Interview with Michael Beer

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"Proactive change is a function of a gap between managerial intent and the reality they see now or in the future".

– Michael Beer

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leadership in 1990 and was a finalist for the Academy of Management's Terry Book Award in 1991. His most recent book is Breaking the Code of Change edited with Nitin Nohria. Professor Beer has consulted with dozens of Fortune 500 companies, served on the editorial board of numerous professional journals, the board of governors of the Academy of Management and the board of directors of GTECH Corporation.

He is a Fellow of the Academy of Management, National Academy of Human Resources and the Society of Industrial and Organizational Psychology and a recipient of several awards like the Academy of Management's Distinguished Scholar-Practitioner Award.

The Society of Human Resource Management's Losey Research Award, The Society of Industrial and Organizational Psychology's Distinguished Professional Contributions Award and the Harry Levinson Award for Outstanding Contributions to Consulting Organizational Psychology. He can be reached at mbeer@hbs.edu

➤ To make a mark for oneself in the field of management (where fads are fashionable), it takes decades. All the more so in an abstract field like Change Management. Congratulations professor for having provided such a remarkable intellectual leadership in the field of change management. Your work on change management is an indispensable citation in any work related to change management. What was the trigger for embarking upon a holistic and thorough research on the topic? What were the antecedents?

The antecedents for the change research were a decision I made after receiving my Ph.D. I decided to go into practice a job at Corning Inc., instead of taking an academic job. I always had a bent to the practical and knew that to understand organizations, one had to be close to the phenomena. Corning hired me as a researcher and I initially thought that my job would be to do studies of various problems for the human resource function. The trigger for my change research was a call for help I received from a small start-up manufacturing plant in the company. Its management had read Douglas McGregor's book *Human Side of Enterprise*. They wanted to become a participative "Theory Y" plant to avoid unionization and to improve productivity. I knew little about organization change though I had read McGregor's book. I took the assignment and for 4 years I worked with management as a consultant and action researcher. This introduced me to the problem of change. Based on initial positive results and evaluations by management of my work, I received a call from a division manager about inter-functional conflict in his business unit (marketing, manufacturing and product development were at each other's throats) and the negative impact of this on new product development—a strategic imperative for his business. This let to a 5-year long change effort and a program of action research around the effort.

After I became an academic at Harvard Business School I continued to respond to requests for help from executives as a way of learning. I have responded to the following requests for help.

➤ **Plant Manager and HR Manager**
Can you help us become a participative Theory Y plant?

➤ **Business Unit Manager**

Can you help me understand the root of conflict between marketing, manufacturing and product development and help me change the organization to eliminate these problems?

➤ **CEO and VP for Strategy and HR**
We have great strategy but cannot implement it effectively. Can you help us become a company capable of implementing strategy?

➤ **General Manager HR Manager**
My organization is implementing a new strategy and is having great difficulty doing it. Can you help us?

Questions like these are broad and lead one into a systemic/holistic examination of the organization. They provide an opportunity to develop new insights about organizations and the problem of changing them. If qualitative and quantitative data (wherever appropriate) is collected and participant observations are made, it is possible to develop a coherent body of knowledge about organizations and organization change. One needs to do this with the knowledge of existing theory and research and connect one's own action research to the literature.

➤ Unlike other subjects, wasn't change management an abstract one? Its very nature is sublime and represents the "softer" side of management. How difficult was it to theorize and put the research findings in an understandable and applicable manner?

Change management, I hate the word because it implies that change is managed according to the leaders' preconceived ideas about what changes they want to make and then selling them (I prefer organization development and change). Phenomena observed in a changing organization are actually neither abstract nor soft. Effective change requires the leader to embrace the paradox of top-down (hard) direction about strategy, values and organizational imperatives while at the same time involving relevant stakeholders in the shaping change (soft?).

It is not hard to theorize about change because I started with the grounded experience of working with managers to help them change their organizations (see their challenges above), observing and documenting success and failures (one has to be honest with oneself and fact-based as a scholar consultant and/or ask others to join the team who are less involved as consultants) through cases, survey data, participant observations and then using cross-sectional analysis of multiple documented cases to lift out of them key causes for success or failure and then forming connections between these key success factors to develop theory. In other instances, I was simply a researcher using interviews and survey data in organizations with varied success and then connecting the dots to develop theory (Beer M. et. al. (1990) *The Critical Path to Corporate Renewal*, Harvard Business School Press). In yet a third approach (the change formula), I used a formulation developed by someone else for a different context (individual change) and used my experience with change to develop this formulation for organization change.

