



**PETER F. DRUCKER AND MASATOSHI ITO  
GRADUATE SCHOOL OF MANAGEMENT**

COMMUNICATION ON PROGRESS REPORT

2016-2018

**PRME** Principles for Responsible  
Management Education



## **The Mission and Vision of the Peter F. Drucker and Masatoshi Ito Graduate School of Management**

### **Drucker Mission Statement**

To advance the practice of management around the world by developing leaders who create their own futures and those of the organizations and communities they represent.

### **Drucker Vision Statement**

- To be recognized as a world-class management school for responsible managers to learn to run effective organizations that contribute to a functioning society.
- To be the School of choice for managers to learn to use the latest theoretical concepts to solve important societal, organizational, and management problems.
- To be an employer of choice for faculty and staff who share our vision to impact the practice of management around the world.
- To conduct research that continues to impact the practice of management around the world.

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## A WORD FROM THE DEAN

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At the Drucker School, we take great pride in providing students with a truly distinctive management education. Drawing upon the works and ideas of our late colleague and seminal theorist Peter Drucker, we have worked diligently to create a set of courses and experiences that enable students to carve their own path to success. This includes our initiatives in creative industries, the practice of management, and supply chain management—to name a few.

Our faculty is world class and highly respected. Unlike larger institutions, students will interact with them in small classes and on a first-name basis. In and outside the classroom, we focus on developing skills for insight, collaboration, achievement, and leadership. We also let students apply these skills across a range of settings, from managing small teams to leading successful businesses and organizations.

Students learn the fundamentals of business, and transcend these fundamentals to understand the art and science of management. Management is not just about the facts, but also about insight into the facts as well as the ability to engage others and develop creative business and organizational solutions to pressing problems.

By coming to the Drucker School, students join a community of peers from around the world and an alumni community of more than 4,500 professionals in over 20 countries. Members of the Drucker network have used their management education not only to be successful but also to advance social responsibility. Why? Because at the Drucker School, we are not afraid to ask and try to address the big questions facing business, government, and society at large, and we constantly explore the new frontiers of knowledge and practice. This is why we believe we are truly distinctive.

As signatories to PRME, we will continue to share our experiences, achievements, and efforts through our consistent sharing of progress.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jenny Darroch". The signature is written in dark ink on a white background.

Jenny Darroch  
Henry Y. Hwang Dean, Drucker School of Management

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# PRINCIPLE 1

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**Purpose:** We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

Students at the Drucker School are encouraged to participate in co-curricular activities to develop and further enhance the knowledge and skills they learn from the classroom. The following are activities in which Drucker students participate.

## STUDENT CLUBS

The Drucker School houses many student clubs ranging from academic to social clubs.

– **The Drucker Women in Leadership Association (WiLA)** is a student-led organization dedicated to fostering a strong community of women leaders at Claremont Graduate University. WiLA strives to support its members in achieving their full professional potential by not only providing a forum for education and the exchange of ideas on issues women face in leadership roles, but also by fostering a spirit of service among their members and the community.

Members benefit from:

- Dinner and discussions with prominent female leaders
- Increased networking opportunities
- Mentor relationships
- Peer involvement and support
- Community service opportunities
- Professional conferences
- Career development workshops

While WiLA Leadership has been inconsistent over the last few year, 2017/18 showed a renewed spirit with solid leadership and vision, which resulted in the following activities:

- Fight the Fear, October 27<sup>th</sup>, 2017: In honor of Domestic Violence Awareness Month, the club hosted a fundraiser to donate food and supplies to House of Ruth, a local women's shelter.
- The leadership represented WiLA at Drucker Day 2017 to promote the club to alumni and friends who are interested in getting involved.
- Took a group to the Women's March in LA on Jan 20, 2018
- Took a group to America's Funniest Home Videos on Feb 17<sup>th</sup>, 2018

- Started a series called “Girl Talk” which focused on reading a book together, health & wellness topics, & Career Goals and networking discussion – Men and Women were encouraged to attend these meetings.
- Their largest event of 2017/18 was celebrating International Women’s Day on March 8<sup>th</sup> with a screening of “Seeing Allred” followed by a discussion led by Jenny Darroch, Dean of the Drucker School and Laura Zucker, Senior Fellow for the Master of Art in Arts Management program. There was also a reception to network and continue the conversation.

– **The Drucker School Student Association (DSSA)** is an active student group and plays an important role at the Drucker School.

DSSA was created for the purpose of representing the student body of the Drucker School. The DSSA strives to enhance all aspects of the Drucker School, both internally and externally, through respect, communication, and hard work. It endeavors to understand the needs of the student body, and works to meet those needs through planning and execution, as well as collaboration and coordination with administration, other boards, student clubs, alumni, and outside parties. The DSSA’s responsibility is to continuously improve the quality of the entire Drucker experience for each and every member of the Drucker community.

The DSSA is designed to be a sustaining body that is also enabled to choose the focus that will deliver the best experience to the students it serves. The last few years have a focus of visibility and awareness due to the commuter nature of our campus.

