



Sage Advice from a Management Guru

Peter Drucker's advice, though timeless, seems particularly relevant to our current crisis.

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The former chairman of General Electric Co., Jack Welch, considers Peter F. Drucker¹ to have been the greatest management thinker of the past century. Prolific business writer Tom Peters refers to Drucker as the creator and inventor of modern management. According to Peters, "In the 1950s, nobody had a tool kit to manage these incredibly complex organizations that had gone out of control. Drucker was the first person to give us a handbook for that." Even though his focus was on large, complex organizations, many of Drucker's concepts apply equally well to our small, yet complex, practices. Given the challenges and decisions faced by doctors in adjusting their practices to the "new normal" presented by the COVID pandemic, let's discuss four of Drucker's "simple" management concepts which can help with managing the complexities involved in preparing for this new reality.

1) Making Decisions

According to Drucker, you have not actually made a decision until you have found a way to implement it. This relatively simple concept has profound implications regarding the ultimate effectiveness of both your business and your personal decisions. Decision-making is a large part of what we do every day, but as Drucker says, "Simply making decisions is not enough." Decisions need to be implemented, and implemen-

tation requires the development of a strategic plan along with allocation of resources and time. Assume that you are leading a meeting at which a decision has just been made. Following Drucker's advice, you would move on to your second decision only after you have developed an implementation plan for your first one—or, set a time for the relevant people to meet and draft a plan for it.

would deal with problems only after first discussing opportunities. Discussions revolving around opportunities create enthusiasm which helps to put "small problems" into better perspective and make subsequent discussion of "bigger problems" more productive.

3) Functioning as a Team

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2) Focus on Opportunities

The pandemic has certainly created a number of problems that doctors need to address and solve. While addressing and fixing problems is important, being overly focused on problems can cause one to overlook new opportunities. Drucker encourages executives to focus on opportunities rather than problems. He feels that unless there is a true crisis situation, problem solving merely "prevents damage," while exploiting opportunities "produces results." Poorly conducted meetings with the sole focus of problem solving often degenerate into complaint sessions. This focus will definitely reduce the odds of identifying and acting on potential opportunities. If you were to follow Drucker's advice, when holding a meeting, you

ever think 'I'—think and say 'We'." This *We* Mentality is the foundation of teamwork—the successful implementation of which requires trust, confidence, and respect. One's true authority as a "boss" comes from the trust, confidence, and respect s/he receives from the people in the organizations s/he leads—the team. Drucker felt that "knowledge workers" (which, for doctors, is their staff) should be treated as one would treat volunteers. If you have ever volunteered your time, you have a good idea of what motivates volunteers and how they want to be treated. According to Drucker, "Volunteers are interested in personal achievement and personal responsibility, and they expect continuous learning and train-

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ing. They want respect and authority. Give it to them.” There is no question that when we see partners and staff as a team and treat our staff as we would treat volunteers, great things follow.

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4) Focusing on the Customer

Drucker made a major impact on marketing in the 1950s with the statement, “There is no business without a customer.” Effective organizations exist not to satisfy themselves, but to fill a customer need.” Jeff Bezos is one business leader who has taken this advice to heart. In 1999, when he was asked about Amazon’s strategy, Bezos’ response was, “If there’s one thing Amazon.com is about, its obsessive attention to the customer experience, end-to-end.” As doctors, our reason for being is to fulfill the needs of our patients.

Patients are a doctor’s primary “customers”—fol-

lowed by referring physicians, third party payers, employers, and the government. All of these customers are seeking value. This value includes quality improvement, treatment protocols which have been proven to lead to best outcomes, and preventative services that help patients remain healthy and active throughout their lives. Patients who require treatment value fast access, relatively short waits during their visits, courteous treatment from doctors and staff, and receipt of adequate information regarding their conditions. Realizing these to be the actual needs of healthcare’s “customers,” you might come to the conclusion that you could better meet these needs. Because meeting customer needs should be the focus of our practices and the healthcare system itself, a tremendous opportunity is awaiting those doctors who can most effectively recognize, focus on, and meet them.

Quotes

In addition to his management books, Peter Drucker is also known for his “one-liner” quotes. Below are seven of my favorites—some of which you may find useful in your

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practice as well as in any endeavor in which you may be engaged which requires leadership skills and results.

“Most of what we call management consists of making it difficult for people to get their work done.”

“If you want something new, you have to stop doing something old.”

“Efficiency is doing things right; effectiveness is doing the right things.”

“The most important thing in communication is hearing what isn’t said.”

“Unless commitment is made, there are only promises and hopes... but no plans.”

“Rank does not confer privilege or give power. It imposes responsibility.” **PM**

Reference

¹ Peter Drucker: Born November 19, 1909, Vienna, Austria, died November 11, 2005, Claremont, CA



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