

【Interview of the DWS President】

## Perspectives on Civilization Studies in the 21st Century --Focusing on New Research into Drucker's Management Philosophy

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### **For the Expansion of Thought and Practice**

---It has been 3 years, since the Drucker Workshop was established. As it currently stands, what are you seeing?

**Ueda:** It is meaningful to continue building upon Drucker's thought processes. There are a large number of people who feel these activities have significance.

The Workshop was established synthetically, but in another sense, naturally. There actually was a predecessor of the Drucker Workshop. Since April of 2003, there has existed a Drucker book club. From that humble beginning sprang the Workshop. From that modest attempt in the Sapporo area came the seed.

The Drucker Workshop remains rather small, however. Even if you want to take on the burdens of civilization, you don't need to inflate the means to do so. All you need is to have a bit higher perspective. There are some things to do and some people are doing them. This is sufficient. Everything is done humbly and without fanfare.

All participants in the Workshop have been encouraged by Drucker's words. That is, they have understood the message that "you are leaders of civilization." The leaders of civilization aren't nobles, generals, or politicians. Rather, they are the ordinary recruits, managers, directors, and CEOs of companies. Society is made up of these kinds of ordinary, humble people.

Humbly bearing great burdens—those for whom this message resonates have been attracted to the Drucker Workshop. Each industrial activity business engages in surely moves civilization forward.

I believe this message could motivate many other people, too.

-- How do you see Drucker as a research subject?

**Ueda:** It's time for us to place Drucker's works in the 21st century and consider the relevance. Now, we see him as a "postmodern" writer, especially, as the author of *Landmarks of Tomorrow* (1957).

Although once saying that there was no suitable word for it, Drucker was, nevertheless, a thinker with a rare talent to explain "post-modern" in his works. He was a writer of the changing world view, a social ecologist, and an orthodox conservative.

Regarding the further study of Drucker, here is an important perspective, I believe: attempts to materialize his thought and practice. . Although the "post-modern" world is beyond description, we can expound on it further by using only words as the medium. we are required to be exacting and clear, as to the unique, unchanging elements of Drucker's work.

-- What do we need for interpreting reality within Drucker's unique framework?

**Ueda:** Drucker gave us a clear prescription for understanding changes in reality-- that is to observe and describe precisely. Even when it's likely there are hundreds of different details, describe them. Everything should be counted and described. Drucker said we should not spare any effort in this endeavor. When you quantify things, you are able to see that change is not a figment of the imagination. It is less well known, but Drucker spoke clearly in regards to measurable goals. In order to understand post-modern reality, we should utilize modern methods, too.

Measurable scales and measurable goals are required. "Measurable" means "quantifiable." Missions, goals, measurable targets, and so on--regarding action plans, this absolutely comes out. Innovation and marketing are grasped in the same way.

---Do you mean that Drucker emphasizes the importance of quantitative analysis?

**Ueda:** The danger in discussing Drucker is when you apply uniform interpretations to his statements. It is dangerous to disregard the fact that Drucker advocated the importance of having measurable goals for important matters, while overly emphasizing his post-modern character.

By nature, Drucker was good at quantifying. It was a talent. In systematizing management, his meticulous side can be found: .making one's mission the centerpiece; making tasks productive so that people work with enthusiasm; contributing to society, if there is something to contribute; providing oneself with

information; making work constructive and meaningful, and providing feedback to everyone regarding related progress, fostering their individual growth. I think such processes can be called meticulous.

---In his earlier works, we do find this meticulousness.

**Ueda:** Let's raise the following question. Of Churchill and Drucker, who was more "post modern?" I suppose that Churchill was the more "post modern".

Churchill was a politician, and therefore deeply committed to practical matters. For Churchill, a decision based on his perception made the difference. Compared with Churchill, I think Drucker was more "modern."

To be precise, Drucker's essence is to point out perceptions and analyses at the same time. In other words, both qualitative and quantitative. In his autobiography *Adventures of a Bystander*, there is the story of "uncle" Henry, criticizing people who perceive reality as a grasshopper would: both visual perception and thought as being necessary. Either way, neither one of them should be overemphasized.

### **Tailwinds lift research**

--Would you mind sharing your thoughts as to the reasons why Drucker still finds favor?

