

Alchimie Group
Cultures of Leadership:
Leadership & Learning

Q1, 2013

*“You will either step forward
into growth or you will
step back into safety.”*

Abraham Maslow



LEADERSHIP DEVELOPMENT

“Leadership and learning are indispensable to each other.”

John F. Kennedy

Cast against the residual decline of the Eurozone economies; the problematic fiscal cliff looming over the USA; and the IMF rapidly cutting growth estimates across the more ‘hopeful’ economies of China, India and Brazil; the words of JFK seem more relevant than ever. Successful leadership has to cultivate habits of learning in the midst of obvious challenges, to enable progress within wider organisations and our individual selves.

Beyond the general global economic issues, every leader has to manage difficulties specific to their company, industry and corporate culture. The continual development of new technology and practices within the business

community, means there is an abundance of information but often a shortage of application, rooted in experience.

We have therefore approached a number of respected and experienced leaders from among our advocacy network, for their input and insight on leadership in today’s demanding environment.

Our discussion addresses two specific questions:

What is the biggest challenge facing your industry?

What is the one piece of advice you would give to a future leader?

We hope that these observations from industry experts in the Automotive, Transportation, Power Generation and Packaging industries enrich your thinking, and

will provide stimulus for your own leadership behaviours.

Russell Stoddart: *VP of Engineering and Sales for BorgWarner Commercial Diesel Turbo Systems: North Carolina, USA.*

UNCERTAINTY

By far the biggest challenge to our industry today is the uncertainty in the market place. The developed markets were slowly recovering to the pre 2008 levels. The developing countries were expanding, but at a much slower rate than the pre 2008 levels. However, the recovery seems to be once again slowing and some markets are starting to decline. This uncertainty leads to companies being cautious in their planning for new investments, whether it is investing in new product technologies, new buildings or new capital equipment.

ADVICE FOR A FUTURE LEADER

Decision Making – my experience shows that the majority of leaders are not strong in decision making. Many new leaders fall into the trap of not being able to make a decision.



This could be because they do not want the responsibility if they are wrong or don't know when they have enough information to make a positive decision. My advice to leaders is to be bold in their decision making; to know when they have sufficient data to act; to take responsibility for bad decisions; to learn from their mistakes and to make sure that they show leadership to amend a bad decision.

“Many leaders fall into the trap of not being able to make a decision.”

Don Skiba: *Transportation Executive with 40 years of management experience working for TRW at GM, VP Operations and Managing Director level: USA.*

TECHNOLOGY

I believe that the management of technology and innovation in new products is the most difficult challenge facing future leaders. Whether a company provides products or services, new technology drives the competitive advantage.

New products must be the leading edge, have world class design and be easy to use. Leaders must be able to find the right spot in the competitive spectrum to place their products.

They must be able to differentiate their offerings in the market and lead the innovation drive to find the right products on which to base their company's future. Today's customers are more capable than ever before in differentiating and knowing when a sweet spot has been presented. Today's leaders must be able to manage both the product development cycle, bringing key company groups into sync, while at the same time mastering the art of introducing new technology to the market.

I do not believe that future leaders can delegate the management of technology and must stay on point, putting a clear emphasis on competitive analysis and market research. Steve Jobs is the perfect example of this. While Steve's interpersonal and human skills were clearly suspect, his ability to manage the product development cycle in his companies led to their success.

ADVICE FOR A FUTURE LEADER

Set two or three strategic priorities and be uncompromising on their accomplishment. Every leader must navigate through a plethora of competing goals and objectives. However, successful leadership involves more than setting a successful course for an organization. The truly great leaders are able to work through the technical, market and strategic issues at hand while at the same time driving toward an end point with total focus.

A great example of this was Walt Disney, who put his total focus on the development of animation for movies. Walt never strayed from his central vision of creating an entertainment company based on technical improvements in this art form. He left much work to others, but it was his uncompromising insistence on animation processes and details that drove the company to its success.

Linda Maurer: *International HR leader with over 25 years of global experience in the automotive, aerospace, mining and energy industries at Alstom and LHoist: Switzerland.*

CULTURAL DIFFERENCE

In my opinion, the greatest challenge for the power industry of the west is the way in which to work with, and serve, the clientele of the east. The fact is that the growth of the power industry is not in the US, nor in Western Europe and therefore the shift of both supply and demand resides in a part of the world in which the cultural differences demand patience, understanding and partnership – none of which are easily achieved within the standard western parameters of business. In our world of short term thinking, quarterly profits and innate distrust, our advancement in emerging markets is destined to be problematic.



Will the exigencies of our own balance sheet supersede being the leading edge of technology with the populations that will be the tipping point for the global environment? How long will it take to be able to trust a culture we don't feel comfortable with? How long before we recognize that western leadership in power generation may be a thing of the past? Where will the birth of new power generation technology take place? These are our challenges, and they are not futuristic in consequence, they are dilemmas of the urgent present.

“The very best leaders I've worked with knew intrinsically that we could not become what we needed to be by remaining what we were.”

ADVICE FOR A FUTURE LEADER

My best advice to a future leader is that leadership is an **art** and a **privilege**, so use it wisely and with respect.

Leadership is the fine art of listening with intelligence, learning with constancy, and practicing with passion. It changes with the nuances of the industry at hand and the talents within, but a good leader knows how to harness the energy of an organization, tackle the difficulties and achieve beyond the expectations.

A leader is constantly learning, from within and from without, and to lose sight of the

passion for new ideas or of the energy generated by innovation and opportunity is to fail at the art of leadership in business.