➤ What should be the logical expected outcomes of change management initiatives? After all, most of the change initiatives are responses to impending problems?

Problems, as you suggest, are often shaped by the situation—poor perfor mance or an ineffective organization. Problems in performance or behavior —gaps between managerial intent and actual performance and behavioral outcomes—always (even when these may not be manifest) give rise to change (dissatisfaction with the status quo). Leaders with low standards do not stimulate change because gaps between their intent and reality do not become manifest. Of course, goals and values are not always known to the leader or they are only vaguely understood.

We as academics and/or consultants have our own values. Each society has different values they ascribe to numerous potential organizational outcomes. Japanese managers have different assumptions about desirable outcomes than American managers and these differences reflect both personal and societal values. In developing a theory and recommending interventions and actions to leaders we in academia need to be clear about the outcomes that are likely to occur. See Beer and Nohria (2000) *Breaking the Code of Change*, Harvard Business School Press, and Beer and Nohria, (2000) *Cracking the Code of Change, Harvard Business Review*, for the development of a conceptual framework that specifies different outcomes of two different strategies. What good consultants do is help leaders clarify goals and values before developing the approach to change.

Proactive change is a function of a gap between managerial intent and the reality they see now or in the future. Leaders who do not initiate proactive change will never build a great company like GE and Southwest Airlines

➤ However, we also notice occasional change initiatives that are proactive in nature. For instance, when Reg Jones handed over GE's mantle to Jack Welch in 1981, GE was doing pretty fine. Yet, Jack Welch institutionalized organization-wide change initiatives that catapulted the company in all the performance metrics. Which are, therefore, more important; reactive change initiatives or proactive change initiatives?

I agree with your observation about Reg Jones at GE. Yes his selection of Jack Welch gave rise to proactive change, but I believe the same dynamic I described in my answers to the previous questions was operating. Reg Jones was dissatisfied with where GE was heading to or how it might fare in the future given his view of where the environment in which GE would have to operate in the next 20 years was going. This is proactive change and is always desirable because financial and human costs of reactive change are very high. So, proactive change is a function of a gap between managerial intent and the reality they see now or in the future. Leaders who do not initiate proactive change will never build a great company (like GE and Southwest Airlines). They are mediocre managers who lead mediocre businesses.

➤ You have observed, "The brutal fact is that about 70% of all change initiatives fail. In our experience, the reason for most of those failures is that in their rush to change their organizations, managers end up immersing themselves in an alphabet soup of initiatives." If this were the case, why change management initiatives at all? Are those initiatives not required in the first place? Or is it that these initiatives are to be guided by more subtle and sublime processes?

Yes, initiatives are required and are part of all change efforts. There are a number of criteria to be considered when evaluating their effectiveness that is implied in the quote above. These are spelt out in *The Critical Path to Corporate Renewal* and *Why Change Program do Not Produce Change*, HBR, 1990. Are the initiatives occurring in the context of a broader change effort articulated by the leaders and rooted in a shared (with key people in the organization) diagnosis of the organization's effectiveness? Initiatives fail when the CEO embraces a fad and imposes it on the organization through a staff group. Another way to state this is that initiatives fail if they do not take place in a context that prepares readiness for change—stretch goals, clarity about why these goals are legitimate and a high involvement process of diagnosis and planning for the initiatives. Ask yourself how committed thousands of people will be, if asked to go through a leadership or quality program, have these leaders not spent a lot of time involving people in a dialogue about why change is needed and have involved key people in a diagnosis that led to the programs. Our findings are that cynicism occurs and commitment to the initiative is reduced.

A second major reason for initiative failure, connected to these earlier points, is that top-down programs assume that one solution fits all sub-units of the organization. Leaders of sub-units we studied, agreed with the potential value of the initiative they were being asked to undertake. They were not committed to them and did not aggressively implement them because their diagnosis of their own sub-units led them to see the problems facing their own business differently than leaders at the top—different sub-unit goals, strategies, cultures, skills and readiness. In short, one size almost does not fit all parts of the corporation. When Jack Welch initiated Six Sigma he did it with a lot of involvement and it was in the context of a broader change effort that had been underway and accepted for several years. Even so, my reading of that effort is that managers did not always feel that it applied to their unit as well as it did to others. Does Six Sigma apply in GE Capital as well as it does in the Appliance business?