**Ueda:** Among people of the same generation, Peter Drucker is not the only writer who became famous and contributed to global society. If you are talking about a commitment to policy making, then you'd have to say that Milton Friedman (a Nobel Laureate) and John Kenneth Galbraith were also great. Because the measure of contributions should be qualitative, it is not possible to make sweeping judgments. Nonetheless, while he lived, it is certain that Drucker was not preeminent among his contemporary writers.

However, after his death, the unusual extent to which his writing continues to influence the world can't be disputed. Generally, the influence a person may have rapidly decreases after he or she passes away. However, Drucker's influence is increasing after his death.

There are so many top-notch writers who praise him. According to Jim Collins, when he and Jerry Porras wrote a book about excellent companies, there were more than 100 potential titles. Collins once thought to name the book "Drucker was Right." Obviously, that title was rejected. Finally, they decided on, *Built to Last*. Collins says Drucker's thoughts will be relevant tomorrow; 10 years from now; 50 years from now; even 100 years from now.

It is said of Hewlett-Packard's David Packard that his message was so Drucker-esque, it was as if he were preaching from that gospel. In fact, Packard has admitted including parts of Drucker's *The Practice of Management* when writing the H-P statement of purpose. There are many top managers like that, active all over the world. Drucker has no disciples in academia. But, in the realm of actual practice, his disciples are countless.

When you think about it, Drucker-related research is enjoying a tailwind. Instead of fading with time, young people in their twenties are starting to read his works. In many areas, we see evidence of a "Drucker Renaissance." In Japan and in the world, there are untold numbers of new followers.

By systemizing each member's particular knowledge, the Drucker Workshop functions as a device for exponentially amplifying this knowledge. There is no need to discuss complicated themes. Simply share how you have interpreted Drucker's thoughts, and how you have applied them. If you talk about how they were employed, meaningful pursuits will undoubtedly spring up, one after another. Naturally, the more members we have, the more fruitful pursuits there will be.

---Going forward, what are you looking for in prospective members?

**Ueda:** Given the character of the research topics, the Drucker Workshop consists mainly of practitioners. In the future, we hope to continue actively marketing ourselves in a variety of fields. While the outcome of current circumstances is unforeseeable, as for Drucker's applications, providing settings and arrangements for related interchange is very important. This becomes the most important marketing effort. There are countless things that need to be done.

But, it should be noted, as Drucker himself emphasized, any organization should only be a means to an end. That is, an organization cannot be an end in itself. What Peter Drucker disliked the most was turning means into ends. The Drucker Workshop cannot be an exception. Because it hasn't been very long since it was established, the number of people that the Drucker Workshop needs far exceeds the number of people who need the Drucker Workshop. In any case, the number of members could be as many as 4,000.

There is a broad spectrum of potential colleagues. This is not limited to businesspeople or managers at non-profit organizations. Masters of the art world, such as Shigesato Itoi and Takashi Murakami are big fans of Drucker. Also some hospitals recently asked me to deliver a lecture for nurses and other staff. Art and science—that is to say, anyone with customer-facing jobs

increasingly need Drucker. By all means, I would like people from such backgrounds to become members of the Drucker Workshop.

In addition, regarding membership, we look to those who may not have read Drucker yet—for example, young students. When planning a career in one's younger days, it might make a big difference whether they had encountered Drucker or not. We would like for such people to have an understanding of management.

Conversely, among successful managers and businesspeople, there are many who have not read Drucker. In a certain sense, even if they have not read Drucker, they can succeed at management. However, when such managers later happen to read Drucker, in many cases they are surprised: they have performed unconsciously as he has already written. If we are fortunate enough to have such managers become members, the amplification of their contributed experience and wisdom, will enrich the activities of the Workshop.

I think joining has substantial merit for those managers who lean toward the practical. In most cases, managers who haven't read Drucker, but who have succeeded in management don't know why they have been so successful. Or, at least, they haven't translated their success into explicit knowledge. When such people encounter Drucker's work, they are able to rediscover themselves—they will be able to see themselves objectively. People with similar experiences will understand that there are many such people besides themselves. From there, intellectual and practical interactions begin.

