

Drucker and the Japanese

Learning from “The Essential Drucker on Technology”

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Peter Ferdinand Drucker continues to draw growing attention from many people, including business people around the world, as an advocate of the theory of management, and he is very popular in Japan. Drucker visited Japan more than 10 times before his death and was a keen observer of society and its youth, and he was also known for his interest in Japan. Yasushi Isaka, professor of the Center for Liberal Arts at the Institute of Technologists and co-director of the Drucker Workshop, spoke about Drucker's views of humanity, his interest in Japan, and the unique strengths of Japan that could be gleaned from his evaluation of the country.



Yasushi Isaka was born in Kazo City, Saitama Prefecture, in 1972. He graduated from the School of Political Science and Economics, Waseda University, and left the Graduate School of Humanities and Sociology, the University of Tokyo after earning credits in Socio-information and Communication. He received a doctorate in Commerce. Currently, he is a professor at the Center for Liberal Arts, Institute of Technologists. He is also co-director of the Drucker Workshop and a researcher at the Ishibashi Tanzan Memorial Foundation. Isaka is the author of many publications, including “Peter Ferdinand Drucker—Management Concepts: Inception and Beyond” in Japanese (Bunshindo Publishing Corporation, awarded the Incentive Award by the Society for the History of Management Theories).

Prayer Room

In 2019, before the COVID-19 pandemic hit, I had the opportunity to visit the campus of Hitachi Academy Co., Ltd. in Abiko city located in Chiba, Japan. That evening, my friend of Hitachi Academy invited me to see the prayer room because it was available.

Global companies like the Hitachi Group have many people from all over the world come to Japan for training purposes. Not only many different countries and regions, but also diverse religions and ethnic groups. Of course, there are also many Muslims.

For Muslims, praying is living, and Hitachi Academy had allotted a dedicated space to these people for their needs. Upon entering the room, one cleanses one's feet with a shower. The direction of Mecca is clearly marked so that one can easily find the direction of Mecca and pray peacefully on the carpet. Moreover, combined with the scenic lakeside atmosphere, a Japanese air of purity prevails. The place is warm and clear.

When I saw the prayer room, I felt, somewhat belatedly, that I had come into contact with the essence of globalization. I thought I understood it in my head, but seeing is believing.

Among the many changes accompanying the COVID-19 pandemic, the Sustainable Development Goals (SDGs) and ways of working are among the topics of diversification. We also often hear the phrase that “people are resources.”

However, as anyone of a certain age can probably guess, it has been a somewhat attractive mantra until relatively recently. Before, it was believed that if people were allowed to act according to their own ideas and leverage their individual personalities and strengths, the world would stop turning. It was thought that people could not be moved unless they were hedged in by rules and regulations. That was thought to be the case until recently.

However, the prayer room clearly expressed that diversification can indeed be a strength of Japan.

Drucker Remains Popular in Japan

Everyone knows or thinks they know the name Peter Ferdinand Drucker because of his relationship to management theory. However, the true picture of him is difficult to grasp. Although I have been researching him for more than

20 years, I have to admit that there are many things I still do not understand about him.

Then, very recently, I thought I had discovered another line of inquiry.

It is the additional question of “Why is Drucker so popular in Japan?”

In fact, there is another line of inquiry that takes an approach from the opposite direction. That is, “Why was Drucker so interested in Japan?”

Drucker visited Japan more than 10 times during his lifetime. His first visit was in 1959 in response to an enthusiastic invitation from the Nippon Omni-Management Association.

Drucker used this opportunity to keenly observe Japanese society, especially the youth. Young people are the future itself. Upon returning to the USA, he published several papers on the Japanese people. He was deeply impressed by the dedication of not only Japanese business people and industrialists, but also people in the field, and since then, he nurtured heart-warming friendships with the founders of Sony Corporation, OMRON Corporation, and other companies.

Perhaps it was through such deep relationships that he heard the name, Eiichi Shibusawa, from someone. He had always taken an extraordinary interest in Japanese art, and in his pursuit of this interest, he must have begun to deeply study modern Japanese history, especially the Meiji Restoration, and must have seen the brilliant presence of Shibusawa, who joined the new Meiji government and took charge of laying the foundations of the national economy.

This makes it somewhat clear why the Japanese people listened so attentively to what Drucker had to say and why Drucker also took a strong interest in Japan.

