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Interview with Peter Drucker

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Peter Drucker

(Interviewed on 20 December 1991, Claremont, CA)

Video Roll #2

Q: How would you like your name?

DRUCKER: Well, Peter Drucker. No doctor.

Q: And Drucker is D-R -- ?

DRUCKER: U-C-K-E-R is ... and also I'm Consultant and has been since 1971, Clarke. Clarke Professor of Social Science and Management at the Claremont Graduate School in California. Enough? Plenty I would say.

Q: When did you meet Joseph Juran?

DRUCKER: I think I first met Dr. Juran about the time when both of us joined the faculties of New York University.

In 1949, maybe 1950, I went to the-Graduate Business School; he went to the College of Engineering. It must have been the same time, roughly.

And then we met in New York -- was a -- I think he got in touch with me, but I'm not sure of this. Anyhow, we met around the time, and found that we both had very similar ideas about management and management development and then -- but my memory isn't too reliable; it's more than 40 years ago.

And then I think he developed the idea of a ... seminar for -- ab -- CEOs, company presidents; a brand-new idea at the time. And, by the way, not a very successful one. At first, I think we had a very small group. Most of the people whom he approached and he knew them, said, what? We learn something. I know everything.

And we had 15 people, I think. And he and I ran it together, at a New York club -- I've forgotten which one.

My memory would say for the best part of a year we met twice a month, I think, for a morning and then through lunch. And it was a very successful venture. Usually, as I remember it, he ran half the session and then I ran half the session.

Ah -- and out of this, Joan Loran then developed, and it was his idea, I'm quite sure, the ... what became -- the most successful things the American Management Association ever did: its President's Course. And he developed it and organized it.

And I think this must have been the early '50's. He ran the first -- I don't know -- three or four years of what was a three-month course, I think, maybe more, maybe four. Meeting a day or two a week. This is all very vague in my memory.

And there were three of us who ran it; he was in charge of it. And Larry Appley, who was the president of the American Management Association ran some of the sessions and I ran some of the sessions. And we did that for a few years. And then I think the American Management Association took that course over, changed it, and both he and I drifted out of it.

And then we began to -- well, I think that's the last time I really worked with him together.

Then he more and more concentrated on quality. And I more and more on top management. Well, I think we met more or less by accident in Japan because both of us had begun to go to Japan quite a bit. I think he preceded me by a year or two. But, again, I'm not that sure.

And really we haven't worked together since the '50's. But we have kept in close contact. And I've learned an enormous amount from him over the years. In fact, I think that his emphasis on -- well, what brought us together, I think, was that both of us shared the conviction that management deals with people.

Ah -- and that the job of management is make human strength productive and human weaknesses irrelevant. That's my formulation, but I think he would say very -- say very similarly.

And that brought us together and -- ah -- so -- ah -- he has an enormous knowledge and experience of getting things done, and I am not basically a practitioner. Ah -- so he began to work more and more with -- ah -- operations, with ... first manufacturing process and increasingly the management process altogether.

And my interest is really in the enterprises and organization and the top management function. So I think we can -- we overlap and complement each other.

Ah -- but I -- over the years, became; I think, more and more a way, more and more impressed by things one doesn't usually associate with Joe. Which is that, not just his basic quality philosophy, and there I think he and I, from the beginning, were very much on the same wave length.

But his incredible ability to meld a basic -- basic values and very specific action. And impact he has on people. I don't think anybody who ever worked with him has ever forgotten the experience. Oh -- it's the respect for people he has, the kin _ of fundamental humanity of the man.

And, at the same time, he's totally -- thank goodness-- totally, ah, uncompromising on principles. Joe is just not going to do anything that is not right. It's got to be right. But it's got to fit the person.

You know, the reason why I consider him the outstanding leader is probably also the reason why he is so much less well

known. That Joe -- as long as I can remember -- doesn't say: this is what you do, and you do it my way, and there is only one way, and that's my way.

Joe says: what do you -- what do you need to do and what is the best way for you to do it, it's got to fit you. And it is that willingness to -- ... consistence of his, that-- ah -- the respect for the integrity of an organization and for the values of an organization -- ah -- which basically means that, for a long time, I think, people didn't even realize that he has a fundamental system.

And so this was ad hoc. No, it isn't -- as a fundamental system. And that, from the beginning, made the most sense to me because I don't believe in, you know, the old -- well -- the old army medicine: if external, iodine; if internal, laxative.

No. Joe diagnoses. Joe says: what do you really need, what are your strengths, what are your competences, what are your goals. And then let's work on making them -- making you most effective. This company, this management team.

When, yet, at the same time, there are very ... rigorous -- it's a very rigorous discipline. And that unique ability to have a objective, scientific approach and the compassion that -- ah -- organization and people focused application is his very great strength.