Finally, because top management can easily launch a top-down initiative they tend to launch too many in their eagerness to create rapid change. The result, our research shows, is overload. None of the initiatives are implemented with focus and sufficient resources and none could achieve the desired results.

➤ Why do you think some change agents are successful while many are not? For instance, Howard Stinger at Sony. Even those who are successful once (initially) are not consistently successful. Why is it so? For instance, Ed Zander at Motorola and Carlos Ghosn at Nissan Motors.

Leaders succeed or fail due to their personal skills, change strategies chosen, as well as the degree of favorability of the conditions for change. I do not know the reasons for success or failure in the cases you mention, but I suspect that if we examined carefully the situations these leaders faced, we would find differences the extent to which circumstances made it relatively easy to raise the level of dissatisfaction with the status quo, the amount of time the situation allowed leaders to succeed, the support of the boards of directors, the nature of the culture and the extent it was entrenched. There were probably also differences in the change strategies and skills employed.

Many failures to develop sustained improvements in performance and commitment were due to failures to manage this paradox. E-driven changes achieve early financial returns but do not build

In the field of change, we have not learned to handicap change efforts. We do not rate them in terms of difficulty. Consider the stunning success of Archie Norman at Asda in transforming this UK grocery chain as compared to the abject failure of John Scully in transforming Apple Computer into a major player in the computer market in the early 1990s. Norman's challenge was less difficult because he was repositioning Asda as a low-cost value grocer that it had been. His predecessors had decided to make it a high-end grocery chain. None of the stores nor the culture and skills needed for a high-end grocery chain was aligned with their new strategy. At the same time, Norman was very skilful and selected good change strategies (no top-down programs, a focus on unit-by-unit change and an integration of E and O). On the other hand, John Scully's efforts to make Apple Computer a major in the growing computer business of the 1990s required major changes in strategy, culture, skills, organizational structure and management processes for which there was no experience and history. Apple had an innovative structure unsuited to becoming a mass market producer of business computers. Scully also failed because, unlike Norman, he employed a poor change strategy (focus on financial control and structure, and little focus on learning and change process that would create fundamental change in the culture).

➤ What is Code of Change all about? What does it take to crack the code of change?

The "Code of Change" was a convenient phrase for framing a challenge that transformation leaders faced; that challenge of integrating two equally necessary and paradoxical change strategies. It seemed to us there were two fundamental codes of change, each with different basic underlying assumptions about change. Many failures to develop sustained improvements in performance and commitment were due to failures to manage this paradox. E-driven changes achieve early financial returns but do not build an organization capable of sustained performance. O-strategies build an organization and a strong culture, but unless financial returns meet the expectations of investors, the leader will be unable to show short-term financial results needed to allow the time to build sustained high commitment and performance.

➤ In *"Cracking the Code of Change"*, you have outlined two theories, Theory E ("the hard approach") and Theory O ("the soft approach"). What do these two theories stand for? What are their implications for organizations? What do the letters 'E' and 'O' signify?

Theory E strategies for change focus on improving the economic performance of the firm. This involves portfolio management—buying and selling businesses based on their prospects and right-sizing the business through layoffs and outsourcing etc. Theory O strategies focus on building a strong and effective organization and culture, one that is aligned with strategy, has high levels of commitment and is adaptive—all necessary for short and long term success. While you refer to theory O as the soft approach, I am not sure that fully captures the difficult and hard things that must be done to accomplish organizational change—these involve structural changes, fundamental change in standards of behavior that require confronting people who do not align their behavior with the new direction.

➤ What are the circumstances in which 'Theory E' has more relevance? When would 'Theory O' make more sense?

Theory E is necessary if the firm has over time, grown fat or added unrelated businesses that are not synergistic. An E strategy typically is the first step that a new CEO must take to be responsive to pressures from capital markets. Theory O strategies are aimed at creating a great organization with the capacity for sustained performance, commitment and ongoing learning and change. E strategies are easy, says Norman at Asda, because they are obvious. In a turnaround, both E and O are needed. A firm that has ok performance, but not great performance, requires more O than E, though a mix of both may always be necessary.