Why Drucker Respected Shibusawa

Eiichi Shibusawa epitomized Drucker’s assessment of Japan, as a man of both practical and spiritual qualities. I think the title of Shibusawa’s representative work, *Rongo to Soroban (the Analects of Confucius and the Abacus)*, beautifully expresses the union of the two worlds of knowledge and action.

After his first visit to Japan, Drucker’s writings frequently refer to Japan, and in step with this, his evaluations of Shibusawa often appear in his writings. In his key book, *Management: Tasks, Responsibilities, Practices*, he states:

“Shibusawa envisioned the professional manager first. The rise of Japan in this century to economic leadership is largely founded on Shibusawa’s thought and work.”

It may seem a bit exaggerated to say that Shibusawa was the first in the world to understand the need for management, but there is no doubt that he was considered one of the world’s pioneers in this field.

Drucker’s understanding of Shibusawa is by no means shallow. As evidence of this, we are surprised to find that the assessments of Shibusawa appearing in his writings are extremely accurate, even if the number of citations is small.

In particular, I believe that the following description found in Drucker’s *The Age of Discontinuity: Guidelines to Our Changing Society* beautifully reveals Shibusawa’s true nature:

“The very names of Yataro Iwasaki (1834-85) and Eiichi Shibusawa (1840-1931) are known outside Japan to only a few specialists. Yet their achievements were a good deal more spectacular than those of Rothschild, Morgan, Krupp, or Rockefeller. Iwasaki founded and built the Mitsubishi group of industries – to this day the largest manufacturing complex in Japan and one of the world’s largest and most successful business groups. Shibusawa founded and built more than 600 industrial companies during his ninety years of life, Between them, these two men founded something like two-thirds of Japan’s enterprises in manufacturing and transportation. No other two men in any economy have had a similar impact. And for twenty years, until Iwasaki’s early death at age 51, these two men engaged in a public and often acrimonious debate. ‘Maximize profits,’ said Iwasaki. ‘Maximize talents,’ said Shibusawa.”

What do you think? Drucker clearly indicated which side he sympathized with in the last sentence: “‘Maximize profits,’ said Iwasaki. ‘Maximize talents,’ said Shibusawa.”

Such a view of Shibusawa’s life may be seen as overlapping with Drucker’s high expectations for Japan. What is particularly important in evaluating Shibusawa is not only his great achievements, but also his mindset, that is, the way he viewed management as a position of responsibility and professionalism.

The “profess” in “professional” means a confession of faith in God. Faith is for all intents and purposes an individual thing. We are not forced by anyone, but act solemnly and accept responsibility for our actions. It is no wonder that Shibusawa, the author of *Rongo to Soroban*, was seen as the epitome of a truly dignified professional.

Of course, companies make profits by producing and distributing goods and services. However, as the central organizations of society, they are seen as ideological and spiritual entities that should contribute to the continuation and development of civilization. I think that this raises issues that still resonate in our hearts today.

Drucker continued to single out Shibusawa as one of the "Great Men of Meiji" even late in his life.

Japanese Art Connoisseur

As I mentioned earlier, Drucker was also known as a connoisseur of Japanese art.

Since his first visit to Japan in 1959, when he purchased two Japanese paintings, he was an avid collector of Japanese works of art. He amassed most of the works in his collection in the 1960s and 1970s, but he continued building his collection until the mid-1980s.

While there are works by well-known artists such as Sesshu, Sesson, and Korin Ogata, there are also many works selected with his unique eye for beauty. Tomoko Matsuo, the curator who organized the exhibition at the Chiba City Museum of Art, noted that the Drucker Collection contains a number of works by obscure Muromachi ink painters whose works are rarely found elsewhere and can only be seen in this collection. She added that the monochromatic scenes may not look spectacular to today's eyes, but they exude a sense of life and an unforgettable presence.

This assessment shows that Drucker selected the works he purchased based on his own eye for beauty, not on the artist's fame or lack thereof. In fact, many visitors to the exhibit commented that they learned about painters they did not know about before.

One-third of the works were co-called literati paintings, or *bunjinga* paintings. Drucker felt so much about the personal value of his works that he stated that, with literati paintings, you learn so much about yourself. Many of his works were on the subject of spiritual beings, such as gods and Buddha, poets, and Zen patriarchs, and were collected especially in the latter half of his life.