Needless to say, for those who understand Drucker and have been putting that into practice, I hope for their active participation. There was a security company that realized they had been doing just as Drucker says, but they wouldn't risk disclosing it publicly. They claimed they thought of it themselves, in order to lift company morale. Conversely, regarding P&G, the CEO personally telephoned Drucker and openly asked how to manage the company, and was very proud of doing so. Mr. Kunio Nakamura of Matsushita has mentioned that Drucker was helpful regarding his early business enterprises. At Toyota, there are people who are quietly studying Drucker, and there are other people who consider the Toyota Way and the Drucker Way to be the same. There are many readers, many ways to employ his work, and there are many ways to promote it.

### **The Pursuit of "Humility"**

--- What are the future aims of the Drucker Workshop?

**Ueda:** As often as not, business executives are asked, "Making any money?" Physicians and lawyers on the other hand, are never asked such a question. If physicians or lawyers were asked such a question, they would insist they had been insulted, and would likely become very angry. So why do executives have to be asked whether they are making a profit? They should also be angry at such a question. The purpose of managing a business is not just for making money. Profit is for making a better enterprise tomorrow. Business, NPO, government—they're all the same. Except for the methodology, there are no differences; they exist and function for people and society.

The Workshop can be a facilitator—for example, perhaps providing a forum for just a chat. Broadening the forum would be a way to energize the Workshop. Not only sharing high-level knowledge, but such a bond would have appeal, and meaning. The bond would propagate organically. It would even be preferable if the offshoots were not identical. It would be fine if the branches and the study groups were different in size and makeup. Actually, I think that would be ideal.

Read Drucker's works and put them into practice. Also, discuss Drucker. In this way, the Workshop would evolve naturally. When you think about it, there are a ton of ways for marketing this. You could even say it depends simply on carrying out the plan.

On the other hand, there are some marketing methods we should avoid. As a basic stance, for spontaneous community development, missionary-like activities are not suitable. Needless to say, management is not a religion. It's not something to be forced into. We prefer independent, flexible activities as our aesthetic foundation.

I hope our membership increases. However, if everyone's purpose becomes the same, or if their approach is inappropriate, the meaning is lost. If we find ourselves spreading the "Drucker religion," the value of our activities will be zero, or even minus. If it comes to that, we would prefer having nothing. At the same time, we should beware of intellectual arrogance—as if we had a monopoly on the Drucker Legacy. In the first place, regarding Drucker-related thought, there is no such thing as "sacred texts". As you read Drucker, you understand this for yourself. That's the beauty of it. Drucker is not about profiting from venerable wisdom. Based on one's attitude, one develops. Regarding Drucker, this is why they say there is a Drucker for everyone.

---Previously, you referred to aesthetics; but if there is a concept for a guiding principle, we'd like to hear it.

**Ueda:** I believe "humility" would be one of the keywords. What a wonderful life it would be with the mindset, "What do I want to be remembered for?" Every word

and deed would be to follow one's desire. Studying Drucker, I frequently talk about this. However, there are those who would disagree. There are people, though extremely rarely, who say, "'What I want to be remembered for' is an impure thought; I am not pursuing my work for with that end in mind."

This is an admirable attitude. However, most people want something more. They want to receive recognition. They want to be remembered by family members, friends, and colleagues, and they want to be honored. Our desires are not always lofty. Often, they are worldly, and in that regard, have significance. Humility is a way of thinking which affirms such worldly desires, and the meek, as they are.

--I'd like a little more explanation.

**Ueda:** I have begun to think of "humility" is an adjective that describes the entire Drucker philosophy. For instance, what Drucker said about social responsibility consists of: 1) reducing one's own impact on society; and 2) contributing to society within a range that would not hurt one's core business. What he tells us regarding social responsibility was simply this.

Everybody is waving the CSR (Corporate Social Responsibility) banner as if it were a big deal. It's the exact opposite. It's not something to display pretentiously, but with humility. It's that which makes us realize there are social issues that must be addressed. Those who have a bit higher perspective are able to come together to solve social problems. The important thing is raising one's perspective "a bit" higher. It's possible to raise one's perspective too high. When we raise our view point too high, we can see the forest, and not the trees. Having a viewpoint that is too high is a common trap that people often fall into.