➤ You have remarked in *Cracking the Code of Change*, "Indeed, it is highly unlikely that E would successfully follow O because of the sense of betrayal that would involve". Is it therefore better to sequence the change with Theory E first and Theory O next? Why should it be so?

The ideal is to employ E and O simultaneously and in a way that they are integrated. By integration, I mean, that E is carried out in a way that develops commitment or at least does not materially reduce it. Practically speaking, E will almost always lead O because, there are economic imperatives the CEO must deal with (loan covenants, short-term earning pressures etc.) but in the best case, as illustrated by the ASDA case, E and O strategies are launched very early. There are two reasons why E should not generally follow O. First, if O has been applied consistently over time, the company is likely to have been learning, adapting and changing continuously and will not need E strategies. Second, if E does follow O it is likely to tear the high commitment culture built with O.

➤ As the ASDA example (in *'Cracking the Code of Change'*) shows very correctly, the change agent (the CEO) should be very clear about what he's doing. Therefore, before embarking upon this 'Balancing Act', what precautions need to be taken to achieve the desired results? Should one of those prerequisites be a guaranteed tenure for the CEO (like in the case of GE for instance) so that he could see the initiative through its logical conclusion?

By definition, an integrated E and O theory strategy for change will be slower than a revolution of the kind Jack Welch produced in the 1980s (downsizing 150,000 employees or more and selling businesses that were not number 1 or 2). Therefore, CEOs who embark on E and O simultaneously will have to create agreements with the board, creditors and key stakeholders that will enable them to have the time they need to build an organization. Archie Norman told shareholders not to expect significant results for three years. When Allan Leighton took over the Royal Post at Tony Blaire's request (after he had left ASDA) he set conditions that gave him freedom to act—"Don't call me and don't interfere with my change strategy and the people I hire, regardless of what happens and what you hear". He set the boundaries for an effective change effort and succeeded.

➤ Jack Welch also seemed to have combined both Theory E and Theory O. And in most of these cases, change initiatives seem to be signature statements for a legacy rather than making them the DNA for an organization. How should CEOs, therefore, look at change initiatives holistically so that change management becomes a part of organizational philosophy?

I don't think initiatives such as Six Sigma and Workout were Jack Welch's legacy. These were tools—the means to an end. Rather, his legacy is the fundamental transformation from bureaucracy to a high commitment and performance organization with a very different culture than existed in 1980 when he took charge.

➤ In *Cracking the Code of Change* you have observed, "Making way for opposite leadership styles was also an essential ingredient to Norman's – and ASDA's – success". Should this also be looked at as a prerequisite for the Balancing Act? Are you, therefore, suggesting that when companies wish to follow the Balancing Act, they must have two CEOs? (one for 'Theory E' and one for 'Theory O')? However, what happens (and therefore, who should resolve) when the going gets tough between those two people (leaders)?

Though it is possible for a single individual to have the capacity, personality and skills to balance and integrate E and O, few are able to do this. They need partners who complement their perspective and skills. Those partners (in most successful change efforts there is a very small group of 2 to 4) bring different skills and perspective to the change effort and can make up for the CEO flat sides. However, these members of the team are not CEOs. The CEO has final authority. Norman and Leighton were not both CEOs. But Norman and Leighton and two other members of the top team (not mentioned in the article) comprised what Norman told me was a small and highly dedicated team that acted as one. To do this, CEOs cannot have hubris, must be willing to work in an egalitarian manner with subordinates and create the climate for a fact-based dialogue. The CEO clearly has the final say, but CEOs that rely too often on their final say have not formed an effective team and will not be told by those on the team what they need to hear.

➤ In an HBS Note (*Leading Change*), you have propounded a conceptual formula that incorporates the critical dimensions of change that must be taken into consideration by managers.

Amount of Change = (Dissatisfaction X Model X Success) > Cost of Change What is this model all about? What are its practical implications?

This formula (first presented in my book *Organization Change and Development: A Systems View*, Goodyear Publishing, 1980) attempts to capture the three ingredients of change that must be developed by change leaders if they expect to succeed in creating sustained change. Dissatisfaction (D)with the status quo (we are not as effective as we need to be, our organization is not functioning well and/or our employees are not committed) is essential if the energy and motivation to change is to be released among employees. The first task of leaders is to "create dissatisfaction with the status quo." That can be done by highlighting current or potential performance problems, making manifest and discussible concerns by customers and shareholders and enabling lower level to speak truth to power (Our research shows that lower levels know what the problems are but cannot discuss them with senior people due to the fear created by hierarchy).