If only because he changes the people he works with. The-- they -- acquire a much bigger view of themselves, and I think that is what I appreciate the most.

Am I talking about the kind of things you want?

Q: *Absolutely.*

DRUCKER: Good, yes.

Q: *I was not aware that you had gone to Japan0nd Fortune, Forbes, and newspapers, these days it would seem the*

only person who had anything to do with the success of Japanese business was Dr. Deming.

DRUCKER: Well, first, that isn't no longer quite true. Recently -- oh, I think we've begun to realize how much of an impact Dr. Juran has had. But in Japan, you know, Dr. Deming is not number one. I am number one. Joe is number two. And Deming is number three.

Deming -- ah -- became -- there were two reasons why Deming had such great impact on Japan. First -- ah -- he was most adaptive to the Japanese belief in rules. Deming, you know, is -- Deming's basic ... says: don't think, do as I tell you to.

Joe says: what do you need. And I say: let's start thinking. Now, that is hard for Japanese, at first, Japanese like rules -- on everything. You know, there's a rule how you address your great-uncle's mistress. And Japanese have to have rules. And Deming fits it. Deming is the most -- oh -- rigid. And there is one way of doing it, and only one way. And that fits it.

And the second one is that -- ah -- Deming came at the time when the Japanese -- oh -- had realized that the adverse -- adversarial relationship they had in Japan when I -- when Deming and Juran and I first went to Japan -- almost at the same time. Japan was basically at the verge of civil war -- class war.

Ah -- and everybody thinks that Japan has good labor relations. You know, when I was a young newspaperman in Moscow, 1928, the then head of the MarxLenin Institute said to me, Japan is the next country to go communist. And I said, how come. And he said, don't you know anything about the history? And I said, no. Nobody -- no European knew anything about Japan.

And he said, they've had the most violent history of -- ah -- political ... , revolutions of any country. They've had a peasant revolution every 14 months.

And they've ... -- in 1926, general strikes almost stopped the Japanese society. That's when the military came in. That's the really the beginning of Japanese militarism is the reaction to an almost successful politician uprising. Badly organized.

And then, after the war, basically, the communists took over Japanese labor. And Dennison (?) strike of 1954 almost toppled Japanese government and society. We had already pulled out. And this when American and Japanese business, really -- that's when the Americans came in.

That's when they came to me because I had been preaching a very different approach.

But Deming of -- Deming was basically offered to the Japanese a way to destroy their unions. Which nobody seems to realize. Every Japanese knows it. Because -- are you interested in such things?

In 1948, Charlie Wilson -- the then -- who just had taken over as Chairman of GM -- and I tried to put in quality circles and quality management. And Walter Reuther -- who was then head of the **V A W** -- said, if you so-and-so's do it, I pull a general strike. This is ... out-flanking the union, and it's destroying the union.

And he went to Mr. Truman, who ordered Wilson to stop. Ah-- oh, yes, our labor -- in those days, we believed in class war, even the conservatives.

And with the -- and in Japan, Deming offered a way to get to the operatum -- and basically to check-mate the union. And the man who put Deming on the map in Japan, a man by the name of Koltoff -- the Japanese productivity center, close friend of ours -- was very conscious of this.

Ah -- and -- but also the need to do something about Japanese was very great. But, let me see, some of the leading Japanese companies never accepted Deming. Toyota never accepted Deming. Toyota accepted Juran and me. Honda never accepted Deming. They accepted Juran and me. Hitachi never accepted Deming. They accepted Juran and me.

Deming in Japan was a quick fix, and it was badly needed. Don't under-rate it. Deming made an enormous contribution to Japan. And Deming is justifiably bitter about the fact that, in his own country, he was not recognized for such a long time.

But I don't think Deming even understand that their main reason was it was union opposition, not management opposition. Because whenever we tried to do anything about quality control, we immediately got -- this is the '50's and early '60's -- when the union really, not only was strong in industry but even stronger in Washington.

We immediately got the threat of a total strike. And management was scared silly. And you have quality control-- either Deming or Juran -- in non-unionized businesses. But not in the unionized mass production industries. But that is primarily union resistance ... Deming blames management, but I don't think he fully understands.

But, in Japan, Deming, sure. The impact was very big and very important. But Juran's impact was probably greater. Though not publicized; partly because Joe shuns publicity, as always -- as I do. We both -- neither of us partie -- and partly because we don't have formulas. We see what needs to be done, rather than this is what you do.

But in Japan, well, just now I had the Japanese here to make five movies on me, and I have the Japanese here again in January to make five movies on me .

... so -- and -- in Japan, the big names, the big American names are three: and Deming is one of them. Ah -- the other one is Joe Juran and I. Deming is the oldest, by the way. He's over 90. Joe is 86. And I am 82.

