins

Foreword to the 50th Anniversary Edition of *The Effective Executive*

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If you are to read one book on executive self-management, it should be this, Peter Drucker's definitive classic, *The Effective Executive*. It doesn't matter the size of your organization, or even whether you run an organization at all. Anyone who has responsibility for getting the right things done—anyone who seeks how best to self-deploy on the few priorities that will make the biggest impact—is an executive.

The most effective among us have the same number of hours as everyone else, yet they deploy them better, often much better than people with far greater raw talent. As Drucker states early in these pages: people endowed with tremendous brilliance are often "strikingly ineffectual." And if that's true for the exceptionally brilliant, what hope is there for the rest of us? Actually, there is something much better than hope: Drucker's practical disciplines.

I first read *The Effective Executive* in my early thirties, and it was a huge inflection point in my own development. Reading the text again, I'm reminded of how its lessons became deeply ingrained, almost as a set of commandments. Some of Drucker's examples and language might be dated, but the insights are timeless and modern, as helpful today as when he wrote them more than five decades ago. Here are ten lessons I learned from Peter Drucker and this book, and that I offer as a small portal of entry into the mind of the greatest management thinker of all time.

#1: First, Manage Thyself

"That one can truly manage other people is by no means adequately proven," Drucker writes, "But one can always manage oneself." How can you possibly expect others to perform at the highest levels without first expecting that of yourself? Drucker lays out a law of organized performance: the ratio of a leader's performance to those on his or her team remains constant; therefore, if you want the average performance of those around you to go up, you must first improve your own performance.

#2: Do What You're Made For

One of Drucker's most arresting points is that we are all incompetent at most things. The crucial question is not how to turn incompetence into excellence, but to ask, "What can a person do uncommonly well?" This leads, inevitably, to a conclusion: your first responsibility is to determine your own distinctive competences—what you can do uncommonly well, what you are truly made for—and then navigate your life and career in direct alignment. "To focus on weakness is not only foolish; it is irresponsible," challenges Drucker. Does Drucker's "Build on strength" imperative mean never confronting our (or others') deficiencies? Yes and no. It means that if you're made to be a distance runner, don't try to be a middle linebacker. At the same time, you must address deficiencies that directly impede full flowering of your strength. When Michael Jordan was reaching the end of his basketball career, he could no longer fly to the basket with the same height and power as when he was younger, so he began to build a strength he'd

never previously had: a fade-away jumper. He eradicated a crucial weakness within his strength, turning his fade-away jumper into yet another Jordan-can-kill you-strength on the court. Do what you're made for, yes, but then get better and better; eradicate weakness, yes, but only within strength.

#3: Work How You Work Best (And Let Others Do The Same)

If you're a tool put here on this Earth to be useful, how does the tool best work? Some people work well at night; others work better in the morning. Some absorb information best by reading, others by listening. Some thrive in full-immersion, others work better in short bursts with variety in the day. Some are project oriented; others are process oriented. Some need vacations; others think the best part about vacations is that they end. Some prefer teams, whereas others produce much greater impact working alone. Per Drucker, we are wired for ways of working the same way we are right-handed or left-handed. I discovered early that I cannot exchange morning creative hours for afternoon creative hours (the morning ones are always better). Drucker gave me the confidence to calendar white space in the morning and to be belligerently reclusive during creative hours. No one but you can take responsibility to leverage how you best work, and the sooner you do, the more years you have to gain the cumulative effect of tens of thousands of hours well-spent.

#4: Count Your Time, And Make It Count

Drucker taught that what gets measured gets managed. So, how can we possibly hope to manage our time if we don't measure precisely where our time goes? Inspired by Drucker's challenge, I've kept a spreadsheet with one key metric: the number of creative hours logged each day, with the self-imposed imperative to stay above a thousand creative hours a year. This mechanism keeps me on the creative march—doing research, developing concepts, and writing—despite ever-increasing demands for travel, team leadership, and working with executives. But you also have to make your time count. The "secret" of people who do so many difficult things, writes Drucker, is that they *do only one thing at a time*; they refuse to let themselves be squandered away in "small dribblets [that] are no time at all." This requires the discipline to consolidate time into blocks, of three primary types. First, create unbroken blocks for individual think time, preferably during the most lucid time of day; these pockets of quietude might be only 90 minutes, but even the busiest executive must do them with regularity. Second, create chunks of deliberately unstructured time for people and the inevitable stuff that comes up. Third, engage in meetings that matter, making particular use of carefully constructed standing meetings that can be the heartbeat of dialogue, debate, and decision; and use some of your think time to prepare and follow up.

#5: Prepare Better Meetings

The oft-repeated quip, "I'm sorry to write you a long letter, as I did not have time to write a short one" could be applied to meetings: "I'm sorry to imprison you in this long meeting, as I did not have time to prepare a short one." Effective people develop a recipe for how to make the most of meetings, and they employ their recipes with consistent discipline. And while there are many varieties of good meeting recipes, just as there are many recipes for baking tasty cookies, Drucker highlights two common ingredients: preparation with a clear purpose in mind ("why are we having this meeting?") and disciplined follow-up. Those who make the most of meetings frequently spend substantially more time preparing for the meeting than in the meeting itself. To abuse other people's time by failing to prepare shorter, better meetings amounts to stealing a

portion of their lives. And while we must all lead or join meetings, they should be limited to those that do the most useful work; if meetings come to dominate your time, then your life is likely being ill-spent.

