Abstract

The chapters 19 – 22 in Peter F. Drucker’s book “The Essential Drucker” concern about the individual. First we look at certain characteristics and abilities an effective leader should have. The following chapter deals with the principles of innovation and advices on purposeful innovation proceedings. The next chapter is about life management focused on diversification in the post-working years. The final chapter views the modern knowledge society and its very base element, the educated person.

19 Leadership as Work

The question is what it takes to make a leader being good and effective. We are going to look at certain characteristics an individual can have and discuss its usefulness in terms of leadership and leading others.
Charisma is nice to have but not necessary a crucial factor in leadership. Effective leadership does not depend on charisma and it does not guarantee effectiveness as a leader. History showed Dwight Eisenhower, Abraham Lincoln and Winston Churchill to be highly effective as leaders – but missing certain charismatic points. There was also a charismatic and ineffective leader: John F. Kennedy.

Responsibility is an important factor. An effective leader knows that he – and no one else – is ultimately responsible. They do not blame others when things go wrong.

Leaders have to be hard workers. Alfred Sloan is a good example. He built and lead General Motors from 1920 – 1955.

Being trustworthy is a determining factor of being effective as leader. An effective leader has to earn trust. Untrustworthy leaders won’t have any followers, where the definition of a leader is to have followers.

A leader does not have to be clever. It is only important to get clever people. An effective leader surrounds himself with able, independent and self-assured people, building up a strong team.

Effective leadership is based primarily on being consistent. Otherwise it will be hard to follow and people lose faith on inconsistent leaders.

Final thoughts show that the foundation of effective leadership is thinking through the organization’s mission, defining it, and establishing it, clearly
and visible where the leader’s first task is to be the trumpet that sounds a clear sound.

20 Principles of Innovation

There are two kinds of innovation. First the innovation due to “flashes of genius” – they cannot be taught or learned. There is no known way to teach someone how to be a genius. Second the purposeful innovation resulting from analysis, system and hard work. This covers 90% of all effective innovations. We follow five dos, three don’ts and three conditions for a successful innovation.

The dos:

1. Purposeful, systematic innovation begins with the analysis of the opportunities. The seven sources of innovative opportunities are:
   - The organizations and competitors unexpected success and unexpected failures.
   - Incongruities (in process, production, distribution, …)
   - Process needs
   - Changes in industry and market structures
   - Changes in demographics
   - Changes in meaning and perception
   - New knowledge

2. Innovation is both conceptual and perceptual. The innovator should go out to look, to ask and to listen. To find out the consumers expectations, values and needs.
3. An innovation has to be simple and focused. It should do only one thing, otherwise the innovation confuses and won’t work. The innovation should be focused on a specific need that it satisfies.

4. Effective innovations start small. They often require adjustments – small scale innovations are flexible.

5. A successful innovation aims at leadership. An innovation not aiming at leadership is unlikely to be capable of establishing itself.

The don’ts:

1. The first is simply not to try to be clever. Innovations have to be handled by ordinary human beings. Anything too clever, whether in design or execution, is almost bound to fail.

2. Don’t diversify; don’t splinter; don’t try to do too many things at once. An innovation needs the concentrated energy of a unified effort behind it.

3. Don’t try to innovate for the future. Innovations should be for the present. Thomas Edison, as an example for understanding this principle, waited about 10 years until all the necessary knowledge to build the first light bulb came available.

Conditions for a successful innovation:

1. Innovation is work.

2. To succeed, innovators must build on their strengths.

3. Innovation is an effect in economy and society.

The conservative innovator is about the entrepreneurial personality. Successful innovators are conservative. They are not risk-focused, they are opportunity-focused.
21 The Second Half of Your Life

Nowadays individuals can expect to outlive organizations nowadays. But what to do when the organizations lifecycle is at its end and the working period is not over? A totally new challenge arises: what to do with the second half of your life?

Most manual workers tend to work for forty years doing the same job every day. They retire on their job having a tendency to get tired and bored. But that is not necessarily the default case. Pablo Picasso invented a new style in his seventies and painted until he died in his nineties. Max Planck started to rebuild German science at the age of almost ninety.

Knowledge workers are not finished after their working period. They manage themselves and prepare for the second half of their life. It does tho require preparations to manage oneself. One for example is to start building up the second half at the age of forty latest.

There are three answers for the second half of life:

1. Start a second and different career. This often means only to move from one kind of organization to another.
2. Develop a parallel career. This is done by simply creating a parallel job.
3. Become a social entrepreneur. Starting another, usually nonprofit, activity is the way.
The requirements for managing oneself are:

- Begin creating the second half long before entering it. You should start at the age of forty latest.
- Deal with weak mobility. Changing the educational way, the training or even a profession might be difficult.

There are benefits of managing oneself. We live in a society with the importance of success. Serious setbacks are quite possible in one’s life and one’s work. A second major interest – and not just another hobby – helps.

The transformation of every society is about Japan, its organizations and individuals. Japan’s success in the last 50 years resides on organized immobility – the individual is being managed by its organization. Japan’s challenge is to create the mobility that knowledge workers must have. The emergence of the knowledge worker who both can and must manage himself is transforming every society.

### 22 The Educated Person

First we need to distinguish between information and knowledge. Information resides in a book, a databank, a software-program or similar information containers. Knowledge is embodied, carried, created, augmented, improved, applied, taught and passed on by a person.

The educated person is the knowledge society’s representative and defines its society’s performance capacity, values, beliefs and commitments. The educated person now matters and needs to be defined. But could there be
one? And what should be considered “education” anyway? There is no such thing as an educated person due to a motley crew of post-Marxists, radical feminists and other “antis”. The opposing “humanists” fail to produce an universally educated person. Both “antis” and “humanists” are wrong in their theory.

At the core of the knowledge society is the need for a universally educated person. The educated person will have to be able to appreciate other cultures and traditions (i.e. Chinese, Arabic, African, ... culture and religion). Western tradition still remains at the core because all knowledge (science, technology, economics, ...) is based on the western foundation.

The post capitalist society is both a knowledge society and a society of organizations. We have a variation in an “intellectual” and a “manager” person which depend on each other. Balance between them is needed in order to achieve goals. “Intellectuals” and “managers” will have to be prepared to understand each other. This can be encouraged doing job rotation or via working as “unpaid staff” in the social sector.

Technés, which are professionals in a certain field of knowledge (lawyer, physicians, engineers ...), need to become part of what it means to be an educated person. The educated person needs the ability to understand various and specific knowledge’s. Needing to know what each one is about, what it is trying to do, etc.

Without the understanding of the specialized knowledge, the universal knowledge itself will become sterile. The specialists have to take responsibility for making both themselves and their specialty understood.