

THE BIG IDEAS

Five Practices

Of the effective executive.

Know Thy Time

Do you?

What Can I Contribute?

Is the key question.

Strengths + Weaknesses

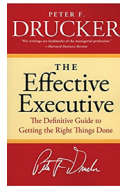
Make strengths productive.

"Secret" of Effectiveness

Concentration.

Boundary Conditions

What are yours?



The Effective Executive

The Definitive Guide to Getting the Right Things Done

BY PETER F. DRUCKER · HARPERBUSINESS © 2006 · 208 PAGES

“Management books usually deal with managing other people. The subject of this book is managing oneself for effectiveness. That one can truly manage other people is by no means adequately proven. But one can always manage oneself. Indeed, executives who do not manage themselves for effectiveness cannot possibly expect to manage their associates and subordinates. Management is largely by example. Executives who do not know how to make themselves effective in their own job and work set the wrong example.

To be reasonably effective it is not enough for the individual to be intelligent; to work hard or to be knowledgeable. Effectiveness is something separate, something different. But to be effective also does not require special gifts, special aptitude, or special training. Effectiveness as an executive demands *doing* certain—and fairly simple—things. It consists of a small number of practices, the practices that are presented and discussed in this book. But these practices are not ‘inborn.’ In forty-five years of work as a consultant with a large number of executives in a wide range of organizations—large and small; businesses, government agencies, labor unions, hospitals, universities, community services; American, European, Latin American and Japanese—I have not come across a single ‘natural’: an executive who was born effective. All the effective ones have had to learn to be effective. And all of them then had to practice effectiveness until it became a habit. But all the ones who worked on making themselves effective executives succeeded in doing so. Effectiveness can be learned—and it also *has* to be learned.”

~ Peter F. Drucker from *The Effective Executive*

“This book rests on two premises: The executive’s job is to be effective; and, effectiveness can be learned.”

~ Peter F. Drucker

Peter Drucker is considered the father of modern management.

This book was originally published in 1967. It’s *remarkably* well written and lucid. I wrote this on the inside cover: “Astonishingly lucid. Clear thinking. Logical. Coherent. Well-written. Thoughtful. Refreshing to read. Art. Admire the mind that created it.” (Get a copy [here](#).)

Drucker tells us that one is an executive if he or she is responsible for making a contribution that significantly affects the organization and that, most importantly, we need to make sure we’re getting the *right* things done.

With that in mind, I say we’re ALL the Chief Executive Officers of our lives. And, we can all (always!) use a little Optimizing as we strive to actualize our potential.

Of course, the book is packed with Big Ideas on how to go about doing that and I’m excited to share some of my favorites that we can apply to our lives *today* so let’s jump straight in!

We’ll start with a quick look at the five key practices for becoming more effective.

THE FIVE ESSENTIAL PRACTICES OF THE EFFECTIVE EXECUTIVE

"Intelligence, imagination, and knowledge are essential resources, but only effectiveness converts them into results. By themselves, they only set limits to what can be attained."

~ Peter F. Drucker

"These are essentially five such practices—five such habits of the mind that have to be acquired to be an effective executive:

1. Effective executives know where their time goes. They work systematically at managing the little of their time that can be brought under their control.
2. Effective executives focus on outward contribution. They gear their efforts to results rather than to work. They start out with the question, 'What results are expected of me?' rather than with the work to be done, let alone with its techniques and tools.
3. Effective executives build on their strengths—their own strengths, the strengths of their superiors, colleagues, and subordinates; and on the strengths of the situation, that is, on what they can do. They do not build on weakness. They do not start out with the things they cannot do.
4. Effective executives concentrate on the few major areas where superior performance will produce outstanding results. They force themselves to set priorities and stay with their priority decisions. They know that they have no choice but to do first things first—and second things not at all. The alternative is to get nothing done.
5. Effective executives, finally, make effective decisions. They know that this is, above all, a matter of system—of the right steps in the right sequence. They know that an effective decision is always a judgment based on 'dissenting opinions' rather than on 'consensus on the facts.' And they know that to make many decisions fast means to make the wrong decisions. What is needed are few, but fundamental, decisions. What is needed is the right strategy rather than razzle-dazzle tactics.

These are the elements of executive effectiveness—and these are the subjects of this book."

