



A SIDEWAYS LOOK AT LEADERSHIP

As a board member and Head of Human Resources at international conglomerate Siemens, Janina Kugel is responsible for more than 340,000 employees. When she took over human resources for America, the Middle East and Africa in 2013, Siemens was heading into extensive reforms of its businesses and strategies that required new forms of leadership. She now has a global role and joined the Managing Board in 2015.

Kugel is open, quick-minded and easy going. She questions “quasi-dictatorial” notions of authority and emphasizes effective communication. Modern leaders, she says, need to see themselves more as integrators. We spoke to Kugel about the challenges she encountered at Siemens and the changing directions of leadership.

With so many employees, how do you anchor leaders in a common culture?

We start by recognizing that there cannot be a single culture in a company that operates in more than 200 countries. Siemens Chile has a different culture than Siemens China or Siemens Germany. That being said, our values are our common

core – they unite us. We say exactly what we stand for and what our strategy is. Leaders then adapt this to their teams.

People tend to associate large companies with rigid, top-down reporting lines. You have said you favor a different style of leadership.

Yes, I do. I recognize every company needs structure and reporting lines, but an organizational chart should not dictate how a person leads. Naturally, different circumstances, cultures and processes call for different leadership styles. A large-scale construction site should be managed differently from an accounting department.

But the world is changing – quickly and profoundly. I am firmly convinced that an autocratic leadership style has no future. Our world moves too quickly, and the problems we face are too complex, for a hierarchical, quasi-dictatorial style of top-down leadership to work.

People today are less interested in working for the “right company” and more interested in being part of a team and feeling they belong. If leaders want to retain great people, they need to find ways to involve them, not talk

down to them. Leadership needs to become more horizontal.

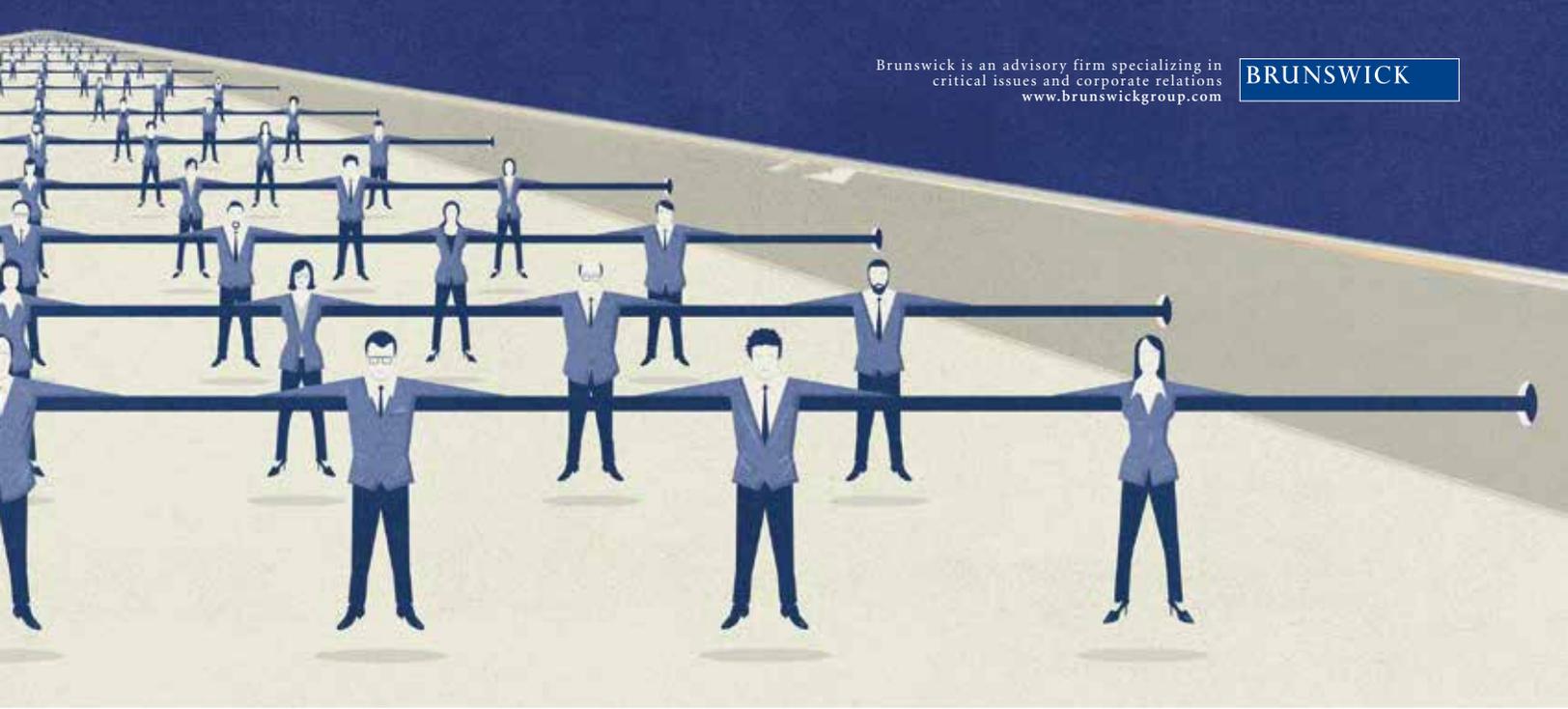
Explain what you mean by “horizontal?”