So -- but we started pretty much -- I think Deming came in 1953; Juran and I in '55, or thereabouts. Ah -- and -- but don't get me wrong: I've always pushed -- I've always promoted both Deming and Juran, in many ways -, I've always considered it one of the basic that are tragedies of American industry that we let the unions scare us out of quality control.

It goes back to '48, when I advised my friends at General Motors to take that strike. They, quite understandably, said no to it. If the opposition, I probably would have said, no, too. What was the White House -- it was just after Mr. Truman's re-election -- absolutely forbidding them to, and the automobile market booming.

I wouldn't have taken it either, but I thought this is an issue on which one stands and fights. And I've always pushed -- ah -- the advantage of Deming is that you get a ready-made formula. And you have to work hard. This is hard work. But everything that's worthwhile is hard work.

But every step tells you it is basically -- Deming is a product of the mass-production age. And just as in mass-production, every step is totally worked out, you know. This is what you do before you do push a button. This is how you push a button. And this is what you do after you've pushed a button.

Well, Deming, quite deliberately and consciously -- Deming knew what he was doing. He's a very good friend. And I have great respect for it. Deming said in order to this to work it's got to be cut and dried. And to be moron proof. So that, in the last analysis, work is always done by morons. It's got to be, you know, moron proof.

Ah -- and that is the great strength of Deming. It's the great limitation of Deming. The great limitation is that when you have a Deming program in there, you don't -- you can't learn. The program becomes a strait-jacket.

And bluntly, the Japanese today think Deming is passe; he's obsolete. Oh, he gets the accolade, he has the Deming Prize, he's a great man. But there's no Japanese company I know that still uses Deming.

What is going on here -- hold it, hold it. ... have to go to Japan.

Look, first you have to get from Joe the names of the people. And then you have to go to Japan.

How many are still alive. You know, the very fact that Joe became so successful and got to build his worldwide practice probably means that he has not intensively worked in Japan for a long time. I don't know. You have to ask him.

Okay? Are we ready.

Q: *We are ready.*

DRUCKER: What did you do with ... lights? You switch it off? Okay. I didn't like it either.

Q: *You and Joe Juran must be alike. You're both at an age where you could be growing flowers or playing golf, and yet you are both busy and active and haven't stopped working. What is that keeps you charging ahead?*

DRUCKER: Well, you know, Joe -- as for long as I've known -- has been a workaholic. And as long as -- I haven't been a workaholic all my life, but certainly most of my life. And if the good Lord gives you health, I wouldn't know anything more enjoyable and more interesting to do.

I know some of my old friends and colleagues grow flowers. And here I have a friend here who plays four hours golf every day. I think if I had to play even one hour of golf every day, I would either shoot myself after a month or wouldn't have to because I would just die of sheer boredom. Nothing would interest me less than chasing a small ball.

I mean, there's absolutely no sex appeal in a small ball. Plus the fact that I would be so poor, I would just die of sheer frustration. No.

And as long as one can still work and still learn and I think one of Joe's great strengths but also one of the reasons why he has not been ~eat public figure is that he has been learning

-- oh -- all along so that he always added new things to his practice and to his teachings.

And so do I. And my interests and his have been diverging over the years, when we started out. He started out as an engineer and I started out as a political scientist, political journalist. And so we started out. And converged. And then I think we diverged again. And my interests are very different.

But one of the things that has kept him alive and has kept me alive is precisely that. I don't ... every five years or so, a major new -- oh -- center emerges. Ah -- and as long as that happens, it's much too much fun to stop. Now, the good Lord will tell us soon enough.

No one doesn't -- I've always considered that this idea of retirement -- yes, if you work physically, you know, the way most of humanity still works. And in the event develop countries practically everybody worked when I was born -- oh - - on that farm before electricity. or in the steel mill age at an early age, or physically broken.

But with our kind of work where the only real occupational hazard -- apart from jet lag -- is hemorrhoids from sitting too much. There's no reason to stop.

Q: Your teachings were embraced by American Management many years earlier than Joe Juran's.

DRUCKER: Who was?

Q: Management by Objective.

DRUCKER: You mean I was.

Q: You were, yes. And yet--

Video Roll #3

Q: Very positive feedback that people were listening to what you said and practicing what you taught. Joe Juran had to wait a very long time in America for people to listen and to do. What do you think kept him going all those years?

DRUCKER: When I first met Joe, I made myself terribly unpopular with him, and as I still remember very -- even less popular with his wife, because I said: Joe, you have to publish. You have to write. And you have to repeat what you have to say.

