24 Developing Management and Managers

From *Management, Revised Edition* by Peter Drucker

The years since 1950 have seen a boom in management development within the wider boom in management as a whole.

In the mid-1940s, when I first became interested in this subject, I could find only two companies that had given serious thought to the development of managers:

Sears, Roebuck in America and Marks & Spencer in England.

At that time there were only three university programs in America for the continuing advanced education of managers:

the Sloan Program at MIT, the programs at New York University for the continuing education of managers and young professionals in banking and finance, and the Advanced Management Program at Harvard.

Ten years later, in the mid-1950s, the number of companies with specific management-development programs ran to some three thousand.

And a great many universities in the United States offered all kinds of advanced management programs.

Today, it is impossible to count the number of companies that, one way or another, work on the development of management and managers.

The large company that does not make specific provision for such work and does not have a management-development staff of its own is the exception.

12   And so is the university-level business school without some form of management-development program.

13   In addition, many outside organizations—trade associations, consulting firms, and so on—have gone into management-development work.

14   *Why Management Development?*

15   Basic organizational decisions require an increasingly long lead time.

16   Since no one can foresee the future, management cannot make rational and responsible decisions unless it selects, develops, and tests the men and women who will have to take care of these decisions—the executives of tomorrow. ...

17   The demand for executives is steadily growing.

18   A developed society increasingly replaces manual skill with theoretical knowledge and the ability to organize and to lead—in short, with managerial ability.

19   In fact, ours is the first society in which the basic question is not, "How many educated people can society spare from the task of providing subsistence?"

20   It is, "How many uneducated people can we afford to support?" ...

21   But management development is also necessary to discharge an elementary responsibility that an enterprise owes to society.

22   Continuity, especially of the big business enterprise, is vital.

23   Our society cannot afford to see such wealth-producing resources jeopardized through lack of competent successors to today's executives. ...

24 The members of a modern society look to their work for more than a livelihood.

25 They look to it also for satisfactions that go beyond the economic, that is, for pride, self-respect, and achievement.

26 Management development is just another name for making work and organizations more than a way of making a living.

27 By offering challenges and opportunities for the individual development of each manager to his or her fullest ability, the enterprise discharges, in part, the obligation to make a job in organizations a "good life." ⁓

28 And if we know one thing today, it is that managers are made and not born.

29 There has to be systematic work on the supply, the development, and the skills of tomorrow's management.

30 It cannot be left to luck or chance.

31 ## *Why Manager Development?*

32 Individual managers need development just as much as company and society do.

33 A manager should, first, keep alert and mentally alive.

34 He or she needs to stay challenged.

35 The manager must acquire today the ==skills that will be effective tomorrow==.

36 He also needs an opportunity to reflect on the meaning of his own experience and—above all—he needs an opportunity to reflect on himself and to ==*learn to make his strengths count*==.

37 And then he needs *development as a person* even more than he needs development as a manager (on this see chapters 45-48). ₍₎

38 One of the strengths, but also one of the weaknesses, of knowledge workers is their expectation of satisfaction and stimulation from work.

39 In that respect, the knowledge workers are badly spoiled during their early formative years. ₍₎

40 Knowledge workers, and especially highly accomplished knowledge workers, are likely to find themselves in a spiritual crisis in their early or mid-forties.

41 By that time the majority will have reached, inevitably, their terminal positions.

42 Perhaps they will also have reached what, within their business, is their terminal function—whether this be market research, cost accounting, or metallurgy.

43 Suddenly their work will not satisfy them anymore.

44 After fifteen or twenty years in market research in their industry, they know all there is to know about it.

45 What was tremendously exciting when the job was new is boring and humdrum fifteen years later. ₍₎

46 Managers have to be able, in other words, to develop lives of their own, outside the organization, before they are in their mid-forties. ₍₎

47 They need this for themselves, but they need it also for the organization.

48   For the manager who, at age forty-live, "retires on the job" because he has no more interest in life is not likely to make any further contribution to the organization.

49   He owes it to himself—and to the business—to develop himself as a person, so that he can build his own life and not depend entirely upon the organization or further promotion or on new and different work.