#### 2016-2018 DSSA Events

- Club Leadership Retreat: The leaders of DSSA develop and plan an annual strategy for the school year on how to enrich the student life, while helping other clubs to put on their events and outreach to the Drucker Student body.
- Festiva – Welcome Back/Welcome to Drucker Mixer hosted during orientation for Fall 2017
- Motivational Monday’s – Hosted bi-weekly in 2017/18 to allow students to meet with DSSA leadership to share thoughts, ideas, concerns, etc.
- 80s Prom – Fall Formal, October 7<sup>th</sup> 2017
- Flame Thursday’s – A day to wear CGU colors, Red and Black to show school support, 2017/18
- Co-hosted a Halloween party with the CGU Graduate School Council, Oct 27, 2017
- Student of the month – students from Drucker programs were nominated by their peers to be the student of the month

- Hosted multiple info session to revitalize clubs at Drucker with a career and networking focus. The clubs that were created included Finance Club, Entrepreneurial Club, and Supply Chain Club.
- Casino Night – held in Fall 2016, brought students, faculty and staff together for a night of fun.
- Bowling Night – held in Spring 2017 allowed students to co-mingle and meet students from other Drucker programs. Students with families were also encouraged to bring their children.
- End of the year Gala for 2017 and 2018 has been held on campus

## **BUSINESS PLAN COMPETITIONS**

Drucker students are encouraged to participate in Business Plan competitions to hone their business and management knowledge. One such competition is offered by the Drucker School.

– **Henry R. Kravis Business Plan Competition** was established in conjunction with the naming of the Peter F. Drucker Graduate School of Management. Henry R. Kravis, a founding member of the Board of Visitors, established a \$175,000 endowment fund. Each year the income from this endowment is awarded to student(s) or alumni who demonstrate real promise as entrepreneurs. Awards are made by a committee of judges comprised of practitioners involved in entrepreneurial ventures and venture capital.<sup>1</sup>

Students and alumni from the Claremont University Consortium (Claremont McKenna College, Harvey Mudd College, Pitzer College, Pomona College, Scripps College, Claremont Graduate University and Keck Graduate Institute) are encouraged to participate in the event. The Kravis case competition is hosted by, the Drucker School of Management.

The winner for 2018 was Delshanee Martin, founder of a vegan cosmetics line, Labio Couture, who pitched her idea for a SKIN-spiration Truck, which would help “cultivate conscious consumers” through exposure to safe, environmentally friendly skincare products.

The 2017 winner of the Kravis Competition was a team from Keck Graduate Institute, part of The Claremont Colleges, with their concept for MagStrong, which offers mechanical yield strength similar to bone and can degrade safely in the body.

<http://www.kgi.edu/news-and-events/meng-student-team-wins-kravis-concept-plan-competition>

The 2016 winner of the Kravis Competition was an Art Business Student from Claremont Graduate University who created a web-based platform that connects young artists with timely translations of their legal contracts into plain English called Start Art Legal.

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<sup>1</sup> <https://www.cgu.edu/school/drucker-school-of-management/about/student-life/kravis-competition/>

<https://www.cgu.edu/news/2016/04/start-art-legal-takes-first-place-at-26th-annual-kravis-concept-plan-competition/>

– **Catalyst Case Challenge** - In Spring 2015, the Drucker School partnered with LA+Acumen, a nonprofit organization dedicated to fighting poverty, to host a case challenge that encourages students to find solutions to real-world social problems.

<https://www.cgu.edu/news/2015/03/drucker-school-to-host-case-competition-to-combat-poverty-on-april-18/>

## **CAREER DEVELOPMENT FOR STUDENTS**

Career development is central to the development of future leaders. The Drucker School strives to develop future leaders via individual career management.

– **The Drucker Career Development Office** works in partnership with students to achieve their career objectives. We define our role as a career strategists who provide structure and services including counseling, specific workshops, and events to help students focus their search, target appropriate employers, implement their job search strategies, and build skills in self-marketing.

There are four ways in which the Drucker Career Development Office incorporates social impact into its initiatives.

- One on one detailed consultation meetings with students to diagnose and discuss their strengths, weaknesses, and passions in order to direct them to the right industries where they can utilize their abilities best. The consultation meetings are followed up with building a resume and a cover letter that meets the expectation of the student's and the employer's needs. Students then conclude the consultation processes with mock interviews to ensure that Drucker students are well prepared for opportunities to seize during their job search.
- Multiple events have been hosted by the Drucker Career Development Office over the last few years including:
  - Careers in Management Consulting Panel (Fall 2016)
  - Career in Marketing Panel (Fall 2016)
  - Careers in Finance Panel (Fall 2016)
  - Salary Negotiations Panel (Spring 2017)
  - Sustainability Panel (Spring 2017)
  - Social Media and Your Career (Spring 2017)
  - Careers in Supply Chain Panel (Fall 2018)
  - FE Career Day – One-on-one meetings with alumni (Spring 2018)
  - How to Network Effectively – All Cities Networking Groups (Spring 2018)

- Site visits – Multiple site visits have taken place including: Toyota Parts Distribution, Harbor Distributing, Trade Union, Mellano Farms, Amazon
- The Drucker School also hosts an annual New York trip for the Financial Engineering students and MBA students interested in finance to meet with various firms and attend a quant career fair.
- An aspect of being part of the Claremont Colleges is the ability to share resources. Between all 7 campuses, our students have endless opportunities to meeting employers from all types of companies. Specifically, Pitzer College hosts the “Careers for the Common Good” Career Fair each year, which we encourage our students to attend.

## **INTERNATIONAL IMMERSIONS**

Drucker students have a number of opportunities to study abroad. We offer several intensive courses abroad typically at the start of the summer. Recent offerings include: “Focusing on People: Japan’s Service Industry”; "Doing Business in Asia: Trade and Financial Centers of Asia" in Hong Kong and Singapore; "New Zealand Global Immersion"; and "Doing Business in a Culture of Sustainability" in Costa Rica during spring break (March). The purpose of the international courses is to immerse students in the different cultural aspects of each country within an academic context.