And he basically took the line that you don't have to because a good deed will shine by itself in a naughty world. One, I'm an old journalist, you know. That's how I came -- and that -- ah-- and I'm not saying one has to blow one's own horn. No. But one has to communicate. One cannot depend on even miracles to spread by themselves.

You know, Jesus recruited twelve exceedingly able young men, basically as propagandists, and exceedingly able and exceedingly powerful public relations machine. Otherwise, we wouldn't know about any of the miracles or any of the parables.

And Joe's -- I'm all in favor of being modest, in the sense of not blowing your own horn. And I, in my own work, have been accused of not doing it enough. Just now, eight of my social science books are being brought out by a new major social -- being re-issued by a major social science publisher.

And he says, in those you just have to -- like saying these four words, I was the first to say this, I was the first to say that. And I don't want to do that. I don't like that.

But at least I have been constantly publishing. I am a professional writer; I've been one since I was 20. And -- ah -- I don't think that I have had a great deal of impact in the -- in -- certainly, I've had far more impact in Japan. Just as Deming and ... and just as Joe Juran.

We all had more impact in Japan because the Japanese were not -- did not believe as American management believed in the 1950's, that they had all the answers. They knew they didn't. But they looked for teachers.

And I think in my own main concerns, I've had very little impact in the United States. And -- that -- the -- the work is at least ... because that has to do -- that unique responsibility based organization and not the command based one. That top management is not ranked but responsibility.

Those central themes of mine have had very little impact. They are now beginning to be -- I wouldn't even say practiced. But preached.

In Japan, they've had a tremendous impact. And Joe with very similar basic approaches to organization and people -- urn -- had also the impact it was primarily outside of this country.

Because American management then came out of World War II, American management had won that war, we didn't win it militarily, but to the very end, the Germans were ahead of us militarily. And I was in on this, so I know.

No, we won it because of our productive capacity, and our management ability, and our ability to get supplies to -- ah -- any part of the world and coordinate them. And so management came out no competition. They were -- absolutely sure it had all the answers.

And not terribly receptive. Ah -- but at least, if you published and published and published and published and published, and young people read it, and it was used in classrooms, you get known and these things became known. Whether they had much impact, I have my doubts.

Ah -- but Joe's great weaknesses in my eyes -- that he knows that, because I've told him that 40 odd years ago -- was that he thought publishing first -- I don't think he probably enjoys writing or public speaking.

Ah -- but also he -- ah -- I think believes profoundly that the -- ah -- ... makes themselves known. What he has ... I think so,

provided somebody does blow the trumpet. Somebody does write the headline.

Ah -- and I think, in that sense, he has, I think, been -- urn -- not as responsible to his own ideas. One has a responsibility to make oneself effective, I believe.

And I think that would be my one criticism of this wonderful human being, that his self-effacement has deprived -- not him of --, it hasn't deprived him of effectiveness, because he has been incredibly effective. But it has deprived his ideas of their full impact -- oh -- of their -- ah -- ability to stimulate thinking, to create controversy and consensus.

Ah -- maybe this is simply a matter of timing. Maybe it simply means that instead of things becoming -- of his ideas becoming known -- oh -- in the '60's and '70's, we have to wait to the '90's and next century. I hope so.

But I think that one owes a responsibility to make oneself effective, and ideas need to become known.

Q: May I call upon your powers as a trained journalist to help us set the record straight about what happened in Japan with Dr. Juran?

DRUCKER: What happened while there?

Q: In Japan, in the '50's .. This is not to diminish your role.

DRUCKER: No, no.

Q: Not to diminish Dr. Deming's role. What does America know about what Dr. Juran did in Japan?

DRUCKER: I think that one of the areas of ... ignorance in this country is to understand Japan. One has to understand two things. Namely, that practically everything that we consider Japanese management is not Japanese at all. Very little.

Practically all of it Japanese adaptation and improvement -- considerable improvement -- on things they learned from us. The great strength of the Japanese has been through -- that's their history, where they, for centuries, kind of felt that -- ... comes from China. Has been that willingness be a receptive. And then to transmute what comes from the outside and make it fit their hand .

And they came out of World War II -- they -- I don't -- I think that it's almost impossible to realize how fragile that society was, how close to the abyss of social disintegration it was. The old leadership was totally discredited, not just purged.

The new people had -- only the new was that the things they had grown up in no longer worked. And they were desperate -- and receptive -- when the American industry and the American management were clearly the examples.

And so they -- they reached and ... brought. I think they started, actually, during the occupation. The early beginnings has some literature and those people are people like Pokenhom or what have you, almost totally forgotten, who first in the occupation started to work this Japanese industry.

But after the occupation was gone, or at that time when Japanese management had -- was really taking over again and Japanese government -- they organized systematically, bringing in -- ah -- as all of us were Americans. Most of us who had no effect, partly because we somehow didn't resonate, and partly because we just told the Japanese things that they had learned didn't work.

