Table of Contents

Foreword by Dr Francisco Suarez	24
Introduction by Philip Kotler	30
Chapter 1 The World's Greatest Independent Consultant My First Book about Drucker.	38
How to Make It Big as a Consultant.	
Drucker Swings into Action as a Consultant.	
How Drucker Got His Start as a Management Consultant. Drucker's Peculiar Advice about Almost Everything.	
Consulting and the California Institute of Advanced Management.	
How to Use and Master Drucker's Techniques and Concepts.	
Chapter 2	50
The Drucker Consulting Difference	
Applying Drucker's Methods Requires Understanding.	
What Is a Social Ecologist?	
Drucker's Strange Non-consulting Organization.	
How Drucker Became a Consultant Helped Form the Drucker Differer	ice.
Drucker Was Concerned with What to Do, Not How to Do It.	
The Most Difficult Aspect of Being a Drucker Client.	
Drucker's Methodology of Conducting the Consulting Engagement.	
The Brain Is for Thinking—Use It!	
Drucker's Caution in Applying "Breakthrough" Ideas.	
Drucker's Emphasis on Feelings over Numbers in Decision Making.	

Chapter 3 What We Can Learn from How Drucker Developed as a Management Consultant

Did Drucker Always Plan to Become a Management Consultant? Drucker's Early Serendipitous Preparation for Consulting. Drucker Misses a Chance at College, But Gets a Serious Education. Hitler Causes Drucker to Drop Everything. Drucker's Activities in England and His First Book. The Influence of World War II and Marvin Bower. Drucker's Big Break.

Chapter 4

78

How Drucker Established a Top-rated Consulting Practice

Why Do Consultants Become Consultants?

Zeroing in on Preferences.

The Advantage of Control over Your Life.

The Question of Compensation.

Location, Location, Location.

Risky Business.

The Importance of Goals and More Serendipity.

Part-time Consulting.

Part-time Consulting by Students.

When to Transition from Part Time to Full Time.

One More Consultant's Tale.

What Makes an Outstanding Consultant?

The Ability to Interact with All Participants in a Consulting Engagement.

The Ability to Diagnose Problems Correctly.

The Ability to Find Solutions that Work.

Technical Expertise and Knowledge.

Good Communication Skills.

Strong Marketing and Selling Abilities.

Managerial Skills.

Chapter 5

Marketing Drucker's or Anyone Else's Consulting Practice Basic Drucker Marketing.

94

108

The Primacy of Marketing over All Other Business Functions.

The Important Distinction between Sales and Marketing.

Not Reading Drucker.

Theoretically, Perfect Marketing Would Make Selling Unnecessary.

The Possibility that Marketing and Selling Are Not Complementary, but Adversarial.

The Focus on the Customer and What the Customer Values. Marketing as a Pervasive Theme throughout the Organization.

Did Drucker Take His Own Medicine?

Chapter 6 Drucker's Ethical and Integrity Bedrock

Drucker's "Lies" and the License to Shade Statements for Emphasis. Drucker's Ethics vs. Those Commonly Stated. Ethical Decisions May Be More Complex than You Think. What Are We Talking About? The Distinction between What Is Legal and What Is Ethical. Drucker on Extortion or Bribery. Drucker's Analysis of Ethical Approaches. The Ethics of Prudence. The Ethics of Profit. Confucian Ethics.

Drucker's Conclusions.

Chapter 7 Drucker's Consulting Model Was to Ask Questions

The Big Three Consulting Firms and How They Got that Way. The Primary Difference in Drucker's Consulting Model. The Client Is the Real Expert. Asking Your Own Brain Questions. Why This Strange Technique Works. The Power of Distraction in Problem Solving. Drucker's Five Basic Questions. What Is the Mission of Your Client? Who Are Your Client's Customers? What Does Your Client's Customer Value? What Results Are Your Client Getting? What Is Your Client's Plan? How to Develop Good Questions.

Chapter 8

138

Disregarding What Everyone "Knows" to Get to the Truth Drucker Was Right Again. What Everyone Knows Is Usually Wrong. Many Things that Everyone "Knows" Today Are Also Wrong. The Ancients Knew that 100% Agreement is Suspect. Drucker's Wisdom Critical in Management and Therefore Consulting. Drucker's Most Valuable Contribution? Why Krav Maga Training Has a Relatively Low Injury Rate. Drucker on Customer Value. How a 61-Year-Old Won the World's Toughest Ultra Marathon. Applying this Lesson as a Consultant. Analysing an Assumption. Tracking Down the Origin. Is the Source Valid?

Chapter 9 How Drucker Used his Ignorance to Consult in Any Industry

Ignorance Has Value. Analysing Drucker's Claim of Ignorance. The Beauty of Ignorance in Problem Solving. Left-brain Problem Solving. Building Ships at High Speed. Problem Definition. Relevant Factors. Alternative Courses of Action. The Analysis. Conclusions and Recommendations. The Right-brain Solution.

Helping the Subconscious Solve Consulting Problems.

Chapter 10 Drucker Tells his Clients What to do about Risk Even Attempting to Lower Risk Could Be the Wrong Move. One of Drucker's Few Errors Was of this Type. The Story of the Unlucky General Who Took the Wrong Risk. Picking the Right Risk Is Crucial. Risk Controls and their Characteristics. The Near Impossibility of Objectivity and Neutrality When Dealing with Human Beings. Focusing on the Real Results. Focusing on the Right Results. When Conditions Change, the Real Results May Change, Too. Non-measurable Events, Too. The Seven Control Specifications. The Final Limitation. What It All Means.