The Transdisciplinary Studies Program at CGU offers courses in seminar and lecture/discussion format that combine scholarship and methodologies from a range of disciplines thereby creating an enriched pedagogical and research environment for students and faculty.<sup>2</sup> Two of the International Immersion programs are transdisciplinary courses, (listed as TDNY) allowing students to partner with graduate students from other disciplines, such as psychology and political science, to develop an understanding of the political, economic, legal, and social dimensions of globalization as they impact strategy formulation and international trade.

### **- Focusing on People**

This course focuses on multi-dimensional aspects of the key drivers of success in customer service. Participants learn theory and its application in practice through site visits in Japan. Students bring current business trends in Japan into dialogue with the social & economic history of the nation as well as key Drucker principles of people-centered management during the trip.

### **- Doing Business in Asia**

The course introduces trade and financial centers of Asia. The course also examines the economic, political and business environments that drive commerce in Asia. It focuses on business management in the context of Asian cultures and values, providing students with

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<sup>2</sup> <http://www.cgu.edu/pages/6078.asp>

new perspectives in understanding cross-cultural management and the impact of emerging economies.

#### **- Doing Business in a Culture of Sustainability**

Doing Business in a Culture of Sustainability combines classroom and field study to explore the unique business culture of Costa Rica. Initial classroom study utilizes case studies and class discussion that investigate Corporate Social Responsibility commitments in sectors such as high tech, retail, and tourism, the impact of government regulation, incentives and free trade agreements, and the commercialization and financing of sustainable businesses and products. The second leg of the class takes place in Costa Rica where lecture and corporate, non-profit, and agency visits are integrated with classroom learning, melding theory with experience.

#### **- New Zealand Global Immersion**

New Zealand showcases how a small economy can compete effectively in the Asia Pacific Rim. New Zealand has a very export-driven competitive economy with exports accounting for about 30% of GDP. Historically, most trade was with the UK but now its major trade partners include China, Australia, United States, Japan, Republic of Korea and the European Union. The program focuses on three areas: Innovation and Entrepreneurship, Information Communication and Technology and High Value Manufacturing.

### **EXCHANGE PROGRAMS**

In addition to classes offered by the Drucker School, students are encouraged to be involved in our exchange programs. International experiences, of different cultures, people, languages and attitudes, are perhaps the most sought-after attribute for managers today. This experience is so highly valued because it cannot be taught; it can only be lived. Teams of students from diverse cultures, working together, create a microcosm of multinational business – a great way to develop skills in the subtle art of global communication and cooperation.

Students may participate in an exchange program with one of our partner schools – University of San Andres in Argentina, Hitotsubashi University in Japan, Waseda University in Japan, St. Gallen University in Switzerland, and Rotterdam School of Management (RSM) Erasmus University in the Netherlands.

## PRINCIPLE 2

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**Values:** We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

The Drucker School uses a stakeholder approach, as opposed to the sole focus on the shareholder. In the traditional view, increasing value to the shareholders, or strict profit-maximization, is emphasized. Because we utilize the stakeholder approach, however, we realize our responsibility to a wider scope of stakeholders, including the environment and communities in which we operate. Therefore, and as noted by AACSB, the issues such as ethics and corporate social responsibility weave throughout every class we offer.

### THE DRUCKER SCHOOL OF THOUGHT

The Drucker School of Thought identifies six values statements and subsequent beliefs that guide our approach to management education:

1. *Contribution to a Functioning Society:* We recognize our responsibility to Claremont Graduate University, the Claremont Colleges, our local community and society at large.

- We believe that improving the practice of management in *all* sectors – business, government and civil society – can and should lead to greater productivity of organizations and a more just, equitable and sustainable society.
- We are committed to train effective managers and ethical leaders—professionals who are equally competent and compassionate, analytical as well as intuitive, value-creating and values-driven who will act responsibly and with integrity and lead healthy organizations. We want our graduates to be managers who dare to do *good* and at the same time do *well*. We call this the “Drucker Difference.”
- We believe that the Drucker-Ito School, like any organization, must pay attention to what we do *to* society as well as what we do *for* society.

2. *People:* we are committed to people centered management.

- We believe that effective and responsible managers lead by example.
- We believe that effective managers work through people to achieve results.
- We believe that *all* people matter and that the contribution of *all* of our stakeholders to the life of the School counts.
- We endeavor to provide opportunities for people to grow.
- We seek to treat each other with dignity and respect, embrace diversity, and foster inclusion.
- We prefer collaborative decision-making.
- We encourage people to be open to and respectful of different points of view.

3. *Performance:* we focus on results, we expect people to be accountable for results, and we pursue excellence in all that we do.

- We believe that managers have a responsibility to run healthy, sustainable organizations.

- We are adept at balancing continuity and change, at balancing short term results with the pursuit of long term opportunities.

4. *Self-Management*: we believe that internal readiness precedes external effectiveness

- While management is about achieving results, we believe that effective managers must first skillfully handle their own thoughts, emotions and actions.

5. *Learning*: we believe that learning is practice based, transdisciplinary and lifelong.

- Following Peter Drucker's lead, we celebrate practice based learning and ensure there are ample opportunities for students to develop *and* apply skills while they are at the Drucker-Ito School.
- By the time our students graduate, we want them to be able to show the world what they know by providing evidence of the impact their work has already had on practice.
- We encourage students to follow a problem across disciplinary boundaries in order to create new solutions.
- We believe that lifelong learning is critical to the success of managers and we strive to offer opportunities for managers to return to School throughout their careers to re-engage in the learning process.

*Drucker School of Thought*: we are the guardians of the *Drucker School of Thought*

- Through our own research, teaching and practice, we allow Drucker's body of work to continue to evolve to address today's pressing societal, organizational and management problems.

