

Matthias Müller takes the Wheel at Volkswagen: Succeeding Scandal-Ousted Predecessor

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(loosely based on articles in the *New York Times* between 9/23/15 and 10/1/2015)

Matthias Müller has just been tapped by VW to replace CEO Martin Winterkorn, who resigned recently as a consequence of the emissions cheating scandal revealed in the American car market. A long-term VW careerist and now internal successor, he has worked with the Porsche and Audi lines. He began as a toolmaker and eventually moved to managing production. He reported to Mr. Winterkorn in recent years and is viewed as highly loyal to the corporation. Within the decade, he directed product planning for cars including those models that were implicated in the emissions cheating scandal. He has repeatedly said he had no knowledge of the rigged systems.

His appointment has been viewed as “more of the same” tainted leadership by observers outside the Company, and many insiders. At the same time, others at VW feel that he has successfully navigated his way up in the system, knowing the people and culture well. This enables trust that he can repair damage from the fuel emissions scandal and restore VW to its world-class reputation for great automobiles. Some insiders worry that bringing in an external successor during this turmoil would be even more problematic. The time required to familiarize an outsider with the tight VW corporate system could delay recovery from this scandal. Others counter that Mr. Müller is a living reminder of the scandal and his presence alone signals that VW is not serious about fundamental change.

Mr. Müller is not unaware of these opinions and the skepticism that he must overcome. He is particularly mindful that the scandal was uncovered in the U.S. market and that he needs to restore that lucrative business.

Imagine that he negotiated into his new contract that he would have the services of a leadership coach of his choice, for the coming year. Because much of the work to restore VW's reputation involves the U.S. market, he sees some advantage in engaging a US-based coach. His rationale for coaching is that he's got a difficult challenge internally, as he tries to establish credibility with a traumatized workforce, and a crisis in public relations to manage in the stock market and auto world. He must restore VW to profitability. He's looking for leadership coaching during the transition. It is safe to assume that VW is providing him with consultants and attorneys for crisis management and reconstruction of the VW credibility and corporate brand.

Further imagine that you are interested in bidding for this work. After a brief SKYPE conversation to hear about his interest and preview what a leadership coach might do, you have booked a session with him to explore a coaching agreement. Script your initial approach to the agreement conversation, with attention to the challenges of creating awareness quickly in the relationship and planning for goals and accelerated progress during the engagement. Good Luck.



Consider:

What are key personal challenges that this client faces?

What appear to be key professional/leadership challenges she must address?

What emotions and questions do you imagine that the client is experiencing?

In this context, what are sample questions that you might use as you proceed through:

Establishing the Coaching Agreement, Creating Awareness, Planning & Goal-Setting

How might your approach to coaching this client differ from your default approach?

What do you have to watch out for in your own performance as a coach in this situation?

Marin Alsop and the Baltimore Symphony Orchestra: First Maestra for the B.S.O.

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(Based on: Farquhar, K. & Jamieson, D. (2011). The first woman conductor of the Baltimore Symphony Orchestra. In D. Warrick and J. Mueller (Eds), *Lessons in leadership: Learning from real world cases*. Oxford, UK: Rossi-Smith. pp. 25-31)

In 2005, the Board of the Baltimore Symphony Orchestra (BSO) offered the esteemed position of Music Director to Marin Alsop, a violinist who had guest-conducted the BSO 7 times. She would replace a retired Music Director and inherit an orchestra in a perilous financial position and waning subscriber base. In addition, this protégé of famed musician and conductor Leonard Bernstein, would be the first woman to lead the orchestra.

As soon as the Board's decision was leaked to the press, Maestra Alsop faced a protest from the musicians, who claimed that 90% of their ranks wanted the search process halted before an offer was made. They did not want her as their conductor. Further, if the Board of Directors made a decision opposed by the orchestra, "all confidence in the current leadership of the orchestra would be lost."

"It was a trying and stressful experience in many ways," she said. "To be perfectly honest, my initial reaction, when it all started, was to run. 'Gosh, who needs this?'"

Alsop did not sign the contract until she confronted the situation with the players directly. Meeting privately with the orchestra, she "told the players she needed to get over her own hard feelings. 'Obviously, you do too, and we need to meet in the middle.'" She referenced the orchestra's "large debt and poor attendance," and she "praised the players as part of a gifted and deeply musical orchestra." "I also told them that I didn't think they knew who I was."

At that point, Maestra Marin Alsop accepted the BSO's invitation. (all quotes: Wakin 2005).

The entry plan was for her to come on board gradually over several months, as she phased out other commitments. Imagine that now, a few weeks into her rolling start, Maestra Alsop has reached out to you as a leadership coach. She recognizes that the challenges are more than she's ever faced, and that the reception to her by musicians has been daunting -- and they're only a part of the stakeholder system in which she now works.

After a brief phone call to hear about her interest and preview what a coach might do, you have booked a session with her to explore a coaching agreement. Script your initial approach to the session, with attention to the challenges of creating awareness quickly in the relationship and planning for goals and clear progress during the engagement.



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Stranger in a Strange Land, Corporate Executive

J. Bruce Harreld Takes the Reins at Iowa U

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(loosely based on articles in the *Chronicle of Higher Education*, September 2015)

Entering on the heels of retired University of Iowa President Dr. Sally Mason, Mr. Harreld was appointed to the University Presidency by the State Board of Regents. Dr. Mason's final years as President were strained as she struggled to maintain the University's funding while the Regents sought to transfer funds to other public universities in Iowa.

The search process was somewhat irregular. Of 4 finalists, Harreld was the only one with no experience in academic administration, and the sole candidate to meet privately with members of the Search Committee (before applications were due). These factors have drawn attention from the press and the university community.

A management consultant and former corporate executive, Mr. Harreld has no experience in higher education. He has no doctorate. Even before his appointment, the majority of Iowa faculty viewed his credentials as insufficient. An online post said, "This is a morale killer and will have an impact for years to come on the quality and reputation of the university." Others on campus concurred with the Board that his business strengths are a critical asset. Ideally, his business acumen includes the ability to grow revenues from the University's hospital system (half of the \$3.5 billion budget).

In early events on campus, Mr. Harreld has drawn confrontation and criticism from faculty in public forums. One faculty member noted, "He's going to need to find a way to engage with faculty, students, and staff in a way that is not combative and that is productive." At the same time, an AVP of Finance at University of Iowa Health Care commented, "We view health care as a business, and I think his core understanding of how business runs will be helpful and give us an ally we have not had."

Imagine that, familiar with how business executives engage coaches to support these transitions, Mr. Harreld has had a preliminary conversation with you. You learned a bit about his situation, and previewed for him what a coach might do. Based on that, the two of you scheduled a deeper conversation to frame a coaching agreement. Script your initial approach to the agreement session, with attention to the challenges of creating awareness quickly in the relationship and planning for goals and accelerated progress during the engagement.



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