172

Chapter 11 186 How to Think Like Drucker, Einstein, and Sherlock Holmes The Development of the Theory of Relativity. Einstein Revealed the Common Process. Enter the World's Greatest Fictional Detective. Academic Research Is an Analytical Process, But ... Unexpected Insights at an Academic Conference. More Insight from the Conference. Drucker's Resulting Methodology and Thinking. The Missing Link in Drucker's Thinking in Developing Theory. Examining that which Appears to Be Intuitively Obvious. The Profit Motive. Is Profit Maximization a Dangerous Fallacy? The Purpose of a Business. Standing "Facts" on their Heads. Instantly Discerning Certain Things that Others Missed. Modelling Drucker's Thinking.

Chapter 12 202 Developing a Client's Self-confidence and Your Own, Too The Answer Is Self-Confidence. Drucker's Secrets. Born with Self-confidence. You Learn to Crawl Before You Can Walk. A Closer Look at Those Who Were Born with Self-confidence. Gain Self Confidence Slowly as You "Pay Your Dues". Take Charge of Your Own Confidence-building. Move Out of Your Comfort Zone. Self-confidence Comes From Knowing that You Can Succeed. How the Military Builds Self-confidence. Little Things Mean a Lot. Positive or Negative Mental Imagery Can Have Crucial Effects. Positive Images Can Significantly Improve Your Self-confidence. You Can Use Mental Rehearsal to Build Your Self-confidence. With Self-confidence, Your Vision Has No Limits.

Chapter 13 Innovation, Abandonment, and the Certainty of Eventual Failure without Change

Unlimited Examples of the Failures of Success. The Bigger They Are, the Harder They Fall. Stopping Success from Leading to Failure. Innovation Means Something Different. The Revolutionary Posture: Abandonment of Profitable Products. Should the Best-Known Automobile Have Been Abandoned? Abandon with Finesse and Logic. Rethinking Means an Examination of What the Organization Is Doing. Discovering a Specific Criterion for Abandonment. You've Got to Have a Plan ... but then, the Plan Must Be Implemented. To Dream or Not to Dream, That Is the Question. What to Recommend to Clients.

Chapter 14 How Drucker Helped His Clients Innovate

Cossman's Ant Farm—the Most Successful Toy Innovation of the 20th Century. Flashes of Innovation.

"My Son, the Musician" Has High Sales But Is Pulled Off the Market.

"Bright Ideas" with Incomplete or Poor Analyses Lose Money.

The Unexpected, but Still Analysed.

Some Successful Innovations Are Spelled "In-con-gru-ities."

Process Need Innovation.

Industry and Market-Structure Innovation.

Demographic Change and the Potential for Innovation.

Drucker and His Education Solution and Predictions.

Innovation Opportunities Due to Changes in Perception.

Perception Is Everything.

If Knowledge Is Power, then New Knowledge Is New Power.

234

Chapter 15 Drucker's Group Consulting and IATEP[™] Drucker's Group Consulting. Immediately Applied Theory for Enhanced Performance (IATEP[™]). The Roman Touch. What is IATEP[™]? The "Flipped Classroom" and the Implications of the Basic Model. The Thayer Method. More than Maximizing Time. Why Makes the Thayer Method Work?

Chapter 16 People Have No Limits! A Critical Concept for Every Consultant's Mastery

Peter (Drucker, that is) said, "No!" The Dangers of the Peter Principle to the Organization. The Man Who Lost \$1,000,000 as Soon as He Got Promoted at IBM. The Hidden Pressure from the Peter Principle. One More Nail in the Coffin. Disproving the Peter Principle. What Exactly Does Drucker's Denunciation of the Peter Principle Mean for Consultants? The Right Person for the Right Job. The Requirements of the Job. Developing the Essential Job Requirements. Choose Multiple Candidates for a Job before Selection. Discuss Your Choice with Colleagues. After the Assignment Is Made. Is This a Work in Progress? Drucker's People Approach.

266

Chapter 17 10 Things Considered

Appendix: 290 Essays on Drucker's Consulting by Clients and Experts

- Frances Hesselbein, president and CEO of the Frances Hesselbein Leadership Institute (formerly the Peter Drucker Foundation for Non-profit Management).
- 2. Ping (Penny) Li, director of admissions at the California Institute of Advanced Management and participant in 11 consulting engagements using Drucker's methods.
- Eric McLaughlin, chief presidential academic advisor at the California Institute of Advanced Management and PhD graduate of the Drucker School.
- 4. Dr. Edna Pasher, Founder and CEO of the Dr. Edna Pasher & Associates, LTD and the international non-profit Smart Cities consulting firms.
- 5. Minglo Shao, Founder of the Peter Drucker Academy of China, and Chairman of the Board, California Institute of Advanced Management.
- 6. C. William Pollard, chairman of Fairwyn Investment Company and former CEO and chairman of the Fortune 500 company, Service Master Corporation, for 12 years.
- 7. Bruce Rosenstein, author of Drucker books and managing editor of the award-winning *Leader-to-Leader Journal* of the Frances Hesselbein Leadership Institute.
- 8. Rick Wartzman, executive director of the Drucker Institute and editor of Drucker books and columns.