50   <mark>He needs to focus on his own personality, on his own strengths, and on his own interests.</mark> ᴵᴵᴵ

51   We will have to learn to develop second careers for accomplished professional and managerial people when they reach their late forties or so.

52   We will have to make it possible for people who have worked for twenty years or so in an organization and in a function—that is, for most managers—to find new challenge, new opportunity, and new contribution in doing something different, or at least in being effective in different surroundings and in a different institution. ᴵᴵᴵ

53   But what do we really mean by the terms "management development" and "manager development"?

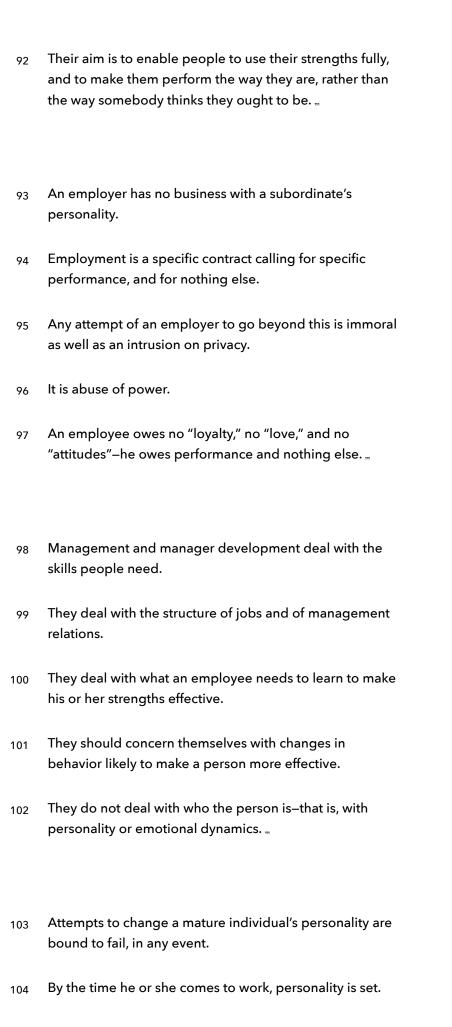54   Undoubtedly, there have been as many fads as there have been sound ventures.

What Management Development Is Not

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56   For these reasons, it is best to start by spelling out what management and manager development are not.

1. It is not taking courses.

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58   Courses are a tool of management development.

59   But they are not management development. ᴵᴵᴵ

60   Any course—whether it is a three-day seminar in a special skill or a two-year "advanced" program three evenings a week—has to fit the development needs of a management group or the development needs of an individual manager.

61   But the ==job, the superior, and the development planning of both company and individual are far more important developmental tools than is any course or courses.== ""

62   Indeed, some of the most popular courses are of questionable value.

63   I have come to doubt, for example, the wisdom of courses that take a manager away from the job for long periods of time.

64   The most effective courses, in my experience, are those that are done on the manager's own time and after hours—the evening "executive management" programs now offered by a multitude of universities, for instance.

65   And the most effective full-time courses alternate periods at school with periods at work; a manager spends a week or two off the job in an intensive learning experience, after which he or she is immediately reinforced by going back to work and applying the things that were learned. ""

66   Managers are action focused; they are not philosophers and should not be.

67   Unless they can right away put into action the things they have learned, the course will not "take."

68   It will remain "information" and never become "knowledge."

69   *==Pedagogically, it is unsound not to have action to strengthen learning==*—that is, not to be able to put into practice on Monday what one has learned the preceding Friday.

70   Finally, managers who have been away thirteen weeks on an advanced course may well find themselves "displaced persons" and homeless when they get back to work after such a long absence.

71   ## 2. Manager development and management development are not promotion planning, replacement planning, or finding potential.

72   These are useless exercises.

73   They may even do harm. ⁔

74   The worst thing a company can do is try to develop the "corners" and leave out the others.

75   If the others have not developed themselves to the point where they can understand, accept, and put into action the vision of the few "corners," nothing will happen.

76   The eight out of every ten who were not included in the program will, understandably, feel slighted.

77   They may end up by becoming less effective, less productive, less willing to do new things, than they were before. ⁔

78   The attempt to find "potential" is altogether futile.

79   It is less likely to succeed than simply choosing every fifth person.

80   Performance is what counts, and the correlation between promise and performance is not a particularly high one.

81   Five out of every ten "high potential" young workers turn out to be nothing but good talkers by the time they reach forty.

