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Preface

Writing this book has been on my mind for almost 15 years. In the early nineties—as dean of the School of Business Administration at George Mason University—I had the pleasure of co-teaching an executive course on corporate governance with Nell Minow, a pioneer in the field. This experience convinced me of the importance of this subject to our welfare and cemented my interest in this topic.

Years later, as dean of the Peter F. Drucker Graduate School of Management at Claremont Graduate University, I had the pleasure of facilitating a thoughtful discussion between another pioneer in the field, Robert A. G. Monks, and the venerable Peter Drucker on the future of the corporation. Again, I was struck by how important the efficacy of our corporate governance system, laws, and practices is to the vibrancy of our brand of capitalism. I also became aware how little time was devoted to this important subject in most executive and MBA programs—hence the need for this book.

I have many others to thank. A number of colleagues at the Drucker School, including Vijay Sathe, Dick Ellsworth, Jim Wallace, and Rafael Chodos contributed substantially with their perspectives and constructive criticisms. Ken Merchant, Deloitte and Touche LLP chair of accountancy at the University of Southern California, wrote a thoughtful review on an earlier draft and made many useful suggestions for improvement. I also benefited greatly from conversations with executives, such as A. G. Lafley, chairman and CEO of Procter & Gamble, and John Bachmann, senior partner of Edward Jones. And I am grateful to Robert Klitgaard, president of Claremont Graduate University, and Ira Jackson, my able successor as dean of the Peter F. Drucker and Masatoshi Ito Graduate School of Management, for their support.

I am particularly indebted to the late Peter Drucker. His guidance and friendship meant a lot to me. Considered by many as the “father of modern management,” Peter’s unique perspectives on modern capitalism and on the role of the private sector, nonprofits, and the government have helped shape the thinking of CEOs, academics, analysts, and commentators alike. I hope this book contributes to this process.

Since much of what goes on in the boardroom is hidden to the outside world, there is no substitute for firsthand experience. Many of the observations in this book are inspired by my own experience as a director of a NASDAQ and a private corporation, as well as by my consulting work with large nonprofits. These

experiences have particularly sensitized me to the realities of the “sociology” of the boardroom, the powerful set of forces that guides group behavior, especially when the players are competitive, away from their own power base, and under strong peer pressure.

As aspiring authors quickly learn and seasoned writers already know, writing a book is a mammoth undertaking. Fortunately, I had a lot of encouragement along the way from my family and friends, and I take this opportunity to thank them all for letting me spend the time writing this book and for their words of encouragement. I am grateful to all of them and hope the final result meets their high expectations. It goes without saying that I alone am responsible for any remaining errors or misstatements.

Cornelis A. “Kees” de Kluyver

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