## **CURRICULUM INNOVATIONS**

This academic year, we will introduce new classes to the Drucker curriculum, including: Drucker Philosophy, Leadership Practicum, Practice-based Learning, and Finding Clarity. Below are examples of how Business Ethics and Social Responsibility are embedded in courses at the Drucker School:

### **- Finding Clarity (MGT 325)**

Professionals face a two-headed challenge in being able to flourish in their careers: navigating the organizational culture and system of their workplace with its political tensions and limitations, as well as navigating their inner reactions, assumptions, and biases that distort their ability to perceive the terrain clearly and take effective action. The former requires them to manage their conscious, computational brain; the latter their unconscious, reptilian brain. This course provides the fundamental tools to do both well. The result will be greater clarity in assessing options and potentially creating new ones.

### **- Social Media Management (MGT 377)**

This course examines the impact of social media, new content and rich media distribution technologies, multi-platform storytelling, and other digital innovation to enhance audience engagement. In this course, students explore major social media platforms and gain a grounding in tools to use for effective social media engagement, along with the ethical

issues associated with social media both for personal branding and organizational use (corporations and nonprofits).

The course includes a substantial workshop component that draws on real-life concepts and examples. It will explore how social media can be used to attract and engage with clients/consumers as well as exploring how to design a communication strategy using social media.

### **- Macroeconomics, Government Economics, and International Trade**

Departing from the traditional MBA class in macroeconomics, this class examines the models that economists and policy makers use to explain the business cycle and to form an appropriate policy response. In discussing these macroeconomic models and the policies that they prescribe, we incorporate concepts from Government Economics (also known as Public Economics) and International Economics so that the student will be able to see the critical connection between these areas. Modern macroeconomics cannot be realistically understood without including other areas such as government spending, taxation, economic growth, and international trade and the resulting questions of ethics related to those decisions.

### **- Women in Leadership (MGT 368)**

The primary objective of this course is to uncover the unique challenges, constraints, and opportunities that face women today as they ascend to leadership positions in organizations. The issues have to do with managing diversity, the dynamics of power, authority, and influence, being different, and social expectations as they pertain to women. We explore these topics by drawing on the experiences of women leaders from a variety of sectors and by bringing in important concepts and research insights from psychology, sociology, and business.

A secondary objective of the course is to allow students to reflect on their own experiences; to provoke them to think about their own assumptions and to help them develop their own perspective and leadership style. The purpose is not to provide students with a set of clear-cut tactics, but rather to expose them to the issues related to women in leadership and provide a basis for them to be aware, thoughtful, and confident members of organizations.

### **- Sustainability for Strategic Advantage (MGT 372)**

Case studies of leading mainstream companies are used to analyze how business value is created for a range of social, health and environmental initiatives. Participants will look at sustainable business strategies that reduce risks, drive down costs, create new revenue streams, serve new markets, and position companies to take advantage of changing societal expectations. Environmental issues such as climate change are covered along with social issues such as global poverty. Participants acquire the competencies required to make effective business decisions based on integrating sustainability into the core of a company's value added activities.

This course connects the fields of *sustainability*, *strategy*, *organizational development*, and *design*. It is intended for students and managers who recognize the changed market reality

in which caring for human health, social well-being, and ecological integrity is becoming a smarter way to do business.

### **-Fundamentals of Human Capital Management (MGT 720)**

With the transition to a knowledge-based workforce, designing and implementing effective human capital systems is essential. Leaders cannot “afford” to delegate important decisions about people to “the HR department”. Line managers need to be actively leading all key talent decisions. This class will utilize cases and hands on simulations to facilitate understanding of the leaders’ role in implementing and utilizing effective human capital systems. We will focus on the processes of talent acquisition, learning and development, performance management, and career/succession planning and understand how these human capital processes impact both the success of the business/organizational strategy and the engagement of people. Through the study of human capital, we find that the traditional Human Resources role has expanded to include not only implementation of controls and services for internal customers, but also the importance of the partnership among leaders, employees and human resources professionals in the design and implementation of all human capital systems.

Other examples of courses that cover topics of both social and ethical responsibility include:

- Consumer Behavior (MGT 323)
- Revitalization (MGT 362)
- Economics of Human Capital (MGT 369)
- Business Law (MGT 302/584)
- Practice of Self-Management (MGT 488)
- Leadership Matters: Leading in a Global, Interdependent (MGT 367)
- Crisis Management (MGT 364)

### **TRANSDISCIPLINARY DEGREES & COURSES**

The Drucker School and Claremont Graduate University were founded on a transdisciplinary approach that emphasizes management as a liberal art. Our joint degree in Financial Engineering is the only transdisciplinary program of its kind that links a School of Mathematics with a School of Management. Similarly, our joint Arts Management degree is distinctive and pioneering in matching a School of Arts and Humanities with a School of Management. Our partnership with the School of Community and Global Health (SCGH) offers students a dual MBA/MPH degree. Recent data suggests that Drucker is a net importer of students from other CGU schools and we are proud of this distinction and the positive role we play in encouraging transdisciplinary learning across CGU. We feel that transdisciplinarity is part of who we are and at the core of our enterprise, we are committed to sustaining and increasing our efforts.

As the Drucker School is part of a high-end Claremont University Consortium, also known as Claremont Colleges, our students have a unique opportunity to expand their ethics and/or

corporate and social responsibility education by taking transdisciplinary courses at the partnering schools such as School of Politics and Economics at CGU, Pomona College, or Pitzer College, to name just a few.