However, collecting them was not the purpose in itself, but rather, since almost all of them were hanging scrolls, they were used for casual appreciation as a part of daily life by hanging them nearby. He actually hung them in his study, and through gazing at them, he was able to adjust the center of gravity of his mind and cultivate his discerning vision, which was his best weapon.

Knowledge Is within Humans

The fact that he was an outstanding lover of the arts as well as management indicates that he had a keen instinct. This is

also evident in his view of human beings.

Drucker's concept of the knowledge society is also well known today. This is also an indication that he saw the central figure of the next society as the knowledge worker.

However, what he meant by a knowledge worker is slightly different from the classical expression of an intellectual. Classically, intellectuals are thought of as doctors, lawyers, university professors, and other highly specialized people, but the knowledge workers that Drucker refers to are seemingly ordinary people. Yet they apply their knowledge in unusual ways to seemingly mundane objects and achieve outstanding results. Even if they are in traditional fields such as agriculture, fisheries, logistics, or retail, they still hold the reins of knowledge. Uber, Amazon, and Google, for example, while the basic needs themselves have existed for a long time, have achieved immeasurable excellence through the brilliant use of knowledge.

Knowledge workers are, to paraphrase a favorite Japanese term, intellectuals with "field" experience. Drucker also called such people "technologists." The world today is full of technologists. In his later years, Drucker was fond of pointing out the fact that technologists have become the bearers of the modern knowledge society.

As is true for technologists, ultimately, knowledge is something that humans hold. What is in your PC or phone is information, no matter how advanced it may be. Only humans can convert it into productive knowledge. If that is so, then the challenge is how to use the knowledge we have for the benefit of human society. That development is called innovation. Because knowledge is a spiritual resource, it has unlimited potential and applicability, unlike a physical resource.

And another thing, knowledge is responsibility. This is a key point of contention that Drucker always pointed out. Doctors have a doctor's responsibility, lawyers have a lawyer's responsibility, and teachers have a teacher's responsibility. They are granted responsibilities along with the authority that comes with the exercise of knowledge. That responsibility includes ethics, of course, and sometimes even aesthetics.

As professionals, we do not do things because others tell us to do so. For all intents and purposes, we use knowledge under our own responsibility. Nor do we act for the company's boss. Even if we are increasingly telecommuting and working out of sight of our supervisor, we must do our best as professionals, whether he or she is watching us or not. Sometimes, even if the boss tells us to do something, we must be able to say "no" on our own judgment if it is clearly detrimental to the world.

This is the responsibility of the knowledgeable worker.



On May 7, 2005, the author visited Drucker at his home in Claremont, California USA, and interviewed him in his last days.

Drucker's Final Message

There are many people in Japan who study Drucker and implement his teachings. What differentiates me from many of them is that I have actually met Drucker in person. It is probably quite rare for someone my age to have met Drucker.

On May 7, 2005, during Drucker's final days, I had the privilege of interviewing him at his home in Claremont, California. I can say this now, but it was truly miraculous. The more time that passes, the more grateful I am that he devoted this precious time to me with what little time he had left. Six months later, Drucker died.

The subject of that interview became the topic of "The Essential Drucker on Technology." I would like to pass on some words that he said.

Drucker said that Japan succeeded in Japanizing the West even at the opening of the country to the West during the Meiji era. Even after World War II, the country successfully underwent a Japanized reconstruction. It was not a case of the Westernization of Japan, but of the "Japanization of the West." (Interview, May 7, 2005).

This clearly shows that Drucker saw Japan as a model. He was looking at Eiichi Shibusawa and other pioneers of the Meiji era, and the entrepreneurs who were responsible for post-war reconstruction. In their actions, there are hints as to how Japan's strengths should be used for the benefit of the world.

When we hear of the Japanization of the West, we feel it is exaggerated, and even feel a little uncomfortable. However, we must solemnly accept that this was Drucker's final conclusion after studying Japanese culture.

If we take this step, I feel that, just as our predecessors in the Meiji era succeeded in "Japanizing the West," it is now time

to "Japanize the global world." And just like Hitachi Academy's prayer room introduced at the beginning of this article, we will envelope the global and diverse world with Japanese fortitude and sensitivity.

This perspective seems unlikely. We should be more and more amazed by the cultures and qualities that we are surrounded by in everyday life. The intelligence to sense the "uncommon" that lies within the "commonplace" is now in demand.

Even today, there seems to be no end to what we can learn from Drucker.