

How Peter Drucker Changed My Life

By Michael Lee Stallard

“People, I realized, were what I valued and I saw no point in being the richest man in the cemetery,” wrote the late Peter Drucker to explain why he quit a successful stint as an investment banker in Depression-era London and began what would become a pioneering career as a management advisor and thought-leader. When I first read Drucker’s words, his sentiment resonated with me.

I had recently left a job on Wall Street that hadn’t worked out as I had hoped. Having given so much of my time and energy to my career, I was taking the summer off to be with my family and consider what I might do in the next chapter of my life. During that time, I kept hearing Drucker’s words over and over. He expressed what I was yearning for.

Shortly after reading Drucker’s article, several firms on Wall Street called to see if I was interested in joining them. When I went to meet with them, however, my heart just wasn’t in

The beliefs Peter Drucker held about respect, dignity and human potential grew out of his personal experiences.

it. One executive even called me on it, asking why I obviously wasn’t excited about the opportunity when countless others would give their right arms to join his firm. He was right. I wasn’t excited because, honestly, I could sense the cultures at those firms were uninspiring. Despite the rhetoric in their annual reports hailing people as their most important assets, in actuality they were not places where people were truly valued. Fortunately, I have worked in some engaging environments over the course of my career and those experiences made it difficult to settle for anything less.

Research by the Gallup Organization consistently shows only one out of every four Americans are engaged in their jobs. Work environments that engage people are rare. Most work environments are numbing or even crushing to people’s spirits. That’s why many people just hope to make enough money as soon as possible so they can get out before their spirits are permanently diminished. This kind of thinking is so pervasive on Wall Street that the term “f--- you money” is commonly used to describe the amount of money people hope to accumulate so they can tell their firms goodbye, forever.

I’ve given a lot of thought to what makes a work environment engaging and I’ve come to believe that valuing people is an essential element. Peter Drucker understood that. He implored managers to create an environment where people can do their best work. He told managers that people need purpose and meaning in their work and a sense of community. He counseled managers that people needed to be informed and have a voice. Believing people are more productive when they have sufficient autonomy, he persuaded businesses to decentralize their operations and governments to privatize. He railed against excessive

executive compensation because it discourages the average employee when he or she believes senior management only cares about themselves.

Many of the beliefs Peter Drucker held about respect, dignity and human potential grew out of his personal experiences. In his book *Adventures of a Bystander*, he wrote of the time when as a boy in Austria he witnessed his grandmother tell a young Nazi on a public bus to remove his swastika because it was offensive to others. He remembered the respect and compassion she had shown a neighborhood prostitute who sold her body to survive. As a young man, he felt the chill of being denied a voice when the Nazis banned and burned two pamphlets he wrote. As a consultant in America, Drucker was inspired when he witnessed the engaged and energized people of General Motors who built tanks for the war effort, out-producing the Nazis three-to-one.

In the forward to *Adventures of a Bystander*, Drucker noted that the theme underlying all of his writings was a belief in protecting the diversity of individuals from the tendency of those in power to force uniformity, conformity and centralization. “The Creator glories in diversity,” wrote Drucker, “and no species is more diverse than those two-legged creatures, Men and Women.” Drucker knew that the misuse or abuse of power damages the very creativity and productivity that would otherwise benefit individuals, organizations and society at large.

A few years ago, when a filmmaker working on a documentary about Drucker’s life sent him a script to review that said management should treat people “well,” it came back with “well” crossed out and replaced by the word “right.” To Peter Drucker, treating people right was what he valued. To him, not only was it a moral imperative, he knew that doing so was also wise for the results it produced. For making this clear to me, I am grateful to Peter Drucker. His work forever changed how I look at organizations and the responsibilities of leadership.

Michael Lee Stallard is the founder of E Pluribus Partners, a Greenwich, Connecticut-based consulting firm. He is a contributor to the book *What Managers Say, What Employees Hear* to published by Praeger in April 2007.