Leaders must also develop a strategic and orgnaizational model (M) of the future state. How will be organized? What values will drive behavior? What psychological contract will we create that will govern the relationship between employees and the firm? To create D and M, leaders must create a process (P) of employee engagement that will reveal barriers to effectiveness and raise dissatisfaction (D). Such a process must enable the senior team in partnership with its employees to craft a new systemic orgnaizational solution (M).

These three ingredients (D, M and P) must be strong enough to overcome the resistances that will come as managers and employees realize that implementation of a new model will result in losses—losses in power, esteem, competence, relationship, rewards, security and identity (who am I and who are we as a firm). The prospect of losses is the cost (C) of change.

As a practical manner, the formula suggests that leaders have to spend a lot of time in the front end of the change process developing "D" and readiness to change. By doing this, top change initiative will not become failed programs (see earlier discussion for why initiatives fail). They must also develop a process (P) of engagement with employees (task forces and project teams) that will yield jointly crafted solutions (M). Leaders who heed the lessons of the change formula will not spend millions of dollars on consulting firms. These firms develop a new strategic and organizational model (M) for the organization and through "change management" (see my own earlier criticism of this term) find ways to educate and persuade employees that these externally generated solutions are the right ones. This is not engagement. Moreover, consultants do not know the business and organization and are therefore, likely to suggest changes that cannot be implemented.

➤ Let's now for a moment look at resistance to change. Why is it that organizations (as artificial persons) and individuals resist change? What are the stumbling blocks for change initiatives? What do you think the companies should do to get them out of their "comfort zones" or shells and start looking at better tomorrows?

As discussed in my answer to question 14, resistance occurs because people fear they will lose something— the cost of change. It is the fear of losses that creates emotional resistance to change. If change did not lead to anxiety over losses, there would not be resistance. The essence of all effective change is to help people accept losses for the greater good (the success of the enterprise, the enactment of a meaningful mission and long term security). This is the process of developing a strong D and a powerful M that people come to believe will ensure success in coping with the competitive environment. In my experience and research, it is senior management that has most to lose—power, status, rewards and challenge to their strategic and managerial assumptions. In most instances, people at lower levels are eager to see change in the system, though they may later confront the implications for them. They typically have less to lose. That is why the Strategic Fitness Process (See Beer and Eisenstat, *How to Have An Honest Conversation About Your Business Strategy*, HBR, February 2004) we have developed is structured to enable truth to speak to power. Our research shows that urgency to change is ignited when the truth is put on the table and made discussible and when that truth is delivered by lower level on whom management knows they must rely to succeed.

➤ What happens when the resistance to change is coming from Federal Governments (for instance, rigid / inflexible labor laws in Europe and few Asian countries)? How should companies respond to such a resistance knowing fully well that their business fortunes are tied up with those rigid policies?

This is a hard change problem because the CEO does not have as much control of situation—he or she has less influence to shape a process (P) of change that will create D and M. Nevertheless, the principles implied by the change formula must still be enacted. The leader must try to bring government, unions and external constituencies into a dialogue that will reveal the reasons why given regulations and their underlying assumptions lead to unintended consequences not foreseen or sufficiently valued by regulators. He must work at bringing these constituencies together and engage them in framing the problem as well as work collaboratively to solutions that will work for all. Clearly, politics and power can often interfere with a fact-based problem solving process because the leader does not have the authority to ask for fact-based discussions. Thus, in these circumstances, leaders must pay even more attention to the process of engagement and dialogue. It is also true that managers often highlight and blame regulations and unions for their problems without looking more closely at how they can work productively within constraints. In the US, managers blame government and labor law without showing any creativity in how to work within these constraints or ease them.

➤ It might be relatively easy to identify the need for a change initiative/ intervention in the case of a company, i.e.,there are sufficient warning signals alerting the company. However, change management is required at an individual level too (in different capacities; at the highest level he becomes the initiator; at all the other levels, he becomes the follower). What are the signals for an individual to look at change management initiatives before he/ she is forced upon to embrace the change?