The very best leaders I've worked with knew that they held a privileged position in the lives of many. Yet they were collaborative, modest and generous; generous with their time and attention, but most importantly with their gratitude. Able to balance the management of assets with that of civility and values, leaving doors open and communication flowing.

They knew intrinsically that we could not become what we needed to be by remaining what we were, and that evolution for the business was dependent upon the evolution of our talent.

To be a leader means having the extraordinary opportunity to make a meaningful difference, to the business you serve and in the lives of those who permit you to lead. To future leaders, I challenge you to use the *art* and the

privilege of leadership wisely. Our futures depend upon it.



Oscar Tejedor: *Consultant Director at Overlook Consultancies and former Global Sourcing leader at Delphi and Federal-Mogul: Barcelona, Spain.*

INNOVATION

The biggest challenge at this time is how to manage innovation. Investing in Innovation might be expensive today, but to not invest in innovation would be a huge catastrophe. Innovation is what differentiates you from

your competitors and what drives you towards success in the future. When you are in front of a customer, you have to be able to talk about something different; something new; something beyond the current standards. Otherwise after 10 seconds of conversation the body of your customer remains in front of you, but their mind will be a thousand miles away.

ADVICE FOR A FUTURE LEADER

A Future Leader should have three basic functions: Facilitator, Developer and Server to a team.

“Listening is the best way of learning.”

These can all be summarised in one simple characteristic; **“listening”**. A good leader needs to be ready and willing to listen to other people and prepared to give instead of demand. A Leader can be a title given within

an organization, but Leadership is given by the team you manage. The ability to effectively listen not only connects a team together but also empowers people. My simple advice to any future leader is to develop your ability to listen, for it will allow you to understand a wider range of perspectives and listening is the best way of learning.

Stephen P. Malia: *HR leader with 35 years experience with three Fortune 500 companies, most recently as the Senior Vice President of Owens-Illinois: USA.*



COMPETITION

Like all businesses, the glass packaging industry has many challenges the most significant of which is the trend towards substitution by other packaging materials. Glass container producers compete with other glass companies, as well as other materials including aluminium, plastic, pouches, etc.

Each material has some advantages and disadvantages and not all materials can compete effectively in all segments of the global food and beverage market. In general, the glass segment of the packaging industry has been less effective at innovation and marketing, including selling the attributes of glass such as purity, premium image (brand building), taste, food & beverage safety and sustainability, i.e. glass is endlessly recyclable. While the glass container industry is now taking steps to take on this substitution challenge it is still the biggest challenge for the industry.

ADVICE FOR A FUTURE LEADER

The most meaningful advice I can share with an aspiring leader is to build a strong foundation by seeking out a variety of career experiences and challenges.

Ideally, this would include experiences in different functional areas, varied businesses or industries, different markets and business environments, and include substantive global, cross cultural experience. Varied experiences are the best way to develop a well rounded leader who is comfortable with commercial, operational, financial and people/organizational issues.

It also is the most effective way to develop "emotional intelligence" and people leadership skills, as well as the broad business acumen needed for success.

FINAL THOUGHTS

In this first edition of Cultures of Leadership, the contributions and discussion has focused around external issues that shape leadership behaviours, from global economic uncertainty, to driving competitive advantage and the importance of technology. With this in mind, we are reminded of the values and qualities that leaders bring to their roles. Having worked with some of the world's leading organisations we have come to recognise the emergence of what we term '**Universal Characteristics of Leadership**'.

Of course all leaders require specific capabilities and essential skills in their given discipline, but there are undoubtedly some characteristics and competencies that simply transcend a particular function, industry or geography. These universal traits provide us an authentic benchmark for outstanding leadership, irrespective of the discipline, sector or region. It also enables us to identify

these qualities when we are engaging our search activities. Leaders who are capable of transcending their environment are rare and essential in our global diversified economies.

Some of these qualities include:

- Good Character
- Personal Energy
- International Mindset
- Rigor to improve
- Humility
- Courage

We have come to view the Universal Characteristics of Leadership as the most important element of our work. Outstanding leaders hire outstanding future leaders, and this means we are continually looking for these traits as we extend and develop our network, and deliver searches for our clients. An outstanding company is not only a company that is growing and profitable, but it is also a community of people, where

Universal Characteristics of Leadership are common place.

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Russell Stoddart: *VP of Engineering and Sales for BorgWarner Commercial Diesel Turbo Systems based in North Carolina, USA. Mechanical Engineer by background, graduated from Sheffield University, with an MBA from Huddersfield University.*

Don Skiba: *Transportation Executive with 40 years of management experience working for TRW at GM, VP Operations and Managing Director level based in USA. Engineering background with an MBA from Case Western Reserve University's Weatherhead School of Management in Cleveland, Ohio.*

Linda Maurer: *International HR leader with over 25 years of global experience in the automotive, aerospace, mining and energy industries at Alstom and LHoist, based in Zurich, Switzerland. Key responsibilities in staffing, development, senior management coaching and board level strategic planning.*

Oscar Tejedor: *Consultant Director at Overlook Consultancies and former Global Sourcing leader at Delphi and Federal-Mogul, based in Barcelona, Spain.*

Stephen P. Malia: *HR leader with 35 years experience with three Fortune 500 companies, most recently as the Senior Vice President of Owens-Illinois, based in USA. Previous companies include Mosaic and Owens Corning responsible for human resources roles at both the operating unit and corporate levels.*

Authored by Stephen W. Hughes

About Alchimie Group:

Alchimie Group is a global talent management firm working with leading organizations across diverse sectors and regions, who all share values that promote the universal characteristics of leadership.

For further information please feel free to contact us at info@alchimiegroup.com