#6: Don't Make A Hundred Decisions When One Will Do

We're continually hit by a blizzard of situations, opportunities, problems, incidents—all of which seem to demand decisions. Yes. No. Go. No-go. Buy. Sell. Attack. Retreat. Accept. Reject. Reply. Ignore. Invest. Harvest. Hire. It can feel like chaos, but the most effective people find the patterns within the chaos. In Drucker's view, we rarely face truly unique, one-off decisions. And there is an overhead cost to any good decision: it requires argument and debate, time for reflection and concentration, and energy expended to ensure superb execution. So, given this overhead cost, it's far better to Zoom Out and make a few big generic decisions that can apply to a large number of specific situations, to find a pattern within—in short, to go *from chaos to concept*. Think of it as akin to Warren Buffett making investment decisions. Buffett learned to ignore the vast majority of possibilities almost as background noise. Instead, he made a few big decisions—such as the decision to shift from buying mediocre companies at very cheap prices to buying great earnings machines at good prices—and then replicated that generic decision over and over again. For Drucker, those who grasp Buffett's point that "inactivity can be very intelligent behavior" are much more effective than those who make hundreds of decisions with no coherent concept.

#7: Find Your One Big Distinctive Impact

When a friend of mine became the chairman of the board of trustees of a leading university, he posed a question: "How will I know I've done a great job?" I pondered what Drucker would say, and then answered: "Identify one big thing that would most contribute to the future of the university and orchestrate getting it done. If you make one distinctive contribution—a key decision that would not have happened without your leadership (even if no one ever credits you for your catalytic role)—then you will have rendered a great service." Drucker applied this idea to his own consulting. When I asked him what he contributed to his clients, he modestly said, "I have generally learned more from them than they learned from me." Then, pausing for effect, he added, "Of course, in each case there was one absolutely fundamental decision they would not have made without me." What is your one absolutely fundamental contribution that would not happen without you?

#8: Stop What You Would Not Start

The presence of an ever expanding to do list without a robust stop doing list is a lack of discipline. To focus on priorities means clearing away the clutter. Sometimes the best way to deal with a platter piled high with problems is to simply toss the entire pile into the trash, wash the platter, and start anew. Above all, we must not starve our biggest opportunities because we're so busy throwing ourselves at our biggest problems and dwelling on past mistakes. Pivot from past to future, create forward, always ask, "What's next?" Yet how to do this, when past problems clamor for our attention, when we live with the accumulated legacy of what came before? Drucker gives an answer in the form of a question, one of the most impactful in his arsenal: If it were a decision today to start something you are already in (to enter a business, to hire a person, to institute a policy, to launch a project, etc.), would you? If not, then why do you persist?

#9: Run Lean

One of Drucker's most important insights is that an organization is like a biological organism in one key way: internal mass grows at a faster rate than external surface; thus, as the organization grows, an increasing proportion of energy diverts to managing the internal mass rather than contributing to the outside world. Combine this with another Druckerian truth: The accomplishments of a single right person in a key seat dwarf the combined accomplishment of dividing the seat among multiple B-players. Get better people, give them really big things to do, enlarge their responsibilities, and let them work. Resist the temptation to redesign seats on the bus to specific personalities (except for the exceptionally rare genius), as this will inevitably create seats you don't need. "The fewer people, the smaller, the less activity inside," writes Drucker, "the more nearly perfect is the organization."

#10: Be Useful

When I was just 36, Tom Brown, editor for *Industry Week* magazine, somehow got Drucker to invite me to visit with him in Claremont. I clicked on my answering machine one day after teaching my classes at Stanford, and heard a resonant Austrian accent: "This is Peter Drucker." When I called him back to arrange a day, I asked if I should schedule with his assistant, to which he replied, "I am my own secretary." He lived a simple life, no staff, no research assistants, no formal office. He typed on a clickity-clack old typewriter, set at 90 degrees off of a small desk, working in the spare bedroom of a modest house. He met in his living room with powerful CEOs, sitting not at a desk, but in a wicker chair. And yet with this minimalist method, Drucker stood as the most impactful management thinker of the twentieth century.

My first meeting with Drucker is one of the ten most significant days of my life. Peter had dedicated himself to one huge question: How can we make society both more productive and more humane? His warmth—as when he grasped my hand in two of his upon opening his front door, "Mr. Collins, so very pleased to meet you; please come inside"—bespoke his own humanity. But he was also incredibly productive. At one point, I asked him which of his twenty-six books he was most proud of, to which Drucker, then 86, replied: "The next one!" He wrote ten more.

At the end of that day, Peter hit me with a challenge. I was on the cusp of leaving my faculty spot at Stanford, betting on a self-created path, and I was scared. "It seems to me you spend a lot of time worrying how you will survive," said Peter. "You will probably survive." He continued, "And you seem to spend a lot of energy on the question of how to be successful. But that is the wrong question." He paused, then like the Zen master thwacking the table with a bamboo stick: "The question is: how to be *useful!*" A great teacher can change your life in thirty seconds.

We are all given only one short life, composed of the same 168 hours a week as everyone else. What will it add up to? How will other people's lives be changed? What difference will it make? Peter Drucker—one man with no organization, a modest house, and a wicker chair—models how much one highly-effective person can contribute, and that we should never confuse scale of impact with scale of organization. He was, in the end, the highest level of what a teacher can be: a role model of the very ideas he taught, a walking testament to his teachings in the tremendous lasting effect of his own life.