

RETHINKING DIVERSITY IS KEY

High Performance Leadership Teams

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His intellectual, intelligent, and modest nature will make Christian Roduner the next big star. He has an incredible talent to interact and communicate with people which helps him to disrupt rigid, old, and outdated team structures. As a long time friend and partner of ILI DIGITAL, we've met up with Chirstian once again to exchange ideas.



The value of diversity in leadership teams or organizations is widely recognized and discussed. The dimensions considered in this context are cultural background, origin, gender and sometimes age, hence generation. In this article I'd like to develop my line of thought on a best suited diversity for high performing (leadership) teams. Teams performing not only in leading through day-to-day operational challenges but capable to master crisis, disruption, strategic changes or simply the unexpected.

Digitalization is playing a crucial role in shaping the organizations of the future. Globalization, communication and mobility advances reduce the friction of physical and geographic constraints. Parting from this premise, the value of diversity in corporates' people and culture policies have become an increasingly recurring topic, which applies from the operational level to leadership teams.

As a result from observing how teams are put together in corporations, we can identify some recurring patterns in the structure orbiting around the following dimensions: cultural background, origin, gender and sometimes age, hence generation.

High Performing teams are not only supposed to be prepared for day-to-day operational challenges, but also to master strategic changes, disruption or crisis situations, in short, for the dealing with the unexpected, making them ready to steer the company through stormy waters.

Based on experience and a relationship with a number of companies, I believe today's organizations should not be solely limited to a mix of cultures, gender and generations. For a corporation to be prepared for challenges in today's context, they need a more agile and flexible management structure, built around.

WHY?

The core strengths of "conventional" leadership teams are defined by effectiveness and efficiency in a continuous (predictable) operation scenario, which represents perhaps 90% of their workload. Examples are leadership teams of large engineering companies, such as GE, Boeing or ABB, primarily dominated by engineers, being mostly veterans with experience predominantly in their respective industrial sector. If we observe the diversity in this case, it is mainly limited to origin, age and increasingly gender.

The preference for managers with long company affiliation, the so called "Lifers", is twofold. First, companies with strong internal processes for people assessment, portfolio management and development, can fill their needs in leadership capacity themselves. On top of that, their talents are sought after leaders by others in the industry. Overall this is a cost effective way, which strengthens the culture of the company as a side effect. Secondly, global players have their own ecosystem. They are complex organisms arranged in a matrix, consisting by up to three dimensions. In such situations, "Lifers" can have a clear advantage by possessing a thorough understanding of this

decision making jungle, while relying on an organically grown network.

In this context, the dominance of engineers can be easily noticed. Sophisticated technology is the main value proposition of the offered products, systems and solutions. This fact gives engineers an advantage in becoming leaders, due to the deep understanding of the mechanics behind the value created and captured by a company. Additionally, when it comes to B2B businesses, clients are likely to be engineers too, why they often consequently speak the same language.

However, all these strengths can turn into weaknesses in an environment of disruptive changes like today's. The dynamics around innovative topics as new technologies (digitalization), social awareness (CO2 reduction), entrance of new competitors in the market, or simply a crisis are factors that could negatively affect companies that are not able to respond quickly and accordingly. The pitfalls could be blind spots, lack of ideas, misjudgment of the severity of the situation. Teams lacking diversity of experience, background of different industries as well as a mix of company in- and outsiders have common thinking patterns, leading to incomplete problem analysis and common problem solving approaches. In other words, more of the same, under these circumstances, is definitely not the key to success.

A BROADENING OF THE DIVERSITY CONCEPT BY THESE 3 DIMENSIONS IS PROPOSED:

a mix of professions,

mixing company outsiders and "Lifers",

and adding people of various industry backgrounds.





"HIGH PERFORMING TEAMS HAVE TO BE PREPARED TO STEER THE COMPANY THROUGH STORMY WATERS."

1. SO WHY A MIX OF PROFESSIONAL BACKGROUNDS?

In my view as an engineer, I always connected easily with other engineers, independent of cultural background, age or gender. Which tend to be obvious, since people in similar positions, independently of their origin, share comparable vocation, interests and education, leading to comparable thinking and problem solving approaches. Whereas the diversity of a lawyer, a priest, a psychologist, a street worker or an engineer, grown up in the same village, is significantly bigger. Consequently, to achieve wider problem solving capacity, thinking patterns and ideas, professionals with different educational backgrounds are a key component.

2. WHY WORK EXPERIENCE OF DIFFERENT INDUSTRIES?

We can apply similar reasoning for industries; the variety between different industry branches in one country is greater than the diversity of companies from different countries of the same industry branch. Experiences from other industries blended in, fertilizes thinking out-of-the-box.

3. WHY A MIX OF "LIFERS" AND NEWCOMERS?

Lifers have a profound understanding of the company and all its internal dependencies, making them good navigators. On the other hand, newcomers help challenging the status quo and provide an outside-in perspective. They can easily advocate for changes, while Lifers are constrained due to their legacy and personal dependencies of their internal network.

Using my example as a practical demonstration, after having served for 17 years in different R&D roles in the same company, I started a new challenge as General Manager in an aviation company. Personally, it is a refreshing and inspiring experience. I took the chance to re-staff and organize my leadership team. The team is currently a mix of Lifers, newcomers and colleagues from other companies in same industry as well as from other industries. The positions vary from mechanic to engineer to pilot. When assembling high performance teams, the heaviest selection criterias for a manager in my opinion are: leadership skills, attitude and behavior, before educational background and technical capabilities. Continuing with the example, my current engineering manager is a former aviation logistics and supply chain manager. I have deliberately chosen him, since I wanted to push productivity in my engineering team rather than solving engineering problems.

"PROFESSIONALS WITH DIFFERENT EDUCATIONAL BACKGROUNDS ARE A KEY COMPONENT."

Wrapping up the topic, I would like to share a real situation in my team. Our core business is aircraft MRO&U (Maintenance, Repair, Overhaul and Upgrades). Currently we are running a comprehensive refurbishment program for a whole fleet of aircrafts. The size and technical complexity of the program reaches a whole new dimension for my organization. In order to achieve a stable and predictable operation, the common MRO approach is not suitable, that is

treating each aircraft - passing the program - as an individual project. Therefore, we strive for industrialization of the whole program. This approach brings positive consequences for development, qualification, prototyping and ramp-up of the solutions. In other words, we adjusted the classical approach to a more product development, qualification and production focused one and thanks to the different minds, backgrounds and experiences in the team, we were able to

successfully implement this change. With the proposed broadened concept of diversity, leadership teams are better prepared to master the unexpected, they become performing teams. The alternative is changing the team in non-common situations, e.g. Boeing and B737MAX. You never know when the next crisis hits you, you better be prepared. So rethinking diversity in the context of your leadership team is key. Do you have the right diversity?