The Drucker School expanded its partnerships outside of the Claremont Consortium. Currently we have a partnership with Southwestern Law School, where we developed a concurrent degree: ID/MBA. The purpose of the concurrent degree is to develop students who are knowledgeable about law and policies, but also about responsible management. The partnership launched in Fall 2010 and has a growth in the number of students applying and beginning the concurrent program. Our most recent partnership outside of CGU is with the Art Center College of Design for a concurrent degree in a MS in Industrial Design and an MBA. The purpose of the concurrent degree is develop students who are knowledge about design but are also able to develop strategies and manage processes and more importantly teams.

Transdisciplinary course work is important to the Drucker School as we pride ourselves in the belief that management is a liberal art. Some of the transdisciplinary coursework available to students at the school includes:

**-Leadership Matters: Leading in a Global, Interdependent World (MGT 367)**

The purpose of this course is to explore the challenges and dilemmas that leaders will confront in this dynamic era. Consequently, Connective Leadership, a leadership model designed for a global environment, will provide the overarching conceptual framework for the course. In the first segment of the course, focus will be on leaders as individuals. Readings will explore both classical and contemporary theories of leadership. Students will have the opportunity to analyze and gain insight into their own leadership profiles. The second segment of the course shall shift attention to leaders as critical participants in organizations. How does the organizational context change things for leaders? What special constraints and challenging issues do leaders face in the organizational context of the 21<sup>st</sup> century? The course will also focus on new organization orientations and configurations designed for speed and innovation, including “hot groups.” The course takes a transdisciplinary approach, integrating concepts and models from psychology, sociology, political science, anthropology, philosophy, and organizational behavior.

**-Crisis Management (MGT 364)**

This course will examine both contemporary theories and practice in preventing and managing crises. It will focus on the impact of crises on leaders in all sectors and their supporters. Organizational leaders and managers play a key role in crises, but they must be prepared to make cool decisions in the face of complex situations involving ambiguity and chaos. The course will consider how crises can make or break current leaders, offer flagging leaders the chance to find new direction, and create opportunities for new leaders to emerge. It will explore how crises render followers particularly vulnerable to toxic leaders and how followers may avoid susceptibility. Several conceptual frameworks for analyzing the character, impact, and consequences of crises will be presented and applied to a variety of classic and more contemporary private and public sector case studies, including the current global financial meltdown, the World Trade Center terrorist attack, and Hurricane

Katrina, as well as several classical crisis cases, such as the Bay of Pigs and the Cuban Missile Crisis. Using a transdisciplinary approach, the seminar will explore the dynamics of decision-making in crises and the multifaceted consequences that flow from crises. The course will also cover additional topics critical to crisis management, such as negotiation and media communications.

### **-Toxic Leadership (MGT 365)**

The primary objective of this course is to understand the dynamics of the relationship between toxic leaders and their followers. The secondary objective is to examine strategies for identifying, coping with, and escaping from toxic leaders.

Toxic leaders first charm, but then manipulate, mistreat, weaken, and ultimately devastate their followers. This course explores why we tolerate – and remain steadfastly loyal to – leaders who are destructive to their followers/employees/constituents, their organizations, their communities, and/or their nations. Why do we seldom unseat, frequently prefer, and sometimes even create toxic leaders? To answer these questions, we shall examine how these leaders appeal to our deepest needs, playing on our anxieties and fears, on our yearnings for security, high self-esteem, and significance, and on our desire for noble enterprises and immortality. We shall consider how psychological needs – such as the desire to be at the heart of the action, to be an insider – can often make us susceptible to toxic leaders. We shall explore how psychosocial forces, those interactions of individuals with their environments, particularly individuals' experiences of success and failure, predispose them either to perceive themselves as leaders or to seek an external leader. In this course, we shall also discuss how to recognize the first signs of toxicity and which personal and policy options are critical for dealing with toxic leaders.

## PRINCIPLE 3

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**Method:** We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

The core value of the Drucker School is to educate future leaders who are responsible, ethical, creative, and innovative. Aside from the coursework aforementioned, the School partners with the Drucker Institute and Drucker Societies to perpetuate the work and philosophy of Peter Drucker to businesses large and small across the globe.

### THE DRUCKER INSTITUTE

No other business school has a global outreach mechanism that is similar to the Drucker Institute<sup>3</sup>. As a non-degree granting free-standing institute, the Drucker Institute has a grand mission of strengthening organizations to strengthen society. We are trying to create a grass roots global movement for positive social change and effectiveness, based on Peter Drucker's principles and practices.

In May 2006, more than 100 leading Drucker-like thinkers and practitioners gathered in Claremont, California, to help answer one question: What is Peter Drucker's legacy? Attendees included Jim Collins, management expert and best-selling author of *Good to Great* and *Built to Last*; Paul H. O'Neill, former U.S. Secretary of the Treasury and former chairman of Alcoa; A.G. Lafley, chairman and CEO of Procter & Gamble; Nobuhiro Iijima, CEO of the multi-billion dollar Yamazaki Baking Co.; and Masatoshi Ito, the founder and honorary chairman of the Ito-Yakado Group, Asia's largest retail chain.

This distinguished group's answer to the question was that Drucker's legacy is much more than the man or his writing. Drucker's legacy, they said, is a collection of ideas and ideals desperately needed by future generations of leaders responsible for the companies and communities in which we work and live.

In response, the Board of Advisors of the Peter F. Drucker Archives (founded in 1999) and Claremont Graduate University took a crucial step in 2006: They decided the best way to keep Drucker's legacy alive was not simply to look backward (through old manuscripts and other documents) but to look forward (by building on Drucker's wisdom and applying it to important contemporary issues).