And if you -- and basically -- I wouldn't say only three of us -- but basically, the Japanese will tell you the three who gave Japanese the concepts and the tools and trained people.

Now, Deming spent a great deal of time in Japan -- far more than any of us. I went over for three weeks every other year, or six weeks, three weeks. Joe Juran, I think, had no such fixed schedule. But he was there a good deal.

And when -- ah -- those people who were our students and I think all retired. And now a good many of them are no longer there because they were older than we were, mostly. Ah -- but they immediately acted on it, because they were desperate for policies and practices.

Give you just one example: in one seminar we talked of innovation. This must have been 1959. And I said: one does not go out of an old product gradually; one cuts. And I noticed one of the men got up and left. And at lunch, I sat next to him and I said to him: Taguchi -- he didn't come back -- what happened?

He said: I had to call my company. And, in those days, we were in the mountains; telephone service wasn't so good. I said: what. He said: last week, at the board meeting, we decided to phase out rayon over three years and bring in synthetics. I listened to you and went out and called and said, we stop making rayon tomorrow.

That -- that's a very typical story. It made sense to him. He did not, just because I told it. But suddenly the light went on, and he acted. And the same friend of mine who built NEC into one of the largest and computer and telecommunications companies, acted on a Juran seminar.

And he told it to me. His name is Kobayashi. He's 87 and retired. And he was -- he ran a division. I don't know what he acted on. But he also said: I left that seminar and next day we did it.

Now, you could do it because the Jap -- there was no resistance. The Japanese knew that what they were doing didn't work. They were desperate. Ah -- and, in that atmosphere -- and a good many things they found didn't work, they gave them up. But the things that worked, they developed them and went to work.

What is it that Joe Juran contributed to Japan. Let me see. He contributed probably more than any specific practice, the --

ah -- realization that manufacturing is a process and has to be organized and managed as a process.

And, secondly, that it has to be managed from the bottom up and not just from the top down. That, all three of us -- Juran and Deming and I -- preached and preached and preached and preached. We have learned it in World War II. And in this country. Was immediately forgotten, but largely because of pressure from Washington.

One of the things people don't realize -- I worked very closely with General Motors in those days.

And we, for instance, tried to get some of these things we had learned during World War II about managing a plant, we got orders from Washington, from Mr. Truman, who said, the people who are coming back from service have to be productive. We were desperately afraid of a post-war depression. We have to be able to produce tomorrow.

Truman was no fool. In fact, you know, next November I hope I can vote for him again. The only president I really enjoyed voting for.

Ah -- and -- and --so -- ah --

Q: You said something wonderful about Dr. Juran in your letter. You said he fathered and nurtured modern manufacturing management.

DRUCKER: Yes.

Q: Which is a very strong statement. What moved you to make that claim for Dr. Juran?

DRUCKER: Well, look -- that all the thing -- first, if you -- we are now talking about lean manufacturing. Joe didn't use such terms. In fact, I don't think I've ever -- don't think I've ever heard Joe use slogans. But he talked basically about

manufacturing that was built to make human strength productive.

And in which the industrial engineer -- and don't forget, he's one himself, and a good one -- is this support of the work force. Which was advanced in World War II because we had no choice. But it was theoretical, and it made him -- by the way -- terribly unpopular in academia.

Ah -- and the industrial engineering academicians didn't like somebody who said we are not -- you are not the bosses. You are not omnipotent. Ah -- he -- and I'm sure he didn't use these words, they didn't exist, he -- but he was the first to see the -- ah -- to look at manufacturing from the outward, back.

And when you talk -- all these people are gone -- to Toyota, oh, you know, they are just-in-time system which was not something Toyota went into because they wanted to, but because the total absence of any working transportation system in Japan forced them to ..

But this was largely made possible by Juran concepts, in looking at the plant from what goes out the door instead of what comes in. And then you can organize the plants as a flow. And then you can have just-in-time.

And the reason why just-in-time in this country still doesn't work is that they still try to put it on top of a system that begins where we are and we don't know where we're coming out. That's not the way to do it.

And Joe knew that -- I'm quite sure he didn't use those words, they didn't exist. And the basic concept that you don't start with putting in machines, you start with looking at the work process. Ah -- which then let the man who really built Toyota was the manufacturing man who came to this country-- had come to this country in the late '40's, had looked at GM and was not happy.

But he didn't know what else to do. And it was a Juran concept of -- ah -- that you start with engineering the work, not engineering the machines, and not engineering the material

flow. That led to the Toyota production method which is still beating us hollow.

And, you know, we still haven't learned it. GM wouldn't be in the pickle it's in if it hadn't poured \$40 billion into automation before, without analyzing the work process, which is just wasting \$40 billion. That's why GM is in trouble today.

