

The Effective Executive Summary

By Peter F. Drucker

What's the measure of an effective executive? According to Peter Drucker, it's the ability to get the right things done. Drucker explains, 'There is nothing so useless as doing efficiently that which should not be done at all.'

The Effective Executive is the ultimate manual for anyone wanting to increase productivity and effectiveness. We're shown how to develop the skills needed to be a leader, support employees, and optimize organizations by implementing a few basic steps and principles.

Peter F. Drucker was a renowned management consultant, educator, and author who has written more than 35 books. He was one of the most widely-known and influential thinkers on management, whose work continues to be used by managers worldwide.

The typical managerial book tells us how to manage other people, but in this 1966 classic, Drucker explains how we can learn to organize ourselves to be effective. Effectiveness is key to personal and organizational success, and it's a skill that we can all develop through practice.

There are five practices at the heart of effectiveness, including managing time, choosing a unique contribution to an organization, maximizing strengths, setting the right priorities, and tying them all together with sound decision-making. If we hone these five practices, this will determine the effectiveness of an executive. So If you want to be

effective, not just busy in your work and even in your personal life, then this might be a great place to begin.

This Briefer summary explores why effectiveness can be learned. We'll then dive into each of the five practices: know thy time; make a unique contribution; maximize strengths; put first things first, and learn how to make sound decisions.

What is an Effective Executive?

Executives in a company typically have the power to put plans into action, and these people usually make up senior management. Effective means being successful in producing the desired or intended result. Put these two words together, and the result is someone who gets the right things done.

However, don't be limited to thinking that this book only applies to people with an executive title on their office door. *The Effective Executive* is for anyone who wants to be a great leader and boost their productivity, both personally and at work. Furthermore, it's beneficial for anyone who's considered to be a "knowledge worker" in today's economy.

Knowledge workers are specialists, experts in their field. They work with their minds as opposed to with their bodies. So a market analyst or human resource professional would be examples of knowledge workers. On the other hand, manual workers produce concrete, tangible objects with their hands. The importance of knowledge workers is that they are primarily the decision-makers, and are responsible for specialized decisions. The sphere of influence that knowledge workers have is significant, and therefore these people are executives, because they

have a huge responsibility.

Measuring the effectiveness and performance of a knowledge worker can be difficult. On the other hand, measuring the effectiveness of manual workers is relatively easy because they produce work that meets a specific objective. Knowledge workers and executives tend to work longer hours, and often you can't measure productivity based on the hours worked.

We have to measure the performance of knowledge workers on results. However, this isn't as easy as it seems because most people don't work on their own. Most of us work in teams. Effective executives know the value of teamwork and communication. For instance, if we look at hospitals, they consist of a range of different people who need to work together and communicate across a range of different practices. This makes it so important to have clear and effective communication to ensure best practices are upheld, because you're dealing with life and death situations.

The good news is that we can all learn to be more effective. As we know from books such as *Eat That Frog*, *Atomic Habits*, and *The Compound Effect*, habits can be learned through practice, lots of it. And, effectiveness is a habit.

So let's examine the five core practices Drucker outlines in the book, so we can become like the leaders we most admire.

Know Thy Time

The crucial takeaway is that we need to be more conscious of our time.

We need to know where our time goes, and then set about relentlessly getting rid of anything that impedes our productivity.

Time is our most valuable commodity, 'It's our most precious asset,' says Drucker. Time is a commodity we can't get back, so all of us need to focus on optimizing it. According to Drucker, there are three steps to time management: track, eliminate, and consolidate.

We need to understand where our time goes so that we can take control of managing it. Drucker says that to kickstart this process, we should keep a time log. In the same way that a lot of weight loss programs recommend keeping a food journal, keeping a time record applies the same principles. We need to learn how we spend our time, and where there are places where we can eliminate time wasters, and optimize efficiency.

Once we've kept a time log, we can work on revising our schedules. You might remember Gretchen Rubin from her book *The Happiness Project*? She recommends taking daily notes about what worked well and what was accomplished so that we can identify and replicate the most productive habits. Once we know what works for us, we can turn these things into a routine.

The number one way we can manage our productivity is to eliminate time wasters. Once we identify and remove activities that don't produce results, we can rid ourselves of about 25% of activities without anyone even noticing. Drucker says we should rethink speeches, social events, committee memberships, lunches, and dinners, because such pursuits are often unnecessary.

For example, a CEO had dinner out every night for two years. She felt

that spending her time in this way was a waste, but she didn't see any alternative. Over time she realized that her presence wasn't mandatory at client dinners or events. When she looked around, there were other employees who could and wanted to attend instead. As with social events, meetings can also drain time, especially for knowledge workers.

Meetings can be an incredible time-waster. According to our author, meetings should be the exception rather than the rule. Running productive meetings is something that effective executives know how to do. There are a few tricks to running effective meetings. For starters, most meetings don't require everyone's presence, so only invite team members who are closely linked to the topic at hand, and have time to spare.

The third step to better time management is to consolidate your time, by time blocking. You may remember Cal Newport discussing this in *Deep Work*? According to Drucker, small increments of time are useless; we can't write a report by spending 15 minutes a day on it. We need about four or five hours of deep, uninterrupted time, where we can construct a solid draft and fine-tune it later.

Just checking our time for the day ahead, and planning our "deep work" allows us to fine-tune our focus and not to be derailed by distractions.

What Can I Contribute?

What is the thing that makes you valuable in a workplace?

All of us should know the contribution we're expected to make, as well as what others have to offer. Effective executives know how to determine

and apply their unique contributions within an organization.