Quickly shifting one's focus to grand designs is unreasonable. If one tries to take on too much responsibility, eventually, one would strive to pursue power. It could be harmful, if you couldn't become a corporate officer without performing hundreds of hours per year of NPO activities. That's an abuse of power. Anything extreme is unhealthy.

The important thing is moderation. Drucker said he never saw himself as a "conservative Conservative" or "liberal Liberal". In his writing, Drucker has described that his classmate, Fritz Kramer, who later became Kissinger's mentor, criticized Drucker's thought and thinking unprincipled and sloppy. Actually, in a way, Drucker's thinking is somewhat imprecise. However, Drucker's imprecision—or rather, flexibility—is intentional. Intentional flexibility contains sound strategic characteristics.

The important thing here is perspective. Aiming up just a little bit, or aiming down just a little bit are totally different—qualitatively different. The angle of one's perspective will ultimately make a critical difference, and simply raising one's perspective higher is not the right answer. Absolutely, raise your perspective--but to a humble degree

In Drucker's way of thinking two poles—continuity and change—co-exist, and he carefully avoided either extreme in his thinking. In western philosophy, this is doubtless an important premise. Because of this, Drucker's flexibility may be difficult for perfectionists to understand.

### **The Role of the Drucker Workshop in the Knowledge Society**

---Do you have a handle on future accomplishments for the Drucker Workshop?

**Ueda:** Once, when Jim Collins was talking with a faculty colleague about contemporary thinkers who had been the most influential. When he named Drucker, his colleague answered, "But he's way so practical." This kind of criticism only points out the essence of Drucker.

Drucker's practical nature is the reason for the fact that the Drucker workshop has a relatively large number of practitioners. In fact, this is the major difference between the Drucker Workshop and other academic societies. When you think about it, our accomplishments may not have to be limited to published research papers. Rather, when our members' apply Drucker's insights to their business, it's an accomplishment. In the same way that creative works counts as accomplishments in the art world, it doesn't seem strange that we would count business itself among the accomplishments of the Drucker Workshop. In this respect, how we differ is that, no matter how much thinking, no matter how much activity has been involved in a classic academic society, if you do not write articles, there is no value to it.

Regarding research themes, going beyond Drucker is not only acceptable, but should be encouraged. Anything you can think of: Drucker's thinking, issue awareness and methodology. You can call it practical application, or work itself. Research is needed to clarify, and dig deeper into Drucker's issue awareness. But even this is not sufficient. There should be applied research utilizing and systematizing his viewpoint and thinking as the foundation for practical guidelines concerning current issues—kind of like a clinical study of Drucker."

--Do you mean that practical applications are also research results?



**Ueda:** More than in the US, people in Japan tend to have more faith in theories. In America, there is a culture that encourages professors to practice consulting. This makes sense, because no one can teach without experiencing the real world. In Japan, however, this is still not true. When you think about it, it's a bit odd. It's like prohibiting medical school professors from treating patients. Management professors cannot do anything unless they learn from the field. However, even in the US, I heard that some Ivy League colleges are limiting weekly consulting and capping the hours. Peter Drucker disliked this limitation and so declined job offers from such universities.

Where "modern" thinking dominates, anything that cannot be objectively understood by using words or numbers has no value. However, the Drucker Workshop is a 21st century academic society. It's a "post-modern" academic society. Segmenting, organizing, and codifying research activities are important, but they are not sufficient reason enough. Given this, research on Drucker is deeply related to academics in the 21st century, especially to the social sciences.

Research on Drucker involves a broad spectrum--greatly surpassing the range of conventional social sciences. Though Drucker positioned himself in the 20th century, he is a post-modern thinker who influences the 21st century, and is therefore a post-modern thinker. This is the Drucker-related research which has meaning and significance for me.

We can say that it is as difficult for conventional social sciences to gain acceptance as science. Take economics, for example, it looks only at the economy-related aspects. With that, how is it likely to become something meaningful? It is not surprising that this kind of intellectual endeavor will continue to decline.

----Which fields will be the ones to go beyond current Drucker research?

**Ueda:** Like the esteemed French thinker, Alexis de Tocqueville, Drucker referred to the need for new science for a new age. New science and old science differ in their make up. As for our quest, we can look for the wisdom which pervades his work and systemize it. The challenges facing management are always dramatically changing.