And those are the kind of things which Joe preached and Joe's strength was these fundamental concepts. The way of -- I call it perceiving. And then adapting it to the specific process. Ah -- which is always a total process.

And Deming, by contrast, looks at one factor. All three of us knew, because we had learned in the World War II, that quality doesn't cost. And that the accounting model is a snare and a delusion because it hides the costs of not doing. Which are 70%. Yes.

And 70% of the cost, the actual cost, is poor quality, where you scrap the stuff or have to rework it. And machine down time. Those are the expensive things. Doing things is cheap. Not doing things is expensive. They cost 100%.

And cost accounting does not measure these. This was my contribution to both Deming and Juran, neither of whom has a financial background, and I do. This is what I think I taught the two of them.

But we all share it -- we all knew it -- I just gave them the analytical concepts. Ah -- it's now -- the new accounting is not coming in, 40 years later. Which is normal. Will you accept the fact that don't complain about the time lag. New ideas need 40 years before the old paradigm goes out.

We now -- we know that now. This is perfect, we know it. But Joe knew it and I knew it. We didn't have the analytical tools that come in now. But we had the concepts.

And Deming started out with this and, therefore, built it around quality, and elim -- and, let me see -- Deming never understood that the same approach also gives you productivity. Ed is only now beginning to talk productivity. Joe always

talked productivity. he understood it from the beginning. And so did I.

But Deming's great strength is that narrow focus. It's an enormous strength. Because you get immediate improvements very fast. Which has great power of conviction, or changes the whole atmosphere and the whole view.

That's -- don't underrate it. But ... Joe had this con -- Joe had quality also in the center. It was the center of a system With Deming, it's everything.

Ah -- and so the Japanese concepts are based -- people talk about consensus decisions, as if that were a Japanese invention. That's what I taught them. I taught them that one first thinks through what the decision is all about. And builds -- making it effective.

Video Roll # 4

Q: In taking you through the words of your letter, you said, quote: he had a greater impact on Japan than any of the more highly publicized figures, including myself.

DRUCKER: Yes.

Q: That's a very strong statement. Why did he have greater impact?

DRUCKER: Well, you know, I think that, why the least publicized of the three people to whom the Japanese give credit for their economic revival-- Joe Juran had actually greater impact than the other two, of whom I'm one -- ah -- were much more publicized, even in Japan, because he had the lasting impact on people.

Ah -- and -- the people who came -- became the leaders of Japan in the crucial -- which were the last '50's and early '60's.

See, by the 1961, I wrote the first piece in which I said that ... that Japan would be the next great economic power. But that time it had happened. **iii** space of five years.

Those people, who, by now, everybody's retired and probably most of them are dead -- they would be in their 90s. The youngest in their late 80s. Those people, the personal contact with Dr. Juran, mostly in his seminars -- I don't know whether he actually consulted. I don't think he did much. I did practically none.

But in his seminars, gave them a new -- dimension, as I would put it -- and that impact is the most profound one.

And that is what the Japanese have always stressed which I've discussed with my Japanese friends those years. Ah -- we reminisced -- they would all kind of point out Juran -- not even those who were not in his seminars, who were at the interviews he gave, at the reports.

He transformed their vision, their perception. And I think that was the greatest contribution. It's not one that is embodied in writings. You see, my books have proportionately sold more in Japan than they have sold in this country.

And you have a Deming Prize, and nothing of this sort in Joe Juran's case. I would imagine that some of his writings have been translated into Japanese. But that's technical writings.

But the human impact on the people who suddenly found themselves thrust into positions of leadership. These were mostly people who were their second, third tier, and suddenly have to take over totally bankrupt companies, most of them dismembered by the occupation. And no products, no plants, no nothing, no money.

When -- they have worked generation. And the impact on them as people was, I think, the most important things that happened in Japan. Ah -- you know, it's --0 that you can't substitute with a book.

Q: You say that we owe Dr. Juran a tremendous debt, which is now only beginning to be paid back. What is that tremendous debt?

DRUCKER: Well, we owe him -- we owe him fundamental concepts, which are basic to, I think, the -- tomorrow's productive economy. Partly because he, more than anyone of us, ... stressed the import -- the fact that an organization is a human organization that has to make human strength effective.

And partly because of that basic concept of his -- and that I think is his -- of the production process not being a series of -- ah -- mechanical, technical operations, but a flow -- and I'm using modern terms, terms which I think I first used -- that converts materials into economic satisfactions.

Those are concepts you have. Ah -- he -- and it was built and he also was not the theoretician in the sense -- that he wrote books and left it to other people to do, which is what I did; Or a pure practitioner like Deming, who was focused on let's put this into the plant.