Horizontal leadership means that the manager doesn’t need to make every decision personally, but is able to involve people in the organization based on their know-how and experience, and not purely on hierarchy. A horizontal leader takes the time to listen to employees in order to understand exactly where the problems and barriers lie. They also take the time to clearly communicate their expectations as well as feedback.

But let me be clear: involving a larger number of employees in the decision-making process does not necessarily mean every single individual’s opinion must be taken into consideration. Horizontal leadership is a balance.

That sounds great on paper, but how do you make it work in practice?

Take social media, for example. Even within a hierarchical structure, social media allows leaders to communicate faster and more frequently with colleagues, and to keep their teams informed and involved.



Siemens' **JANINA KUGEL** tells Brunswick's **KATRIN MEYER-SCHÖNHERR** and **CARL GRAF VON HOHENTHAL** that leadership needs a more "horizontal" approach

At Siemens, employees can contact me directly through our internal social network. And I reply to each employee who emails me. I don't always reply within 24 hours, and if they send me three pages I may only respond with three sentences. But they will receive an answer.

You keep emphasizing the role of communication.

Absolutely. For me, good leadership means successful communication. At Siemens, we want to motivate our employees by creating an open and friendly atmosphere to communicate and to speak up.

Some of the most important leadership changes start from the bottom up; the French Revolution did not start with the king. By the sheer force of their numbers, our employees have the strength and opinions to initiate change processes themselves.

But communication – no matter how frequent or open – is empty without follow-through. It is critical that we practice what we preach. If we claim to be tolerant of mistakes, we need to actually admit mistakes when we make them ourselves.

Can this style of leadership be taught?

To some degree, yes. We have different leadership training programs on all levels of the company. When we talk about performance management, we make it clear to our managers that not only the "what" is important, but also the "how."

But not everyone is capable of horizontal leadership – and they don't need to be, either. As I said before, a leadership style must be authentic, and appropriate for the business, the situation and the culture.

How should this change the expectations of leaders looking to bring people into their teams?

It should change their expectations fundamentally. Problems arise when managers gravitate toward employees who are similar to them, just because they feel comfortable around them. That isn't the best criteria to choose someone. A great team has members with complementary strengths, as well as a leader who understands this and delegates accordingly. Having people with different views and skills may lead to spirited debates and sharp disagreements, but it will certainly produce better results.



JANINA KUGEL

Janina Kugel is a member of the Managing Board of Siemens and serves as its Chief Human Resources Officer. From 2001 to 2012, she served in Siemens in Strategy, Executive Development and Human Resources. From 2012 to 2013, she was at lighting company Osram as Chief Human Resources Officer.

SIEMENS

With headquarters in Berlin and Munich, Siemens is the largest engineering company in Europe and a global provider of energy and medical technology, with employees in more than 200 countries.

KATRIN MEYER-SCHÖNHERR is a Partner in Brunswick's Munich office and Head of the firm's Insight practice in Germany.

CARL GRAF VON HOHENTHAL is Brunswick's Senior Adviser in Berlin, with a focus on public affairs.