Their mandate, in other words, was to transform the archival repository into a think tank and an action tank whose purpose is to stimulate effective management and ethical leadership across all sectors of society.

Out of the Drucker Archives thus grew the Drucker Institute. We are a campus-wide resource of Claremont Graduate University that is closely aligned with the Peter F. Drucker and Masatoshi Ito Graduate School of Management, where Peter Drucker taught for 35

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<sup>3</sup> <http://www.druckerinstitute.com/>

years and which continues to produce effective managers and ethical leaders for business, government, and civil society.

The Drucker Institute's logo was created in 2008 by Paul Kokinakes, art director at PainePR and principal at Kokinakes Design. The logo brings together four elements that capture the essence of the Institute's work: a capital "D" is embedded in the design because Drucker is at our core; a path from past to future expresses the connection between Drucker's work and the leaders and managers who are carrying it forward; a globe conveys the worldwide reach of the Drucker Societies; the globe is fractured by the Responsibility Gap, but its pieces are connected by a bridge that symbolizes the Institute's efforts to help close the Gap.

#### **- The Drucker Nonprofit Innovation Award**

The award, administered by the Institute and recently renamed The Drucker Prize, is given each November to three U.S.-based nonprofit organizations in recognition of existing programs that have made a difference in the lives of the people they serve. The award has been given annually since 1991 and is accompanied by a first-place prize of \$100,000 and two runners-up prizes of \$7,500 and \$5,000. The main role of the award is to advance best practices in the social sector and how it preserves and expands upon Drucker's early insights about the importance of civil society in holding together what he called functioning or responsible society.

Awards' past first-place winner include:

- **2016** ImproveCareNow Network
- **2015** Kids V Cancer

#### **DRUCKER SOCIETIES**

Drucker Societies are the seeds of a global movement for effective management and ethical leadership. These volunteer organizations are springing up all around the world to bring Peter F. Drucker's wisdom and practical insights to new generations of corporate and social sector thinkers and doers.

As independent volunteer-driven associations, the Societies take many forms, each according to the needs and interests of different sectors such as Corporations, Nonprofits, and Government. Their activities include UN-Workshops for executives where they adapt a different approach from other consulting firms by asking questions to help our Client move quickly and creatively to the best answers. This is established through a series of customized high velocity, multi-modal exercises which provide the tools to move from ideas to actions. **The Drucker Playbook** for the Public Sector provides Drucker-based leadership and management training for both individual public sector employees and teams of government workers.

The Drucker Institute actively encourages the formation of Societies and serves them as a hub, supporting their efforts and empowering their members.

## THE GETTY LEADERSHIP INSTITUTE

- **The Getty Leadership Institute (GLI)** is dedicated to advancing thoughtful leadership in the museum field. GLI offers executive educational programs, special events, and an online forum to help forward-thinking museum professionals develop their knowledge and skills in order to manage change and forge success.<sup>4</sup>

In November 2009, the Getty Foundation announced a major grant of \$2.2 million to Claremont Graduate University (CGU) to form The Getty Leadership Institute at Claremont Graduate University. The grant supports the continued operation of GLI on CGU's campus and a re-envisioning of programs, curriculum, and staff to ensure that GLI at CGU remains at the forefront of developing innovative leadership programs for museum professionals.

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<sup>4</sup> <http://www.cgu.edu/gli>

## PRINCIPLE 4

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**Research:** We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.

The core or “soul” of the Drucker School is its faculty. The Drucker faculty are committed to not only teaching our students, but also conducting cutting-edge research. Below are highlights of research and writing projects of our faculty in the past two years.

### **FACULTY SCHOLARLY PUBLICATION: 2016-2018 HIGHLIGHTS**

#### **Gary Gaukler**

Gaukler, Gary M., Michael Ketzenberg, Victoria Salin: “Establishing Dynamic Expiration Dates for Perishables: An Application of RFID and Sensor Technology,” forthcoming in *International Journal of Production Economics*.

Kim, R., Gary M. Gaukler, Chang Won Lee: “Improving Healthcare Quality: A Technological and Managerial Innovation Perspective,” *Technological Forecasting and Social Change*, Vol. 113, December 2016.

#### **Bernie Jaworski**

Jaworski, Bernard J. and Ajay Kohli (2017), Conducting Field-Based, Discovery-Oriented Research: Lessons from Our Market Orientation Research Experience, *Academy of Marketing Science Review*. Online (April), 1-13.

Jaworski, Bernard J. (2017/2018), Commentary: Advancing Marketing Strategy in the Marketing Discipline and Beyond, *Journal of Marketing Management*.

Bernard Jaworski (2017), “The Zaltman School,” in Legends in Marketing Series, Sage Publications. Manjit Yadav, Editor.

#### **Jean Lipman-Blumen**

Lipman-Blumen, Jean. *Leading in Crisis: A Practical Theory for Success*, 444 pages, currently under review, Stanford University Press. 2017

Lipman-Blumen, Jean. “Response to Robert J. Sternberg’s ACCEL: Connective Leadership in an Interdependent World.” *Invited “Thought Leaders” Response; (Roeper Review, Vol 39, Issue 3, Wisdom in a Changing World, pp. 170-173. 2017*

Robinson, Jill and Lipman-Blumen, Jean. “Challenging Our Assumptions about Male and Female Preferences for Competition,” *Journal of Leadership Studies*, Vol. 10, No. 4, pp. 66-74. 2017

Lipman-Blumen, Jean. "Five Articles on Peace Leadership: A Foreword," *International Journal of Public Leadership*. Vol. 12, No. 3, pp. 1-9. 2016

### **Michael Kamins**

Kamins, Michael. *Marketing Manipulation: A Consumer's Survival Manual* (2018), Now Publishing

### **Katharina Pick**

Pick, Katharina (May 2017). "Women, Leadership, and Power," *Handbook of Research on Gender and Leadership*, edited by Susan R. Madsen. Camberley Surrey, UK: Edward Elgar Publishing.