Individuals who are concerned about surviving, learning and growing need to attend to the strategic context in which they operate. What is the competitive environment in which my firm is operating? What changes in technology and management practices are underway in the world of business, in my industry or in my profession? With this information, an individual can begin to develop a better understanding of the skills and attitudes they will need to develop to learn and prosper. These individuals are constantly developing their own "D" and are proactive in developing their own developmental plan (career path, education and training). They must then begin the dialogue with their boss about their development rather then waiting for manage ment to begin that process when a crisis hits.

➤ If you look at companies like Nike, Southwest Airlines, Bloomberg, etc., how difficult is to manage change (including the transition) when the founder-CEO is not around?

Leaders who succeed founders have to find a way to develop legitimacy with employees who are loyal and committed to the founders and their model of management. This means that they cannot tear up the culture that founders created. They must be seen as honoring that culture and then engaging people in adapting practices to new circumstances, if that is needed. Effective successors embrace the values, but work on changing the practices that need change given new circumstances. A great example of failure to do this is the story of Carley Fiorina who became CEO of Hewlett-Packard in 1999 and by 2005 was fired. She thought the culture was the problem and took many steps including a merger with Compaq to break up the culture. She did not honor the past (created top-down change and employed consultants rather than engaging employees including her senior team) in the actions she took, even though she espoused otherwise. Successor to founders are best off engaging senior executives who embrace the historical values and assumptions.

➤ How do you think companies can make "Change Management" a part of their "catastrophe culture" (as Samsung Electronics CEO Jong-Yong Yun has done) so that the fire is on at all the times, both good and bad?

It appears that the CEO of Samsung found ways to create ongoing dissatisfaction with the status quo. The primary way for doing this is to 1) Set high performance standards 2) Engage people in generating and discussing data from customers and employees from which a diagnosis can be developed about what needs to be changed. Then task forces and groups working can be engaged developing new ways. These task forces are in effect a parallel organization—one that is focused on identifying future threats and opportunities and developing ideas and methods for coping with them.

➤ How should Change Management be initiated and practiced in family businesses?

The same principles and ideas I have outlined above hold. Research by Danny Miller (Miller and Miller: *Managing for the Long Term*, HBS Press, 2005) actually shows that family companies that succeed in preventing family tensions from interfering with firm effectiveness are actually more effective and better performers than publicly traded companies. In these firms, leaders take a long-term perspective because they want to leave a legacy. They develop strong relationships with employees, customers, suppliers and other stakeholders and they do not take short-term actions to undermine these. In these companies, the leader is able to ensure that those in the family not suited to the business stay out of the business and find other careers. They also engage younger brothers, sons and daughters as equal as opposed to using the authority of their position. Overcoming family tensions is not easy, but that is the only way the ingredients needed for change can be managed.

➤ Professor, with all the due respects, what was observed over the decades (in management research, right from Tom Peters *In Search of Excellence*), had largely been the case of theory being fit into practice? The sole exception seems to be Peter Drucker's management literature. The researchers, when they observe certain patterns in corporate happenings, come out with theory constructs and in the process, seem to belittle the actual corporate happenings (may it be to do with innovation, best practices, cost advantages, core competencies, differentiation, etc.). And therefore, theory/concept becomes the front-end and the corporate happening becomes the back-end. Is it intentional or is it accidental? How should serious academicians look at this phenomenon?

Both sets of concepts and theories have a legitimate place in the discourse about management and organizations. Peters and Waterman research was empirical. They extracted those practices they found cut across the excellent companies they studied and developed their conceptual framework from these observations. Inevitably, the ideas that emerge from this research are based on what has led to success in the past and it is assumed that these patterns will hold in the future. Of course, we learned later that the successful companies in the Peters and Waterman research did not always sustain excellence. Like IBM, their performance failed for a long period of time before recovering. Others did not rebound. Circumstance changed and these companies lacked adaptive characteristics Peters and Waterman missed or under emphasized. This can be explained by their research method of interviews with senior leaders and archival data. They did not get deeply into these companies and because of this, did not come to understand how they functioned and/or did not evaluate these findings in the context of the changing environment. It also possible, of course, companies inevitably go through a life cycle that leads to eventual decline, the argument of population ecologists.

Drucker too was a careful observer of managerial behavior, but he placed what he saw in the context of the future. He was as much a futurist as an empirical observer. In critiquing managerial behavior he identified flaws that more timid researchers with less courage or wisdom did not address. As a critic, Drucker was not acting as an empirical researcher. He was a critic.

The interview was conducted by
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