The five essential practices of the effective executive. Each has its own chapter in the book. Here's a quick recap then we'll dive in more deeply:

1. As effective executives of our lives we need to know where our TIME goes. Best way to figure that out? Track it!
2. We need to focus on outward CONTRIBUTION. It's not so much what we *want* to do but what needs to be done. How can we contribute to our "organization"—whether that's our family or our business or whatever? How can we play our role well? Focus on that.
3. We need to focus on our STRENGTHS so much that we make our weaknesses irrelevant. This is huge. More on this in a moment.
4. We've gotta CONCENTRATE our energy on what's most important. We do first things first and second things never.
5. And, we make good DECISIONS. The effective executive makes *less* decisions not more. Like our willpower exemplars, we play offense not defense. We make a few key distinctions on fundamental principles and then let those big decisions take care of all the little ones.

P.S. Those are all PRACTICES that become HABITS. As Drucker says, "*Effectiveness, in other words, is a habit; that is, a complex of practices. And practices can always be learned. Practices are simple, deceptively so; even a seven-year-old has no difficulty in understanding a practice. But practices are always exceedingly hard to do well. They have to be acquired, as we all learn the multiplication table; that is, repeated ad nauseam until '6 x 6 = 36' has become an unthinking, conditioned reflex, and firmly ingrained habit. Practices one learns by practicing and practicing and practicing again.*"

Sounds a lot like the whole Optimizing process, eh? Practice. Aggregate. Compound. Repeat.

"They know that they have no choice but to do first things first-and second things not at all. The alternative is to get nothing done."

~ Peter F. Drucker

KNOW THY TIME

"Effective executives, in my observation, do not start with their tasks. They start with their time. And they do not start out with planning. They start by finding out where their time actually goes. Then they attempt to manage their time and to cut back on unproductive demands on their time. Finally they consolidate their 'discretionary' time into the largest possible continuing units. This three-step process:

- recording time,
- managing time,
- consolidating time

is the foundation of executive effectiveness.

Effective executives know that time is the limiting factor. The output limits of any process are set by the scarcest resource. In the process we call 'accomplishment,' this is time."

Chapter 1 tells us that effectiveness can be learned.

Chapter 2 tells us about the first thing we must learn if we want to be effective: How to manage our time.

First, note: Time is our most precious asset. You can always get more money or more resources. You can NEVER (!) get more time. It's finite and once it's gone, it's gone. Therefore, if we want to increase our "accomplishment" in the broadest sense we'd be wise to optimize our use of time.

How? Three steps.

First, we need to record it. Don't start with planning. Start with TRACKING. Bust out a piece of paper and actually track where your time goes for a week or three.

In the process, you'll *immediately* improve your performance because we know that what we measure improves before we even deliberately *try* to improve it. (Recall our pedometer-wearing people who walked a mile more as a result of simply having a pedometer.)

And, you'll also have the data you need to move to step #2 which is to optimize the use of your time. The #1 trick here? Know that THE fastest way to optimize your time is to ELIMINATE the nonessential. Once you've removed the obvious, complete time wasters then you need to focus on the things that you and only you can do—systematically "delegating" everything else.

Then we arrive at our third step: We need to CONSOLIDATE our time into "the largest possible continuing units."

We need to create what Gary Keller of *The ONE Thing* calls "time blocks." Recall that he also calls time blocks the #1 productivity power tool. He says: *"Most people think there's never enough time to be successful, but there is when you block it. Time blocking is a very results-oriented way of viewing and using time. It's a way of making sure that what has to be done gets done. Alexander Graham Bell said, 'Concentrate all your thoughts upon the work at hand. The sun's rays do not burn until brought to a focus.' Time blocking harnesses your energy and centers it on your most important work. It's productivity's greatest power tool."*

1 + 2 + 3 = Time Management 101 Drucker-style.

How're you doing here? Ready to start tracking? What can you eliminate? When's your next jumbo time block? (And, how can you install that as a regular feature in your Masterpiece Day?)

P.S. Time management is, of course, huge. But you know what's bigger? Energy management. Your ENERGY drives the whole show. Hence, our obsession with the core fundamentals: Eat. Move. Sleep. Focus. Breathe.

"To make strength productive is the unique purpose of an organization. It cannot, of course, overcome the weakness with which each of us is abundantly endowed. But it can make them irrelevant."

~ Peter F. Drucker

WHAT CAN I CONTRIBUTE?

"The man who asks of himself, 'What is the most important contribution I can make to the performance of this organization?' asks in effect, 'What self-development do I need? What knowledge and skill do I have to acquire to make the contribution I should be making? What strengths do I have to put to work? What standards do I have to set myself?'"