### **Jay Prag**

Prag, Jay (2017). "Executive Financial Management," 2<sup>nd</sup> Edition, with Jim Wallace, Cambridge Business Press

Prag, Jay (2017). "Macroeconomic Essentials" 4<sup>th</sup> Edition, with Peter Kennedy, MIT Press

### **Hovig Tchalian**

Tchalian, H. & Alsudais, K. 2016. *A New Application of Blockmodeling: Socio-Discursive Analysis of Semantic Networks*. 2016. Proceedings of the Pacific Conference on Statistical Computing and Data Mining

### **James Wallace**

Wallace, James (2017). *Financial Accounting For Undergraduates*, 3<sup>rd</sup> Ed. with K. Nelson, K. Ferris and T. Christensen, Cambridge Business Publishers, ISBN 978-1-61853-161-2

Wallace, James (2017). *Financial Management for Executives*, 2<sup>nd</sup> Ed. With J. Prag, Cambridge Business Publishers

Wallace, James (2017). *Managerial Accounting For Undergraduates*, with T. Christensen and L. Hobson, Cambridge Business Publishers, ISBN 978-1-61853-213-8

Wallace, James (2017). *Financial Accounting For Executives and MBAs*, 4<sup>th</sup> Ed. with P. Simko and K. Ferris, Cambridge Business Publishers, ISBN: 978-1-61853-199-5

## PRINCIPLE 5

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**Partnership:** We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

The Drucker School of Management offers organizations partnership opportunities to increase productivity, maximize learning and problem solving, and provide expertise and objectivity to design strategically relevant programming and curriculum design. When organizations partner with the Drucker School, managers interact and work with faculty, advanced degree students and the Drucker network through intensive workshops, seminars, symposiums, consulting and research projects.

### **CALIFORNIA POLICE CHIEFS EXECUTIVE LEADERSHIP INSTITUTE**

This past summer saw the launch of the first annual California Police Chiefs Executive Leadership Institute (CPCELI) at Drucker. This new partnership between the Drucker School of Management and the California Police Chiefs Association (CPCA) provides participants a robust leadership development program using core Drucker principles to address major issues in policing. Topics covered include risk management, evidence based decisions, citizen engagement and the public trust, mindfulness, and exemplary policing. The first year attracted over 30 current and future police chiefs from California and neighboring states.

### **CUSTOM CORPORATE EDUCATION**

Current Corporate Education Partnerships include:

- Edward Jones
- ResMed
- Salesforce
- Waseda

### **PARTNERING WITH LOCAL AND GLOBAL CORPORATE EXECUTIVES AND KNOWLEDGE WORKERS**

The Drucker School currently partners and works with a variety of executives and individuals who embody the philosophy of the school. Some of our partners and advisors include:

- Ken Abbott (Managing Director, Morgan Stanley)
- Lana Abou-Assi (Director of Operations, AmEx International, Inc.)
- John Bachmann (Senior Partner, Edward Jones; Chairman of the Drucker School Board of Visitors, and CGU trustee)
- Sarah Braun (Attorney)

- Andrew Casey (Vice President of Finance & Business Operations, ServiceNow)
- Saori Casey (Vice President of Finance, Apple)
- Gary Chan (CEO, GEMA Capital Partners Limited)
- Andrew Chen (Director of Market Development, Woodmax KY Industries Corporation)
- Athena Chiera (Vice President of Business Development, Athena Engineering Inc.)
- Mark Crowley (Chief Operating Officer, Marketplace)
- Lorenzo Di Bonaventura (Producer, Paramount Studios)
- Gang Ding (CEO, First Global International)
- Carol Geffner, (President, Newpoint Healthcare Advisors)
- Tom Hsieh (Chairman & CEO, Splinterock)
- Masatoshi Ito (Founder and honorary chairman of the Ito-Yokado Group)
- Junro Ito (Director & Senior Executive Officer, Seven&I Holdings Company, Ltd.)
- Wayne Lee (President, Powertec, Inc.)
- H.Dean McKay, Ph.D. (Chairman of the Board and CEO, Cirrus Systems, LCC )
- Michael Medella (Manager, Toyota USA Foundation)
- Synthia Molina (Managing Partner, Central IQ)
- Charles A. “Chuck” Morrissey, Ph.D. (Founder and Chairman, Study. Net Corporation)
- Koji Ogura (President and Chief Executive Officer, Yamato Transport U.S.A. Inc)
- John Renken (President, The Renken Company)
- Jamie Richardson (Vice President, White Castle Management Co.)
- Ajit Sivadasan (Vice President and GM, Lenovo)
- Kim Snyder (President, Southwest Region, Prologic, Inc.)
- Allyson Stewart-Allen (CEO, International Marketing Partners Ltd.)
- Allen Sugerman (Chief Financial Officer, MiraMed Global Services)
- Barbara Usher (Business Systems Integrator, Google)

### **BEING PART OF THE CLAREMONT UNIVERSITY CONSORTIUM (CUC)**

The CGU/CUC partnership gives our students access to many additional resources: access to events, lectures, seminars, and library access to world-class databases for research.

