

Management Guru Peter Drucker, 95, Dies

By ALEX VEIGA (Associated Press Writer)

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LOS ANGELES - Peter F. Drucker, revered as the father of modern management for his numerous books and articles stressing innovation, entrepreneurship and strategies for dealing with a changing world, died Friday. He was 95.

Drucker died of natural causes at his home in Claremont, east of Los Angeles, said Bryan Schneider, a spokesman for Claremont Graduate University, where Drucker taught.

"He is purely and simply the most important developer of effective management and of effective public policy in the 20th century," former U.S. House Speaker Newt Gingrich said Friday. "In the more than 30 years that I've studied him, talked with him and learned from him, he has been invaluable and irreplaceable."

Drucker was considered a management visionary for his recognition that dedicated employees are key to the success of any corporation, and that marketing and innovation should come before worries about finances.

His ability to explain his principles in plain language helped them resonate with ordinary managers, said former Intel Corp. Chairman Andy Grove.

"Consequently, simple statements from him have influenced untold numbers of daily actions. They did mine over decades," Grove said.

Drucker championed concepts such as management by objective and decentralization, and his motivational techniques have been used by executives at some of the biggest companies in corporate America, including Intel and Sears, Roebuck & Co.

Business Week magazine hailed him as "the most enduring management thinker of our time," and Forbes magazine featured him on a 1997 cover under the headline: "Still the Youngest Mind." President Bush awarded him the Presidential Medal of Freedom in 2002.

In the early 1940s, Drucker was invited to study General Motors' inner workings, an experience that led to his 1946 management book, "Concept of the Corporation." He went on to write more than 30 books and start a foundation for non-profit management.

"He's very much an intellectual leader, and that's not common," said Harvard Business School professor D. Quinn Mills.

Drucker showed a knack for identifying sea changes in business and economics years in advance. He foresaw the emergence of a new type of worker whose occupation would be based on knowledge, not physical labor or management.

After the big stock market decline of October 1987, Drucker said he had expected it, "and not for economic reasons, but for aesthetic and moral reasons."

"The last two years were just too disgusting a spectacle," Drucker said. "Pigs gorging themselves at the trough are always a disgusting spectacle, and you know it won't last long."

Drucker termed Wall Street brokers "a totally non-productive crowd which is out for a lot of easy money."

"When you reach the point where the traders make more money than investors, you know it's not going to last," he said.

"The average duration of a soap bubble is known. It's about 26 seconds," Drucker said. "Then the surface tension becomes too great and it begins to burst."

"For speculative crazes, it's about 18 months."

Drucker was born in Vienna, and educated there and in England. He received a doctorate in international law while working as a newspaper reporter in Frankfurt, Germany. He remained in Germany until 1933, when one of his essays was banned by the Nazi regime. For a time, he worked as an economist for a bank in London, then moved to the United States in 1937.

He taught politics and philosophy at Bennington College in Vermont and for more than 20 years was a professor of management at New York University's graduate business school.

Beginning in 1971, he taught a course for midcareer executives at Claremont Graduate School in California, which named its business school after him.

Drucker's management books included: "The Effective Executive," 1966; "Management: Tasks, Responsibilities, Practices," 1974; and "Managing in a Time of Great Change," 1995. In 2004, he put out "The Daily Drucker: 366 Days of Insight and Motivation for Getting the Right Things Done."

He also wrote scores of articles for the academic and popular press, two novels and a 1979 autobiography, "Adventures of a Bystander."

While much of his career was spent studying employees in the workplace, Drucker also dedicated time to the service sector, founding the New York-based Peter F. Drucker Foundation for Nonprofit Management, known since 2003 as the Leader to Leader Institute.

Jack Beatty, a senior editor at Atlantic Monthly magazine who wrote the book "The World According to Peter Drucker," described the management guru as "uproariously funny (with) a great rapport. You ask him a question and it can go on for some time."

Drucker is survived by his wife, Doris, and four children.

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