This means that we should analyze the unique contribution we can make to increase performance and results significantly. Executives should go above and beyond what's expected, and take responsibility for their contribution and results. By doing this, they'll encourage those around them to do the same.

There are three powerful questions that are at the core of unique contributions. 'What does the situation require?' 'Given how I perform tasks, my strengths, and my values, how can I make the greatest contribution to what needs to be done?' And, 'What results have to be achieved in order to make a difference?'

Being effective is one thing, but we should always consider, "effective at what?" Once we understand this, we can increase our effectiveness and be an asset to whatever business we're in.

Maximize the Strengths of Yourself and Others

Drucker points out that 'Strong people always have strong weaknesses.' Furthermore, 'The test of organization is not genius. It is its capacity to make common people achieve uncommon performance.'

President Abraham Lincoln is noted for looking for a general who would actually fight during the Civil War because many generals at the time didn't. General Grant came forward in response to Lincoln's wishes, offering to fight. However, General Grant was also fond of the bottle. When Grant told Lincoln about this weakness, Lincoln responded, 'If I knew his brand, I'd send a barrel or so to some other generals.' Lincoln

was critically aware that strengths and weaknesses are not mutually exclusive.

We should opt for strength-based approaches, and shift our focus to what a person can do well, rather than what they do poorly. Strengths are a person's unique combination of talent, ability, and motivators. We need to shift our focus to strengths because, according to Gallup, over 40 years of research shows that when employees focus on workers' strengths rather than compensating for weaknesses, they have better employee engagement, retention, and performance.

Put First Things First

When it comes to putting first things first, evaluate "what needs to be done" and focus on one thing until it's done.

For example, when Harry S. Truman became president in 1945, he knew exactly what he wanted to do. He wanted to complete Roosevelt's new deal's economic and social reforms, which had been deferred by World War 2. By asking what needed to be done, Truman realized that foreign affairs were an absolute priority. He organized his working day around getting this done. His efforts resulted in him becoming the most influential president on foreign affairs that the United States has ever known.

When we ask, 'What needs to be done?' It's almost never a simple answer. This is because most tasks have a variety of elements. The temptation might be to attempt multitasking. Drucker cautions, 'I have never encountered an executive who remains effective while taking more than two tasks on at a time.'

The ability to distinguish between priorities and non-priorities is key to being effective. Most of us tend to focus on determining priorities, but deciding what non-priorities are, is equally important. According to Drucker, non-priorities are the task we decided we won't do and are the opportunities that are not worth following. The problem with non-priorities is that they tend to encroach on priorities, unless we actively name and eliminate them.

One practical tip from author Brian Tracy, in his book, *Eat that Frog*, is to list work activities that take most of your time and then ask yourself whether you'd pay someone the equivalent of your salary to do each of them. If not, Tracy suggests you stop doing them and either delegate or eliminate them.

For anyone who is creative or full of ideas, it's often tricky to action goals. Drucker explains that there will always be more good ideas than there is time to execute them. This is why we need to be so clear on our priorities and goals.

Make Sound Decisions.

Making sound decisions is essential to being an effective executive.

Decision-making should be systematic. Most decisions have a snowball effect, so understanding the repercussions of decisions is essential. Drucker talks about "boundary conditions" as one of the facets of effective decision-making, and these conditions help to constitute a good decision.

For example, there was a blackout in New York City, where all the power went out. No newspapers were published in New York City the following morning, except for the *New York Times*. How did they manage this? Well, the team at the *New York Times* hustled over to New Jersey to find a printing press. They were pressed for time and only had a few hours to print a million copies of the newspaper for the next day. However, their production cycle was delayed by roughly one hour. What happened? The executives got into an argument about the hyphenation of one word.

It seems ludicrous that they would waste so much time on something so seemingly small. So, why did they spend so long arguing over one little word? Well, because one of their boundary conditions is impeccable grammar. *The New York Times* needs to be perfect in every line, and every issue of the newspaper needs to be the standard for grammar in America. Fewer than half of those million copies went to market the next day based on this decision. So was it the correct decision? According to Drucker, absolutely, because their boundary condition was "no errors ever." Once you have boundaries, you can act in line with those.

Sound decision-making begins with asking the most crucial decision of all. Is the decision worth making? To do this, we should determine what would happen if it doesn't get done? If the situation needs a decision, determine whether the situation requires a typical or unique decision. Next, what objectives must the decision reach, what are the limitations or constraints that may affect the solution? Third, focus on the suitable

action rather than the acceptable action. This means setting benchmarks before making any compromises or concessions about the decision. Fourth, determine how it will be implemented; otherwise, it's just an intention. And finally, establish a feedback mechanism for testing whether the decision works.

In Conclusion

Although times have changed since *The Effective Executive* was published, the practices that lead to executive effectiveness have stood the test of time.

At its core, this book serves as a good reminder of the basic fundamentals of outstanding leadership. Many of today's modern managerial ideas stem from the philosophical and practical insights from Drucker. In fact, according to Jim Collins, author of *Good to Great*, 'No one in a managerial role should be allowed to manage others without having read at least one book from Peter Drucker.'

So, if you're looking to become an effective manager, or boost your performance both professionally and at work, then as Drucker famously said, 'Just go make yourself useful.'

We need to ask what needs to be done, and then get to work getting these things done. We need to develop action plans, take responsibility for decisions, communicate effectively, focus on the positives, and be as productive as we can.

And remember, being effective is a skill that anyone can learn.