That's from Chapter 3 on our second practice of effective executives: Asking the question, "What can I contribute?"

As the CEO of your life, think about the different roles you play. Now ask yourself, "What is the most important contribution you can make?" Whether it's with our families (who else is going to be a great mother or father to your kids?!) or where we work, THAT is the #1 question to be asking. So... "What is the most important contribution you can make?"

Let's make that our #1 priority!

STRENGTHS + WEAKNESSES: PEAKS AND VALLEYS

"Whoever tries to place a man or staff an organization to avoid weakness will end up at best with mediocrity. The idea that there are 'well rounded' people, people who have only strengths and no weaknesses (whether the term used is the 'whole man,' the 'mature personality,' the 'well-adjusted personality,' or the 'generalist') is a prescription for mediocrity if not for incompetence. Strong people always have strong weaknesses too. Where there are peaks, there are valleys. And no one is strong in many areas. Measured against the universe of human knowledge, experience, and abilities, even the greatest genius would have to be rated a total failure. There is no such thing as a 'good man.' Good for what? is the question."

Want a prescription for mediocrity? Try to be perfect. Focus on your weaknesses and try to make them into strengths. A much better approach for effectiveness? As Drucker says, make strengths productive. Not just yours but the strengths of everyone around you. Know that EVERYONE has both strengths and weaknesses and focus on the strengths. See them. Cultivate them.

Drucker tells a bunch of great stories to bring his points home. Mostly business, politics or military. One example he uses in this section is Lincoln's leadership of Ulysses S. Grant. Grant was the first General who fought. That was a very important and needed strength for the Union. And... Grant liked to drink. Strength. Weakness. Lincoln wasn't worried about fixing the weakness, he was focused on the strength and said, "If I knew his brand I'd send a barrel to all my other Generals." (Hah.)

"All in all, the effective executive tries to be himself; he does not pretend to be someone else. He looks at his own performance and at his own results and tries to discern a pattern. 'What are the things,' he asks, 'that I seem to be able to do with relative ease, while they come rather hard to other people?'"

~ Peter F. Drucker

Reminds me of a more modern duo. Jimmy Iovine and Dr. Dre. In the ridiculously inspiring documentary *The Defiant Ones* there's a scene where Iovine and Dre are finalizing a multibillion dollar deal with Apple. Dream come true. Then Dre has a little party and drinks a little of Grant's favorite bottle of whisky and creates a little video that goes viral—sharing the news of what was supposed to be a confidential, not-yet-finalized, nothing's done till it's done deal.

Iovine sees the video. His response? "That's the horse I rode in on." Strengths. Weaknesses. "Strong people always have strong weaknesses too." <— How liberating is that?!?

So... What are YOUR strengths? Know them. Celebrate them. What are your weaknesses? Know them. And accept them. Then get back to your strengths and lean in so hard that they make your, as Drucker puts it, weaknesses irrelevant.

P.S. A couple Notes ago in [The Art of Learning](#) we talked about Josh Waitzkin's hard-earned wisdom about how important it is to focus on your unique disposition. Same thing.

P.P.S. The only weaknesses that are truly catastrophic? Integrity and character. Those are non-negotiables. If you have issues there, work on it.

"If there is one 'secret' of effectiveness, it is concentration. Effective executives do first things first and they do one thing at a time."

~ Peter F. Drucker

THE "SECRET" OF EFFECTIVENESS? CONCENTRATION

"If there is one 'secret' of effectiveness, it is concentration. Effective executives do first things first and they do one thing at a time. ... There are always more important contributions to be made than there is time available to make them. ... Therefore, there is always a time deficit.

The more an executive focuses on upward contribution, the more will he require fairly big continuous chunks of time. The more he switches from being busy to achieving results, the more will he shift to sustained efforts—efforts which require a fairly big quantum of time to bear fruit. Yet to get even that half-day or those two weeks of really productive time requires self-discipline and an iron determination to say 'No.'

Similarly, the more an executive works at making strengths productive, the more will he become conscious of the need to concentrate the human strengths available to him on major opportunities. This is the only way to get results."

People often ask me how I pick Ideas for these Notes. One key thing? I think of the Ideas *I* want to remember. I fast forward a year or two or ten and imagine my future self reading a Note.

One of the things I want my future self to remember from this book? That it takes "a fairly big quantum of time" to make great contributions. Note: Drucker isn't talking about 90 minutes. He's talking about "that half-day or those two weeks of really productive time."