82   Conversely, five out of every ten young employees who do not look "brilliant" and do not talk a good game will have proven their capacity to perform by the time they are in their early forties. ...

83   Also, the idea that the purpose of management development is to find "replacements" negates the entire reason for the activity.

84   We need management development precisely because tomorrow's jobs and tomorrow's organizations are going to be different from today's jobs and today's organizations.

85   If all we had to do was replace yesterday's and today's jobs, we would be training people as apprentices under their present bosses. ...

86   The worst kind of replacement planning is the search for a "crown prince."

87   Either a crown prince has a legal right to succeed, or else having been chosen crown prince is likely to destroy him.

88   No matter how carefully concealed, picking a crown prince is an act that the whole organization very rapidly recognizes.

89   And then all the other possible contenders unite against the crown prince and work to bring him down—and they usually succeed.

90   ## 3. Finally, management development and manager development are not means to "make people over" by changing their personalities.

91   Their aim is to make people effective.

92   Their aim is to enable people to use their strengths fully, and to make them perform the way they are, rather than the way somebody thinks they ought to be. ""

93   An employer has no business with a subordinate's personality.

94   Employment is a specific contract calling for specific performance, and for nothing else.

95   Any attempt of an employer to go beyond this is immoral as well as an intrusion on privacy.

96   It is abuse of power.

97   An employee owes no "loyalty," no "love," and no "attitudes"—he owes performance and nothing else. ""

98   Management and manager development deal with the skills people need.

99   They deal with the structure of jobs and of management relations.

100   They deal with what an employee needs to learn to make his or her strengths effective.

101   They should concern themselves with changes in behavior likely to make a person more effective.

102   They do not deal with who the person is—that is, with personality or emotional dynamics. ""

103   Attempts to change a mature individual's personality are bound to fail, in any event.

104   By the time he or she comes to work, personality is set.

105   *The task is not to change personality, but to enable a person to achieve and to perform*.

106   The Two Dimensions Of Development

107   Development is not one but two related tasks that affect each other.

108   One task is that of developing management.

109   Its purpose is the health, survival, and growth of the enterprise.

110   The other task is manager development.

111   Its purpose is the health, growth, and achievement of the individual, both as a member of the organization and as a person.

112   *Management* development is a function and activity of the organization—no matter how it is being discharged.

113   *Manager* development is the responsibility of the individual, though company and superior have important parts to play. .....

114   Management development starts out with the question, "What kind of managers and knowledge professionals will this organization need tomorrow in order to achieve its objectives and to perform in a different market, a different economy, a different technology, a different society?" .....

115   Management development concerns itself with questions such as the age structure of the management group or the skills that managers should acquire today to qualify for tomorrow.

116   It also focuses on the organizational structure and the design of managerial jobs to satisfy the needs and aspirations of tomorrow's "career customer," that is, tomorrow's young manager or young career professional.

117   The market for jobs and careers has become a genuine mass market.

118   Every organization, therefore, needs to design a "career product" that will attract and satisfy the career customer of tomorrow. ᵐ

119   Whether management development requires a separate staff depends on the size and complexity of the business.

120   It is certainly not an activity that should require a great many people and run a great many programs.

121   But it does need power and prestige, for its object is to change the basic planning of the company, the structure of its organization, and the design of managerial jobs.

122   At the core of the task are planning the market, designing the product, and obsolescing existing jobs and existing organizational structures.

123   Management development, seen this way, is an ==*innovator, a disorganizer, a critic*==.

124   Its function is to ask with respect to the company's human organization, "What is our business and what should it be?" ᵐ

125   ==*The development of a manager*== focuses on the person.

126   Its aim is to enable an individual to develop his or her abilities and strengths to the fullest extent and to find individual achievement.

127   The aim is excellence. ᵐ

128   No one can motivate a person toward self-development.

129   Motivation must come from within.

130   But a person's superior and the company can do a good deal to ==discourage== even the most highly motivated and to ==misdirect== his or her development efforts.