In addition, this partnership gives us a unique opportunity to create joint degrees with various schools. For example, our joint degree in Financial Engineering is the only transdisciplinary program of its kind that links a School of Mathematics with a School of Management. Similarly, our joint Arts Management degree is distinctive and pioneering in matching a School of Arts and Humanities with a Business School.

## **CLASS PROJECTS**

Class projects offer students partnership opportunities with businesses and organizations to “do business better” and incorporate classroom lessons to real world experiences.

Current class projects include:

- **Game Lab PC Game Launch:** Students are interviewed and hired to work in an interactive lab. Graduate and undergraduate students work across disciplines (software engineering, art and design, business and marketing), in a real-world setting and along with outside mentors with extensive experience in the industry to design, build, troubleshoot, market and monetize a game on the popular Roblox platform.
- **Game Lab ReConnect project:** Graduate students are interviewed and hired to work with an outside mentor (the Game Lab sponsor) to build a product prototype. The ReConnect project recently successfully piloted a prototype with a local retirement community - a hand-gesture-driven platform to help residents communicate with friends and family and exchange photos and videos, reducing loneliness and isolation. The pilot project and the prototype will become the central technology in an outside, angel/venture-funded initiative to be launched in the fall of 2018.
- **In the Managing in the Creative Economy course,** students learned about the Base of the Pyramid (BOP) which investigates the world’s poor, broadly defined as those earning \$5 per day or less. During the course, the students studied uSound, a startup created by young social entrepreneurs in Northern Argentina. They have developed and are selling a software app that helps the poor who cannot afford hearing aids to hear much better for a much lower price. Student in class had the opportunity to discuss this case live via Skype video with two of the founders of uSound based in Northern Argentina.

## PRINCIPLE 6

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**Dialogue:** We will facilitate and support dialog and debate among educators, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

We understand that our own organizational practices should serve as an example of the values and attitudes we convey to our students. Sponsored and coordinated through the Drucker School External and Alumni Affairs office and the Student Life office, we hold various events that not only reinforce the values and traditions held by Peter Drucker, but speak to the heartbeat of current events, and trends that relate to social responsibility and sustainability in the business and management sector.

### ANNUAL DRUCKER DAY CELEBRATION

On November 4<sup>th</sup>, 2017, the Drucker School hosted its annual Drucker Day celebration by inviting business professionals, alumni, and current students to attend a program entitled, “The Peter Drucker Path: Past, Present, and Future.” This Drucker Day was a special celebratory occasion in which guests remembered Peter Drucker the man, celebrated one of his colleagues, and welcomed many executives and distinguished faculty who walk the Drucker Path every day. The program also explored new applications for Peter Drucker’s timeless principles in the shifting management landscape. The day featured two keynote speakers including Renee Mauborgne, one of the world’s preeminent management visionaries and author of the worldwide bestseller *Blue Ocean Strategy: How to Create Uncontested Market Space and Make the Competition Irrelevant*, as well as Deborah Clark, the Senior Vice President and General Manager of Marketplace which reaches more than 14 million listeners weekly. The program also consisted of panel discussions featuring executives from East West Bank, Genspring, ServiceNow, and The Pokemon Company International who discussed Peter Drucker’s impact and new applications for his management philosophies. One of the only CGU schools to have an official “Alumni Weekend,” Drucker Day allows alumni, community members and current students to reconnect and reengage with the School and their Drucker community. The event was a success with over 400 attendees.

### PLANS FOR THE NEXT 18 MONTHS

#### Strategic Priorities

There are four main strategic priorities for the next 18 months:

- Student Success – innovate across our product portfolio and add initiatives to enhance students’ career outcomes
- Simplify the business – practice abandonment, focus our efforts on a smaller number of areas
- Strengthen the faculty – develop and implement a five-year faculty and recruitment plan

- Engage alumni – continue to identify and engage alumni in the success of the School

## **Curriculum Developments**

The MBA program will continue to review and revise its curriculum to address market needs and to better prepare future leaders. The revised curriculum will include the following changes:

- The MBA Program will transition from a 60-unit to a 48-unit degree.
- The revised curriculum will feature the Drucker Signature Platform that consists of coursework highlighting Peter Drucker’s management philosophies, as well as a leadership and career strategy practicum that will enable students to participate in leadership development and practice-based learning opportunities.
- The Drucker Office of Career Strategy will work with faculty leading the Drucker Signature Platform to integrate the Drucker Pathways program which provides students with the resources needed to enhance their employment outcomes upon graduation.
- The curriculum will consist of four building blocks
  - The Drucker Signature Platform
  - People and Strategy (this module covers how organizations function, how to build effective work groups and teams, and what leadership is all about)
  - Analysis and Decision-Making (these are the quantitative classes fundamental to decision-making within an organization)
  - A Concentration (this will provide students to develop expertise in a functional area such as marketing, supply chain, and finance or in a context area such as the creative economy, family business, or entrepreneurship).
- We will continue to explore opportunities to provide executive education, including an Executive PhD which would enable us to attract students who want to impact the practice of socially responsible management around the world.

## **Drucker School Global Family Business Institute**

During the previous academic year, the Drucker School launched a Global Family Business Institute with the goal of uniting world-class experts in family business governance with successors and representatives of family businesses from around the globe for a comprehensive graduate program in management and executive training.

In the upcoming year, we will convene the Global Family Business Institute Board of Advisors for its inaugural meeting and we will host an event to welcome our first regional chapter which will be affiliated with the Institute. Once the school year begins, we will host our first symposium to discuss issues related to family business governance and succession planning, and we will launch a student club in family business which will attract students to a new concentration that we have developed for students interested in topics related to family business.