

Leader SHIFT

Leading effectively
in an ever-changing world

ROB HOSKINS

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introduction

Today, our world is in need of wise, strong, principled, and empathetic leaders more than ever before.

We need individual leaders in churches and ministry who prioritize people. We need managers and executives who lead businesses and nonprofit organizations with integrity. We need parents who care for, and train, the next generation of leaders “in the way they should go” (Proverbs 22:6).

Management guru Peter Drucker’s innovative insights on leadership and social economies were ahead of his time and speak powerfully into each of these spheres. His breadth of knowledge regarding the evolving workplace has informed many of the world’s most influential and successful leaders in a variety of organizations, from charities to mega corporations. His valuable words have impacted leaders around the world, including the team here at OneHope, and hold power for anyone seeking to deepen their own leadership skills.



CHAPTER 1

Insights for Individual Leaders

Today, individuals are constantly looking for ways to be better, more effective leaders, whether they work as pastors, executives, doctors, lawyers, teachers, or even parents. Despite how fast the world is changing, there is timeless wisdom to be gleaned from practical, proven experts like Peter Drucker.

Drucker has many insights into leadership, but six guiding principles are especially important for individual leaders today.

First, know who you are.

“Whenever people are on the road to success,” Drucker said, “they tend to think of repositioning as something they do if they’re a failure. But I would say that you ought to reposition when you’re a success, because that’s when you can afford it.”

Second, keep your outcomes in mind.

“The only worthy goal is to make a meaningful life out of an ordinary one.” Drucker recommends setting one’s sights on achievements that really matter—that will make a difference in the world—and to set them far enough ahead of current achievements that the journey will be demanding but worth the effort.

Third, don’t let planning get in the way of opportunity.

“Opportunity comes in over the transom,” Drucker insisted, and that means one has to be flexible, ready to seize the right opportunities when they come. “Too

much planning can make you deaf to opportunity. Opportunity knocks, but it knocks only once. You have to be ready for the accident.”

Fourth, know your limits.

“If you don’t respect a job, not only will you do a poor job of it, but it will corrupt you, and eventually it may even kill you,” Drucker said. “For example, ninety-nine percent of all physicians should not become hospital administrators. Why? Because they have no respect for the job. They’re physicians and they feel that hospital administration is a job for clerks.” Knowing what you value and what you don’t can keep you from making some bad choices.

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Fifth, pursue doing what you love.

“My definition of success changed a long time ago”, Drucker said. “I love doing consulting work and writing—I regularly lose track of time when I’m doing those things. But finishing well, and how I want to be remembered, those are the things that matter now. Making a difference in a few lives is a worthy goal. Having enabled a few people to do the things they want to do—that’s really what I want to be remembered for.”

Finally, seek to finish well, even after it appears the bulk of your career is behind you.

“I see more and more people who make it to their mid-forties or beyond, and they’ve been very successful,” Drucker said. However, once they reach this stage, they enter one of three groups, according to Drucker. “One group will retire; they usually don’t live very long. The second group keeps on doing what they’ve been doing, but they’re losing their enthusiasm, feeling less alive.”

However, the third group focuses not on past accomplishments or regrets, but on finishing well. “The third group keeps doing what they’ve been doing, but they’re looking for ways to make a contribution,” said Drucker. “They feel they’ve been

given a lot and they're looking for a chance to give back. They're not satisfied with just writing checks; they want to be involved, to help other people in a more positive way." And they're the ones who, according to Drucker, will finish well.¹





CHAPTER 2

Insights for Organizations

Peter Drucker's principles of leadership not only apply to individual leaders, but to entire organizations seeking to manage and care for their employees and clients in the most efficient, effective way possible. Here are four principles from Drucker that every organization should implement for the health and success of its most important asset: people.

Managing People

Organizations must be built and run with the central philosophy that management is about human beings. Especially in today, the ultimate goal of organizations is no longer about processes or products, but about managing people effectively, efficiently, and fairly. A major critical factor determining the success of an organization is their effectiveness in capitalizing on peoples' strengths and placing them in roles that make any serious weaknesses irrelevant.

Organizations today must discern how to manage knowledge workers within a system characterized by individual responsibility and lateral communication, as opposed to the top-down management systems of earlier centuries.

The following chart illustrates this flow of individual thought and corporate communication.

Individual Responsibility	Communicate Laterally
Think through what they aim to accomplish	Make sure their associates know and understand that aim
Think through what they owe to others	Make sure that others understand
Think through what the need from others	Make sure that others know what is expected of them

This style of management enables each of its members, as well as the entire enterprise, to grow and develop as needs and opportunities change. In today's sea of constant change, the ability and empowerment of people to adapt quickly will determine whether an organization sinks or swims.²

Social Ecology

Effective management requires the mind and work of a social ecologist. Great managers take a careful look at their own organization's environment as well as a society as a whole, asking these questions:

- What paradigm changes have taken place recently?
- What changes no longer fit what everybody knows?
- Is there evidence that this is a change and not just a fad?
- If this change is relevant and meaningful, what opportunities does it offer?