131   The active participation, the encouragement, the guidance, from both superior and company, are needed for manager-development efforts to be fully productive. ₅₅

132   The starting point for any manager-development effort is a ==performance appraisal== focused on what the manager does well, what she can do well, and what limitations to her performance capacity she needs to overcome to get the most out of her strengths.

133   Such an appraisal, however, should always be a joint effort.

134   It requires work on the part of the employee herself; it has to be self-appraisal.

135   But it also requires active leadership by the manager. ₅₅

136   In appraising themselves, people tend to be either too critical or not critical enough.

137   They are likely to see their strengths in the wrong places and to pride themselves on nonabilities rather than on abilities. ₅₅

138   There is, typically, the first-class engineer who judges himself to be a good manager because he is "analytical" and "objective."

139   Yet, to be a manager equally requires empathy, the ability to understand how others do their work, and a keen sense of such "nonrational" factors as personality.

140   There is the sales manager who considers her strengths to lie in "*strategy*—in reality, she is a shrewd negotiator, and what she means by strategy is "next week's bargain sale."

141   Only too frequently there is the good analyst and adviser who does not realize that he lacks the emotional courage to make hard and lonely decisions. ₁₉₁

142   An appraisal should be based on the performance objectives that the managers set for themselves in cooperation with their superiors.

143   It should start with their performance against these objectives.

144   It should never start out with "potential."

145   It should ask, "What has this manager done well—not once, but consistently?"

146   This should lead to recognition of the manager's strengths and of the factors that prevent him or her from making these strengths fully effective.

147   But a self-development appraisal should also ask, "What do I want from life?

148   What are my values, my aspirations, my directions?

149   And what do I have to do, to learn, to change, to make myself capable of living up to my demands on myself and my expectations of life?"

150   This question, too, is much better asked by an outsider, by someone who knows her, respects her, but at the same time can have the insight that most of us do not possess about ourselves. ₁₉₂

151   Self-development may require learning new skills, new knowledge, and new manners.

152   But above all, it requires new experience.

153   The most important factors in self-development, apart from insight into one's own strengths, are experience on the job and the example of the superior.

154   Self-appraisal, therefore, should always lead to conclusions regarding the needs and opportunities of a person, both with respect to what he himself has to contribute and with respect to the experiences he needs.

155   The question should always be asked, "What are the right job experiences for this person so that his strengths can develop the fastest and the furthest?" „

156   Development is always self-development.

157   For the enterprise to assume responsibility for the development of a person is idle boast.

158   The responsibility rests with the individual, her abilities, her efforts.

159   No business enterprise is competent, let alone obligated, to substitute its efforts for the self-development efforts of the individual.

160   To do this would not only be unwarranted paternalism, it would be foolish pretension. „

161   It is a necessity for the spirit, the vision, and the performance of today's executives that they be expected to develop those who will manage tomorrow.

162   Just as no one learns as much about a subject as the person who is forced to teach it, no one develops as much as the person who is trying to help others to develop themselves.

163 Indeed, no one can develop himself or herself unless he or she works on the development of others.

164 It is in and through efforts to develop others that executives raise their demands on themselves.

165 The best performers in any profession always look upon the people they have trained and developed as the proudest monument they can leave behind. ...

166 And again, developing both management and managers is as needed—and requires the same approaches—in the public-service institution as in business enterprise. ...

167 But above all, today's manager and knowledge professional has a responsibility to develop themselves.

168 It is a responsibility they have toward their institution, as well as toward themselves. ...

169 We hear a great deal today about the alienation of people in organizations.

170 I doubt seriously whether there is more alienation today than in earlier societies.

171 The classic diagnosis of alienation, after all, was not derived from a study of the modern corporation but was made in a thoroughly agrarian preindustrial society: the Denmark in which Soren Kierkegaard lived and wrote in the early nineteenth century.

172 But whether conformity and spiritual despair are greater or lesser today than they used to be, the one effective counterforce to both is the individual's commitment to self-development, the individual's commitment to excellence.

173 ## *Summary – Developing Management and Managers*

174 Management development is based on the genuine needs of organizations and managers alike.

175 But, it is as yet rarely understood that there is *management* development tied to the needs of the organization, and *manager* development, tied to the needs of the individual—and that the two are different.

176 Manager development is self-development although the superior and the organization can encourage or stifle it.

177 And the aim of manager development is excellence.