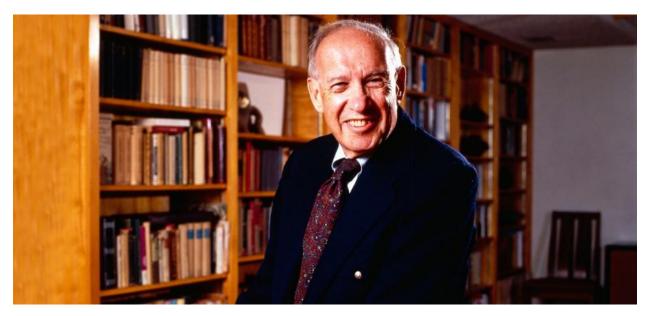
10 Traits of a Drucker-Like Leader

Do your leadership skills pass the Peter Drucker test?

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Peter Drucker is to management literature what J.R.R. Tolkien is to fantasy fiction. Drucker did it first. He did it best. And almost every theme explored by today's practitioners was prefigured in his writing.

Earlier this year I reached out to Rick Wartzman, executive director of the Drucker Institute at Claremont Graduate University, to ask whether any of the ideas Drucker espoused over his 60-odd years as our preeminent business thinker had proved wrong. (The conclusion: not really.) We then wandered onto the subject of traits that define a Drucker-like company. Inspired, Wartzman <u>assembled a list of 10, which appeared on Inc.com</u>.

Wartzman recently sent me a second list: the 10 traits of a Drucker-like manager. He used "manager" instead of "leader" because Drucker-who fled Nazi Germany--worried about people conflating leadership with charisma. Eventually, Drucker grew comfortable with the concept of leaders, drawing the famous distinction that "Management is doing things right. Leadership is doing the right things."

In essence, Drucker saw leadership in terms of performance and effectiveness. That is true for both CEOs and middle managers. Wartzman's list, below, applies to both. Phrases in quotation marks are Drucker's own words.

You are a Drucker-like manager if you:

1. Make sure your own objectives and your team's objectives are in alignment with the company's overall mission. Start with an unequivocal answer to the question "What business are we in?" Then make sure everyone, from the bottom up, is pursuing only activities that advance the cause. Drucker recommended using a "manager's letter," which employees write for their supervisors twice a year. In it, they state their perceptions of the organization's objectives, their own objectives, their understanding of how their performances will be measured, what they must do to reach their objectives, the barriers they must overcome, and how the organization might help or hinder them. "Then the manager sits down with his reports and asks, 'Why did you think that was our objective?'" or 'Why are you pursuing this?'" says Wartzman. "It's a great way to catch misunderstandings and make sure everyone is on the same page."

2. Maintain a clear list of priorities--never more than a few, and always tackled one at a time--as well as "stop doing" and "never start" lists. Limiting priorities and addressing them one at a time improves focus and the probability that something will get done. As for the "stop-doing list," adherents often credit Jim Collins with this idea. But it was Drucker who introduced the concept of "planned abandonment:" urging managers and leaders to jettison processes or activities not worth the time and effort. ("If you want to start something new, you have to stop doing something old," Drucker wrote.) Sometimes the better bet is to not start something in the first place: for example, turning away a customer not in line with the company's strategy. Drucker used the term "posteriorities" to describe items on both stop-doing and never-start lists. "Time was the most precious resource back then, and it's even more true today," says Wartzman.

3. Carefully track where your own time goes and never waste others' time by triggering the "recurrent crisis" through lack of foresight, overstaffing projects, holding too many meetings or sending out information that is either irrelevant or hard to understand. CEOs find it eye-opening when they try the experiment of tracking their activities hour by hour over the course of a week or two. "When you ask people where their time goes what they tell you--and what they tell themselves in their heads--is often wrong," says Wartzman. "You may realize you are spending a quarter of your time on something that gets no results." Even worse than wasting your own time is wasting the time of others. Drucker reminds us that leaders can be their own organizations' worst bottlenecks. "In a knowledge organization, if something sits in the leader's in-box for two weeks, it's like the line being down in a factory for two weeks," says Wartzman. "No one would tolerate that."

4. Favor the future over the past and focus on opportunities, not problems. We've all heard the motivational saw about turning problems into opportunities. But an opportunity can become a problem if you spend too much time trying to get something unbudgeable off the ground. "We keep pushing on things because of our ego or because we've invested so much in it," says Wartzman. "We believe if we can just give it one more push it will happen. Instead, we should be focusing on the things that have a better chance of creating tomorrow."

5. Staff and promote by, first, gaining clarity around "What are we trying to do?" and then matching people's strengths with those key activities. Drucker and Collins agree on setting priorities but part ways on hiring. Rather than get the right people on the bus, Drucker believed managers should choose people with the right skills and experience for specific jobs. "Peter believed in putting 'what' before 'who' rather than 'who' before 'what," says Wartzman. Business leaders are split on this one. Some argue that when talent rears its head you should snap it up-the right role will come along. Others would rather define job descriptions in strict adherence to the company's objectives and hire accordingly. "You

staff for the mission," says Wartzman.

6. Invite dissent and be confident that important decisions "should be controversial" and "acclamation means that nobody has done the homework." In the 1940s, Drucker embedded at General Motors, where he observed Alfred Sloan's disdain for dissent-free meetings. Drucker and Sloan thought that if you get smart people talking, they will naturally have their own opinions and come at problems from different angles. Easy consensus suggests failure to think through other options or fear of incurring the boss's wrath. "You have to create a culture of trust where everyone feels free to disagree," says Wartzman. "You can't just tolerate dissent. You must invite it."

7. Remember that every decision you make is "like surgery. It is an intervention into a system and therefore carries with it the risk of shock." When leaders make big decisions they affect the entire organization. When leaders make little decisions they are often perceived as big--because of their provenance--and so have an outsize effect. Particularly as companies grow, leaders lose track of all the connections among people and projects, the delicate balance of co-worker relationships, the human sensitivity to change. "A very senior person may make a decision that is good and sensible and, on its face, completely non-controversial," says Wartzman. "Then it's carried out, and people are really taken aback." Identifying and consulting with those most affected can mitigate some of the ill effects.

8. Don't blame others when things go wrong. "Accountability" and "responsibility" are Drucker watchwords. Middle managers, in particular, are liable to protect their necks at the expense of their underlings' necks. But "even people at the top will turn around and blame others," says Wartzman.

9. Understand that the critical question is not, "How can I achieve?" but "What can I contribute?" For middle managers, the message is clear: advancing the company's mission trumps advancing their own careers and fortunes. For CEOs, the opportunity to contribute--to their customers, to their employees, to their communities, and to the world--are greater. "Drucker saw companies as organs of society," says Wartzman. "Maximizing shareholder value or making a profit are not unimportant. But they should be the consequence of making a meaningful contribution to the world."

10. Routinely demonstrate that ''leadership is not characterized by the stars on your shoulder. An executive leads by example.'' "It's probably too trite to say Drucker was a 'walk-the-walk' kind of person," says Wartzman. "But that's the heart of it."