Half-day? TWO weeks?! Who takes THAT kind of time for the work that matters?

Answer: Effective human beings deeply committed to making their strengths productive as they make profound contributions to the world—focusing on the "major opportunities" and remembering that's "the only way to get results."

Note to future self: Continue to cultivate the clarity, self-discipline and iron determination to say "YES!" to the stuff that matters and "No" to the stuff that doesn't. And give yourself huge chunks of time to do it. Half-days. Full days. Weeks at a time.

P.S. More goodness to internalize [emphasis mine below]: *"This is the 'secret' of those people who 'do so many things' and apparently so many difficult things. They do only one at a time. As a result, they need much less time in the end than the rest of us.*

*The people who get nothing done often work a great deal harder. In the first place, they underestimate the time for any one task. They always expect that everything will go right. The unexpected always happens—the unexpected is indeed the only thing one can confidently expect. And almost never is it a pleasant surprise. Effective executives therefore allow a fair margin of time beyond what is actually needed. In the second place, the typical (that is, the more or less ineffectual) executive tries to hurry—and that only puts him further behind. Effective executives do not race. **They set an easy pace but keep going steadily.** Finally, the typical executive tries to do several things at once. Therefore, he never has the minimum time quantum for any of the tasks in his program. If any one of them runs into trouble, his entire program collapses."*

"In fact, no decision has been made unless carrying it out in specific steps has become someone's work assignment and responsibility. Until then, there are only good intentions."

~ Peter F. Drucker

BOUNDARY CONDITIONS

"On the morning after the power blackout one New York newspaper managed to appear: *The New York Times*. It had shifted its printing operations immediately across the Hudson to Newark, New Jersey, where the power plants were functioning and where a local paper, *The Newark Evening News*, had a substantial printing plant. But instead of the million copies the *Times* management had ordered, fewer than half this number actually reached the readers. Just as the *Times* went to press (so at least goes a widely told anecdote) the executive editor and three of his assistants started arguing how to hyphenate *one* word. This took them forty-eight minutes

"This is not a textbook, of course—if only because effectiveness, while capable of being learned, surely cannot be taught. Effectiveness is, after all, not a 'subject,' but a self-discipline."

~ Peter F. Drucker

(so it is said)—or half the available press time. The *Times*, the editor argued, sets a standard for written English in the United States and therefore cannot afford a grammatical mistake.

Assuming the tale to be true—and I do not vouch for it—one wonders what the management thought about the decision. But there is no doubt that, given the fundamental assumptions and objectives of the executive editor, it was the right decision. His boundary conditions quite clearly were not the number of copies sold at any one morning, but the infallibility of the *Times* as a grammarian and as *Magistrar America*.

The effective executive knows that a decision that does not satisfy the boundary conditions is ineffectual and inappropriate."

That's from the final chapter in which Drucker walks us through a systematic way to make effective decisions. One of the key ideas? "Boundary conditions." We need to know the conditions that will make a decision effective. (Kinda like bright lines and precommitments.)

For the *New York Times* that meant no grammatical errors. Period. For Optimize, when in doubt, we Simplify + Astonish. That acts like a boundary condition. I don't travel. I don't coach or consult. I don't do speaking engagements. Boundary conditions. Then I have boundary conditions like "Digital sunset = shut-down complete" and "No internet before Deep Work."

By getting clear on our boundary conditions for the big things and the seemingly small things, we reduce the number of decisions we need to make *and* we provide the framework to actually make effective decisions in the first place. So... What are YOUR boundary conditions?

Here's to the clarity and courage required to set those up while we optimize the other facets of our effectiveness: Knowing our time, figuring out how we can contribute, making strengths productive, and putting first things first.

B

Brian Johnson,
Chief Philosopher

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About the Author of "The Effective Executive"

PETER F. DRUCKER



Peter Ferdinand Drucker was an Austrian-born American management consultant, educator, and author, whose writings contributed to the philosophical and practical foundations of the modern business corporation. He was also a leader in the development of management education, he invented the concept known as management by objectives and self-control, and he has been described as "the founder of modern management."

About the Author of This Note

BRIAN JOHNSON



Brian Johnson loves helping people optimize their lives as he studies, embodies and teaches the fundamentals of optimal living—integrating ancient wisdom + modern science + common sense + virtue + mastery + fun. Learn more and optimize your life at optimize.me.