Drucker himself would occasionally publish his latest views in *The Harvard Business Review* and elsewhere. His *Management* will need to be continually revised by those who live after him. Drucker provided clear concepts and frameworks for management. It is the job of the living to interpret what we uncover and pass it on.

Another writing project would be to record what Drucker would foresee, if he had lived to be two hundred. In itself this would be a complete architecture—an undiscovered edifice.. In addition to management, a social ecology-influenced world view—a methodology—could be one of the constructs of the post-modern era..

Individual national societies, enterprises, and individuals—all face different issues. However, there is a common awareness of these issues with respect to management. Awareness of these issues also applies with respect to social ecology. There are infinite possibilities from a practical basis, for these issues to be understood from the present perspective, and be continually re-interpreted. .

In other words, from Drucker's standpoint how would today's changes be viewed?. Regarding perspectives of reality, there are those which emerge and those which come and go, and there are also, those associated with ageless, unchanging truths. There remain so many unresolved problems in the world. If many of us can observe, analyze, consider, and write about these issues, the Drucker Workshop would surely burst forth with useful contributions to the world. If this came to pass, we would far exceed the framework of Drucker research, and would pioneer a new knowledge frontier.

### **Drucker studies are 21<sup>st</sup> century civilization studies—the essence condensed**

----I'd like to hear about the concept of a new unknown world.

**Ueda:** First, let me give you an easy-to-understand example of the change that Drucker foresaw. There is the so-called global enterprise. It's not a problem for globalization to take the form of subsidiary bases of operations—in New York, Tokyo, Frankfurt, and so on. Global enterprise itself is but one form of business. The opportunities and problems have originated from the globalization of markets. Actually, Drucker had insight into this. And also the eventuality of an aging society. There were many problems that appeared before everyone else's eyes, but were not pointed out. He had an awareness of issues which would still be effective today.

Speaking of today, look at the surge in oil prices. Also a new form of food problem has arisen. The distortion of resource allocation is damaging the global economy. We can no longer maintain control over monstrous financial markets. The possibility of a depression exists. The behavior pattern of Sovereign Wealth Funds (SWF) is no longer recognizable--even though it has enormous influence on both

business management and people's lives. The basis of the global economy is about to be shaken to the roots.

If Drucker were here, he would certainly not remain silent. These problems are beyond being economic problems; they are socio-political problems. The first thing he would likely say is, "Management has to be applied to these issues." We have to get a grip on this, both quantitatively and qualitatively. However, we don't know whether management in this age of new global markets would be a function of global government or of an alliance. In any case, the main issue would be the disposition of national sovereignty. In *The Age of Discontinuity*, Drucker wrote, "The idea that any one country has full monetary sovereignty is, of course, absurd. If such a state ever existed, it disappeared the moment there was an international economy."

From his statements, end-to-end, we benefit from discovering the methodology of his applications. This is what we should strive for. Whether the answer is correct or not, is not necessarily the issue. Posing a new question before a new issue is way more important. This is what Drucker desires from us. His thinking was simple; "I would like you to consider using me. However, I don't want you to forget your fundamental perspectives. Don't ignore freedom and responsibility, the most important aspects of your humanity," This is what he would request.

-- Freedom and responsibility constitute the unifying force of Drucker's thinking.

**Ueda:** There is no question about it. With freedom and responsibility installed at his central core, all there is, is to observe and document changes. If we earnestly follow through systematically, a related report document could easily exceed 3000 pages. Perhaps when written, it would be a new age "encyclopedia". Needless to say, such concepts would be "post-modern." It would not be for rationally systematizing what we already know. It would systematize what we do not know yet. In this way, what we have to know in the future will become visible.

But that's not all. The important thing is that this "encyclopedia" of the new era should be the "condensed" version. Authenticity will be distilled and focused, while illusion will be dispelled. Conversely, that which is not condensed will dissipate. That which is condensed will be inherited, and will evolve, because everything is interconnected. Since Drucker's work is authentic, absolutely, it is a "condensation". As likely as not, ultimately, the remaining, condensed essence, or you could say, "concept", is autonomy—based on freedom and responsibility. In the new world that we have yet to see, how can we interpret freedom and responsibility, and how can they be realized? Drucker studies are twenty-first century civilization studies.