

Managing challenges for the 21st century

[History](#)



" Drucker's ideas continue to display a force and resonance that leave him pretty much in a class by himself. It is impossible to read the man without learning a lot."

—Fortune Magazine

Advent of globalization has reformatted the business principles and this book is a perfect guide to show the way to conquer new world which is more dynamic, confident and aggressive. Before Peter Drucker, most people thought about their businesses with a manufacturing mindset, defining a business based on what it produced. Today, the marketing mindset prevails. It was Drucker's critical insight that instead of buying a " product" the customer buys the satisfaction of a need.

Drucker has reinvented the management principles to make them fit into the present world and can be proved more suitable in the current management framework. Drucker identifies new assumptions for the social discipline of management. He has claimed that Management is NOT only for profit-making businesses but Management is the specific and distinguishing organ of any and all organizations. This revolutionary concept can bow the seed of future methods of business and can turn around the whole institutive scenario to create a completely different set of business leaders. Gone are the days when companies were making big profits and hence were focusing the management principles only towards profit earnings.

Today's world is flat and the competitions are monopolistic, in fact tends to perfect competition. In this scenario adhering to old management principles are like suicide. Second assumption is that never think that there is only one

right organization which is again very relevant in present context. He has made a significant point over management of people. In Drucker's view, One does not "manage" people. The task is to lead people. And the goal is to make productive the specific strengths and knowledge of each individual. Next assumption he made is that technologies and End-Users are NOT fixed and given. Increasingly, neither technology nor end-use is a foundation of management policy. They are limitations.

The foundations have to be customer values and customer decisions on the distribution of their disposable income. It is with those that management policy and management strategy increasingly will have to start. Drucker's book critically emphasizes the role of customer in today's market scenario. He focuses on the point that now customer are the central point and business has to start and end at customer.

Three things are important to run an effective business set up in present marketplace and that is customer, customer and only customer. Business has to be woven around the needs of the customer and ultimate goal should be customer satisfaction. He has quoted next assumption saying that Management's scope is NOT only legally defined. The new assumption on which management, both as a discipline and as a practice, will increasingly have to base itself is that the scope of management is not legal. It has to be operational. It has to embrace the entire process.

It has to be focused on results and performance across the entire economic chain. He also said that Management's scope is NOT only politically defined. National boundaries are important primarily as restraints. The practice of

management - and by no means for business only - will increasingly have to be defined operationally rather than politically. This assumption has to be adopted by new world immediately in light of the “ open world concept” and “ world is flat” concept. Seventh assumption he made on the organizational atmosphere. He explained that the Inside is NOT the only Management domain.

The results of any institution exist ONLY on the outside. Management exists for the sake of the institution's results. It has to start with the intended results and organize the resources of the institution to attain these results. It is the organ that renders the institution, whether business, church, university, hospital or a battered woman's shelter, capable of producing results outside of itself. Lastly he declared the most important assumption that Management's concern and management's responsibility are everything that affects the performance of the institution and its results - whether inside or outside, whether under the institution's control or totally beyond it.

This way he brought the managerial concept at the core of all the issues whether be political or economical or anything. His point of opinion is that the new world will be a economic world where money will be the most important thing and managerial discipline are the most efficient organ of the nation which can help keeping the country self sufficient and create bonhomie everywhere.

Therefore Drucker explains in a instructive tone that managers has to be responsible and they have to start thinking out of the box to consistently keep taking the extra steps in right direction. In the course of the

discussions, Drucker also addresses the ultimate challenge of managing oneself while still meeting the demands on the individual during a longer working life and in an ever-changing workplace. He has always understood that people are deeply-and rightly-resistant to being " managed."

This point is especially relevant for knowledge workers, who know more about their jobs than their bosses do. For them, supervision is a special kind of hell. This is why good managers help people manage themselves by focusing consistently on performance and results and by teaching them, often by example, to think about what they are good at, how they learn, what they value. Such self-knowledge is essential to performance.

Drucker has also introduced the effect of being a change leader. In the course of discussion he gives four requirements for changeleadership:-

1. Policies to make the future.
2. Systematic methods to look for and to anticipate change.
3. The right way to introduce change, both within and outside the organization.
4. Policies to balance change and continuity.

In chapter-4, Drucker has navigated through the concept of information technology. Information is no doubt the most important tool to create a successful business setups. Drucker describes the new information revolution that is gaining momentum as follows. So far, for fifty years, Information Technology has centered on DATA -their collection, storage, transmission, presentation. It has focused on the ' T' in ' IT'. The new information revolutions focus on the ' I'. They ask, ' what is the MEANING of <https://assignbuster.com/managing-challenges-for-the-21st-century/>

information and its PURPOSE?' And this is leading rapidly to redefining the tasks to be done with the help of information and, with it, to redefining the institutions that do these tasks."

As long as the world continues to become more complex and specialized, information management is essentially a critical part of all businesses and act as blood and vein for industry.

The last chapter of the book, managing oneself, is completely devoted to the individual. Drucker advises persons to work on their strengths in order to maximize performance.

Conclusion: This book is highly recommended for tyros and young turks. This book is envisaging enough eye opener facts, which can help company grow to the maximum level by reinventing and managing the organizational principles and the level of knowledge workers who will face new challenges in the 21st century. Incisive, challenging, and mind-stretching, Drucker's new book is forward-looking and forward thinking. It combines the broad knowledge, wide practical experience, profound insight, sharp analysis, and enlightened common sense that are the essence of Drucker's writings, which are continuing international bestsellers and "landmarks of the managerial profession" (HarvardBusiness Review).