He had -- he has the gift of putting the two together, which is, I think, what one needs.

Q: What should a station want to run a program about the life and work of Joe Juran?

DRUCKER: Let me first give you the right, but frivolous, answer, which you are going to cut out. Because they're always short of good material.

No. There is no answer to your question. You are going to have a tough time -- precisely because -- for 40 years, this remarkable fellow, Joe Juran, has ducked every time he came within camera range. Ah -- and he has been -- reluctant is so under-statement -- hostile to any -- exposure and publicity.

So he is not a household name. He's beginning to be one. But it's there, beginning to be there. It's amazing how long

things take. Ah -- don't forget that ten years ago, you could not have sold a movie on Ed Deming in this country. No, I'm not joking.

Now what is it to stress basically in giving the exposure and publicity and knowledge which Juran and his work deserve -- what is needed. Well, one of the things that is needed is -- ah -- to try what I have been trying to do the last hour. Which is to see what -- why is this important. What is the kernel. And why does it important to be, why does it fit to be.

And it fits precisely because it is right philosophy, the right concept, already converted into application and results. You can -- including even a methodology, how to make it effective in a given enterprise, a given situation.

The other reason is precisely because of the need for this country to regain -- not what people say, its competitiveness -- but regain a corner the conceptual or philosophically foundation for the productive process nobody offers a way. Juran does.

And partly, I think, because if you -- you deem he's a heroic figure. Somebody who probably began, oh, I would say, before World War II, easily. I didn't know Joe then. For 60 years, now, has been working -- and is a tremendous success, basically, if you measure success by the business you built professional practice, the disciples you create.

And is now, at his age, still working, still pushing, still learning. And coming to his own. And I think that is a -- the kind of story Hollywood loves.

You are not going -- you are not -- you are going to take this out of ... You're not going to make -- if you want to commercialize this, you have to play Joe as the underdog. You have -- you are not going to make Joe into a Wagnerian heIden (?) tenor. He is not going to be, no matter what you do. There's certain limits to what one can do.

Q: You said that the concepts --

DRUCKER: You know, Deming has always been a Wagnerian heIden (?) tenor.

Q: I'm not sure I understand the analogy.

DRUCKER: You know what a heIden tenor -- the Wagnerian tenor, who can belt it out for five and a half hours, six feet tall, blond, and shout over everybody else? Well, that's not what you're going to get out of Joe Juran. Ed has always been good for that role.

Ah -- but if the underdog, in the end, you know, it's what Hollywood loves, the underdog. So you have to build up Joe as the underdog.

Q: If ideas take 40 years to be accepted, 40 years from now, what do you think people will remember. Joseph Juran was the man who.

DRUCKER: Who ... and created the post mass production - - production process. And the -- ah -- the human and actual is a human use of human beings in the economic process. He wasn't the only one who created it, by ... I think that's all you can hope for. Whether that will be remembered 40 years from now, depends on whether you're an optimist or a pessimist.

(INTERRUPTION)

Q: There are three of you. What has it been like having Joe Juran --

DRUCKER: I'm what?

Q: -- as a colleague all these years?

DRUCKER: Well, that's 40 years back He was exceedingly nice, and kind, and warm, to a beginner which I very much was. Ah -- you know, I really only very recently-- my experience in management was very recent and very small.

All right, I've written -- at that time, I'd written and published two books, that had been -- three, actually. Four books. But two -- two books that had to do with management. Ah -- and I think most of the things were quite new to me, and he was exceedingly supportive and warm and kind and very different styles, totally different styles.

So that -- let's see, he ran that meeting, and I'm not sure I remember right, but roughly, from 9:00 'till 10:30, and then I ran it from 11:00 'till 12:30, or when we adjourned or the other ... , and we were totally different in styles. He had very active participation from the group. I ran it very differently.

But we complemented each other. And since we shared the same basic convictions, I think, it worked. Ah -- and he encouraged. But he also very much encouraged the participants.

At the same time, he had -- well, nobody has ever accused him of being easy going. I am. He is not. He made demands of the participants. Basically, if you know what to do, why the hell don't you do it.

Ah -- and then we then sat together and plotted the next session after. His sense of structure of -- was masterly ~ I think. In many ways, I have a recollection that this very amateurish effort on my part, of this first Chief Executive Officer Roundtable, was, in some ways, one of the most -- best organized, best planned, most successful thing that I've taken part in.

And Joe was very much the senior partner. Not only because he was five years older than I am, but also because he had been in this field, make it 20 years. And I had been in it maybe at most four or five. Ah -- I was ... at the very beginning. It was very enjoyable to work with him.