As an example of a major societal event heralding deeper change, consider the passage of the GI Bill of Rights in the United States after World War II. This law gave every returning war veteran the right to attend college at the government's expense. But beneath the surface, it signaled the emergence of knowledge as a key resource within society.

A closer look at the impact this unprecedented change would have on expectations, values, social structure, employment, and more revealed that knowledge as a productive resource had attained an unprecedented position of value in society. Indeed, by the mid-1950s, ten years after the passage of the GI Bill of Right, one

could confidently talk of a “knowledge society,” of “knowledge work” as the new center of the economy, and of the “knowledge worker” as the new ascendant workforce.

As past generations retire and millennials emerge as the primary workforce, it is vital for managers to ask these important questions from a social ecologist’s standpoint. Social ecology is needed for organizations to effectively equip, employ, and manage this new digitally savvy, socially committed, highly self-directed, and globally aware workforce.³

Measurements

Measuring organizational effectiveness is critical. This is a common practice today, but Drucker emphasized that it is particularly relevant in the areas that elude easy measurements, such as your organization’s ability to attract or retain good employees. This is as much a hallmark of your organization’s chances of survival as the profit you turned this quarter.

The success of some areas can be measured well by objective means, while others require more perceptual or subjective processes. Drucker suggests this strategy: “Develop quantitative assessments for those variables that can be so measured and qualitative assessments for those critical variables that are qualitative.”

At an organizational level, each of the following categories have both objective and perceptual/subjective measurements that matter equally:

- Organizational Capacity
- Organizational Outcomes
- Program Capacity
- Program Outcomes

Recognizing Contributions

Finally, an effective organization will value the contributions of knowledge workers and staff. Not long before he died in 2005, Drucker declared that increasing the productivity of knowledge workers was “the most important

contribution management needs to make in the 21st century.” This is due to the major shift as a post-capitalist society to a knowledge society.^{4, 5}

Drucker offers five key steps to organizations about how to operate effectively by engaging the contributions of knowledge workers. First, figure out what information is needed. “Information...enables knowledge workers to do their job,” said Drucker. In our hyper-connected society, we have endless access to data at our fingertips. According to Drucker, an adequate information system leads organizations “to ask the right questions, not just feed them the information they expect.”

Second, actively prune what is past its prime. Today, innovation is often championed while cutting programs and positions is discouraged.

“Every organization will have to learn to innovate,” Drucker said. “And then, of course, one comes back to abandonment, and the process starts all over. Unless this is done, the knowledge-based organization will very

soon find itself obsolescent, losing performance capacity and with it the ability to attract and hold the skilled and knowledgeable people on whom its performance depends.”

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Third, embrace employee autonomy. “Knowledge workers have to manage themselves,” Drucker advised. “They have to have autonomy.” Staff pursuing hands-on work or delving into specialized areas are more likely to know what solution fits the problem than those in leadership above them. Drucker encourages empowering these employees rather than discouraging individualization.

Fourth, build a true learning organization. “If knowledge isn’t challenged to grow, it disappears fast,” Drucker cautioned. “It’s infinitely more perishable than any other resource we have ever had.”

Fifth and finally, Drucker advises organizations to provide a strong sense of purpose to employees. “What motivates—and especially what motivates knowledge workers – is what motivates volunteers,” Drucker wrote. “They need to know the organization’s mission and to believe in it.”⁶





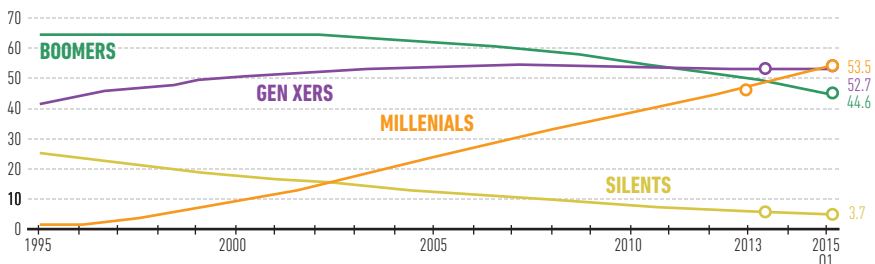
CHAPTER 3

Leading Young Influencers

With 90 million volunteers, America's largest employer is the nonprofit sector. While nonprofits don't have a conventional bottom line, management philosophy is as key for charitable organizations as it is for businesses. Nonprofits too must steward their resources for maximum effectiveness in order to better concentrate on mission. "Resources" in this case does not just concern money, for our greatest assets are our people. And with time, the people making up our workforce are growing increasingly younger.

Millennials now make up the largest portion of the American workforce, making it of utmost importance for leaders and organizations to learn to communicate with, motivate, and mentor this emerging demographic. The leadership principles of Peter Drucker are relevant even in this era as we seek new methods of connecting with the innovation, creativity, and social concerns of the millennial generation.

U.S. Labor Force by Generation, 1995-2015 (in millions)



Note: Annual average plotted 1995-2014. For 2015 the first quarter average of 2015 is shown. Due to data limitations, Silent generation is overestimated from 2008-2015. Source: Pew Research Center tabulations of monthly 1995-2015 Current Population Surveys, Integrated Public Use Microdata. Series (IPUMS) **PEW RESEARCH CENTER**

Two powerhouse individuals—Frances Hesselbein, head of the Hesselbein Leadership Institute (formerly the Peter F. Drucker Foundation for Nonprofit Management), and Joan Snyder Kuhl, founder of Why Millennials Matter—tackle this very question. Hesselbein and Kuhl developed an enhanced edition of Peter Drucker's *Five Most Important Questions: Enduring Wisdom*

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for Today's Leaders. This book—a collaboration of Drucker's insight peppered with commentary from distinguished management gurus, contemporary entrepreneurs, and dynamic millennial leaders—brings clarity and purpose to any young influencer's work while bridging the generational gap that may exist in their workplace.

The work of Hesselbein and Kuhl, alongside Drucker's own, emphasizes the importance of communication, asking questions, and listening in bridging this gap. Drucker poses five questions that should form the backbone of any organization's self-assessment process, coupled with key points modernized by some of today's key young influencers.

First, ask, "What is our mission?"

Your mission statement should be so short and clear that it could fit on a t-shirt. Keep it always in front of you as the measure against which all decisions are made.

Second, ask, "Who is our customer?"

Drucker wrote, "Customers are never static. Hence, the organization that is devoted to results will adapt and change as they do."

Third, ask, "What does the customer value?"

What will satisfy your customers' needs, wants, and aspirations can only be answered by them. You must ask and then listen to their answers.

Fourth, ask, “What are our results?”

You further your mission when you determine and measure how lives or conditions—people’s behaviors, circumstances, health, hopes, and competence—are changed by your organizations.

Fifth and finally, ask, “What is our plan?”

After self-assessment, you must create a plan that is a concise summation of the organization’s purpose and future direction. It transcends today while guiding and informing it, providing a framework for goal setting and mobilizing resources to get the right things done.

Being able to communicate effectively to millennials in their style is key to unlocking and unleashing their productivity. By periodically asking these questions, an organization can create a culture where millennials powerfully and creatively contribute to furthering the overall mission.⁷





CHAPTER 4

Insights for Parents

The management principles put forth by Drucker not only apply to the business world and workplace, but to a very different sphere: the home. In this space, as parents “train their children up in the way they should go” (Proverbs 22:6), the same principles we have been discussing become valuable tools of parental love, discipline, and leadership.

As with running an organization, parenting is about human beings. Paraphrasing Drucker’s philosophy to fit the context of a family, it carries over as follows: “The critical, determining factor between families that struggle or those that succeed is if they have figured out how to make children’s strengths effective and their weaknesses irrelevant.”⁸ Every child has been created in God’s image. When we help our children figure out and operate from their God-given strengths, they bring glory to God.

Just as managers should view the world with the lens of a social ecologist, so should parents. Proverbs 22:6 reads, “Direct your children onto the *right path*, and when they are older, they will not leave it.” The delineation of right path in this verse implies that there are also wrong paths that we can errantly lead our children down. This is a strong reminder that in order for me to help each of my children find their right path, we need to study them. Then we can help train them up in the way they should go.

Regularly measuring effectiveness as a parent is also critical. How can we know if we are being successful in how we are raising our children? We won't really know unless we assess. It might seem strange to apply such a corporate business idea to your family, but this is actually straight from the Bible. One way we are told to assess is to look for the Fruits of the Spirit—love, joy, peace, patience, kindness, goodness, faithfulness, gentleness, and self-control—in our own life, as well as in the lives of our children. Drucker wrote in *Management: Tasks, Responsibility, Practices*, “Work implies not only that somebody is supposed to do the job, but also accountability, a deadline and, finally, the measurement of results—that is, feedback from results on the work and on the planning process itself.”

Beyond simply measuring for fruitfulness, there is also a much-overlooked Drucker principle at play—the importance of relationships. He says, “Your first role...is the personal one.... It is the relationship with people, the development of mutual confidence, the identification of people, the creation of a community. This is something only you can do. It cannot be measured or easily defined. But it is not only a key function. It is one only you can perform.”⁹

How is their relationship with you? How often do you take time to talk about your child's spiritual development with them, putting accountability in place, and setting goals for their lives? How is their relationship with their Heavenly Father?

Our kids will grow fastest in their faith when we invite them to take an active role in it on a daily basis.

Finally, we must value the contributions of our children, just as we value the contributions of willing, gifted, and dedicated employees. 2 Timothy 4:12 reads, “Don't let anyone look down on you because you are young, but set an example for the believers in speech, in conduct, in love, in faith and in purity.” Not only is this verse encouragement for your children, it's an admonition to us as parents. Our kids will grow fastest in their faith when we invite them to take an active role in it on a daily basis.



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