And then in that Presidents' Course, where he -- I think my contribution was the smallest of the three. . . . large ... I think, of the sessions, he must have taken half the sessions. And there . . . 30% and I, at most, ... , at most. Because, by that time, I was already building my own up.

I think Joe -- I don't know whether Joe had already left New York University, but I was teaching full time. So I didn't have that ... consulting practice and primarily my first -- focus is always writing. So this was very much a sideline. And, for Joe, it was a mainline.

Ah -- but he presided, he chaired the sessions. And, again, they were beautifully prepared, beautifully planned. And he brought the audience in. And -- ah -- I would say Joe's greatest strength is as a -- is as a teacher, the seminar leader, because of the impact on people.

Q: Your description of him makes him sound almost as an older brother.

DRUCKER: Not to me, no.

Q: Was there any way that he served as a role model for you?

DRUCKER: No. Not at all.

Q: Everyone has mentioned the Juran sense of humor.

DRUCKER: Yes.

Q: Can you give us an example?

DRUCKER: It's totally different from mine. That's all I remember. It's -- but it's a very strong sense of humor. But, no, Joe never was a role model for me. Not in the least. Ah -- was

very clear from the beginning that temperamentally so -- such a different person.

Ah -- no ... my role models are very different ones. But I don't think I ever was one for him, either.

Q: When you think back over those times --

DRUCKER: No, we worked -- we worked together very well because we were so totally different. We share basic values. But we behaved totally differently. We act differently. We react differently. No.

Q: Can you tell me about one incident that, for you, communicates the essence of Joe Juran?

DRUCKER: Now you're talking 40 odd years back. That's awfully hard to do. Ah -- I would say maybe, you know, I never was in his home, never once. But he was in our place -- we lived in Montclair, New Jersey -- maybe two or three times. And one time I remember he and his wife and the little boy of his, who'd be seven years old, something like that, came. Maybe a little older than I youngest daughter was at that time.

(INTERRUPTION)

And I'm sure Joe has forgotten that. And the little boy maybe was eight, a little boy. And we had a little girl was maybe four. It must have been that. And the little girl played with -- our Joannie, or Joan -- and I discussed something, and their parents -- and the little boy teased her and she began to cry.

And Joe turned to her and said: Joan, hit him, but not too hard. That's one thing I remember.

Q: What is the nicest thing about Joe Juran?

DRUCKER: You know, that's probably irrelevant. Because, to me, what matters a human beings, they're not -- better with ideas than with people, but much more interested in people.

The nicest thing, you said, is I think a person of absolute integrity. I don't mean integrity in the sense that he doesn't steal and rob, I wouldn't know. But I imagine he doesn't. But basically committed to -- ah -- a vision and a compassion. And totally unswerving.

This is, I think, the important thing. This is why he has that incredible impact on people. Okay?

Q: What have I not asked you?

DRUCKER: Can you repeat the question, it wasn't quite clear to me what you want.

Q: What have I not asked you?

DRUCKER: Oh. Well, we have not discussed the essence- - and I'm the wrong person to do it. But I hope you will. You asked the question why should Joe Juran be remembered. What is the essence of Juran, the teacher and conscience of modern industry.

You know, I've read -- not all his books, I don't know. I've a good deal. And they are all technical. And Joe cannot do it. But somebody needs -- not I -- needs to sit down and, in three pages -- make it five -- say, what's the essence. He has lots of methodology in there. There are better ways of industrial engineering. Very important things. But they're not the essence.

The essence is a -- don't call it a theory, that's the wrong word, but it is a theory, it's a -- a humanistic vision of the material universe. You know what I mean?

And that's -- Joe has gone to great lengths to cover his tracks. But that's the -- I think that has to be brought up. Ah-- and whether you can do it with somebody who is so reluctant to -- be articulate, I don't know.

Q: Could I ask you to read the letter you wrote?

DRUCKER: The whole letter?

Q: Just the first couple of pages.

DRUCKER: I'm delighted to be able to recommend Dr. Joseph Juran for University of Minnesota Honorary Degree. I do not know anyone who is more deserving of this high honor. He, more than anyone else, has fathered and nurtured modern manufacturing management and especially modern quality management.

He not only has had much greater impact on Japan on any of the more highly publicized figures, including myself. Whatever advances American manufacturing has made in the last 30 or 40 years, in modern manufacturing, in making the U.S.A. competitive, we owe largely to Joe Juran and to his untiring, steady, patient, self-effacing work.

He has only one weakness: extreme modesty. For years he has resisted the pleas of friends, such as myself, to publicize his work, and to allow us to publicize it for him. I am, therefore, particularly delighted that now, in his advanced age, we, in this country, are finally recognizing the tremendous debt we owe to him.

Dr. Joseph Juran is not only a great technologist, one of the very best, he's a great humanist. Okay?

(END OF TAPE)

