



## Leading Through Disruption

Powerful conversations with prominent leaders on navigating this era of relentless change



Marie Wieck

# A Critical Boardroom Challenge: Understanding What You Don't Know



**Dr. Anastassia Lauterbach**

Managing Director EMEA The ExCo  
Leadership Group, NED, Professor for

May 11, 2023

*Marie Wieck, a veteran leader who serves on the boards of companies such as Daimler Truck, Intapp and Uptake, shared her key leadership lessons with me in my latest "Leading Through Disruption" interview.*

*Subscribe [here](#) to receive future interviews.*

**Lauterbach: What is different about the work of boards today from 10 years ago?**

Wieck: The rate and pace of change increased substantially. Boards need to do more, including modeling potential risks and deciding on risk-mitigation scenarios. Such modeling is by no means a steady state. You update insights on the

supply chain, inflation, and other economic indicators and try to measure the impact of still-lingering COVID and shifts in business models.

Learning from different industries and their strategies to cope with the crisis is vital. If you must respond fast to supply chain shortages, capacity constraints, or energy disruption, look at industries operating in similar cycles to what you are now experiencing. As an example, one can learn how to redeploy resources and handle scarcities from the military and defense sector.

**Lauterbach: How do you incorporate new realities into board discussions?**

Wieck: The board's mandate is clear regarding strategy, governance, transparency, and accuracy of financial results, succession planning, and compensation. But in these changing times, boards must now go beyond the required.

For example, there are always new mandates emerging for how a company should address data, privacy regulations, cybersecurity, diversity, racial equity, and ESG. These topics need immediate attention but might not require a dedicated formal committee with a separate governing charter. Boards can leverage customer advisory boards from the company itself, and learn from ad hoc committees.

Diversity of opinions and backgrounds is essential.

Continuing education for boards on new risks, regulatory requirements, and competition is also critical. You can't learn everything just from board materials or discussions. The important piece is trying to understand what you don't know. Besides, diversity of opinions and backgrounds is essential.

If there is any compliance or product competitiveness issue, the earlier you can sense the need to address such issues, the better you can influence the course of action. Finally, boards usually have annual strategy offsites. Getting alternative inputs into the strategy review process is helpful. This is when important insights about the future can emerge.

**Lauterbach: What recurring themes emerged in the past two years as you mentored executives?**

Wieck: There has been a significant shift in work patterns. Work-life balance might have moved in a positive direction. Executives, however, are still struggling with what the “new world of work” implies. How do we encourage continual learning? How can we balance flexibility and changes in work styles with the need to drive performance?

How can we use digital technologies to ensure collaboration? Employee engagement, morale, and loyalty might have diminished over the last three years, so how do we improve those? Finally, what is the impact of the new reality on diversity? A record number of women are leaving the workforce. How do we effectively reverse this trend?

**Lauterbach: What else keeps boards up at night?**

Wieck: While watching the EBITDA and other core financial metrics remains important, boards must feel the pulse of many trends from main constituents — shareholders, customers, employees, and partners — and also keep an eye on new risks like cybersecurity and geopolitical uncertainty.

I find suppliers have pretty good visibility into your industry and how your teams operate and could share insights that a board might not get from other sources. Getting regular input from outside sources can inform and accelerate the adoption of new policies.

Rethinking the “give and take” between shareholder and stakeholder capitalism and where the two meet is also crucial. Can you match shareholders’ financial expectations and be pro-environment? Can you balance disparate political agendas? Some activist investors try to leverage these dividing lines. Straightforward answers don’t exist here.

**Lauterbach: What are the X factors that you look for in an executive or a board member to deliver in this non-linear environment?**

Wieck: You need somebody who is hungry for the future. Adaptability and resilience, enjoyment of change, and learning are essential. While boards might see some of that

in an executive's career trajectory, a useful signal comes from what these leaders do with their free time. While there is never enough time for a busy executive, are they putting themselves into new situations when they have downtime?

A useful signal comes from what these leaders do with their free time.

When you think about the best engineering talent, as an example, you envision people with science and problem-solving backgrounds. However, I find the most successful technologists tend to be people with their right and left-brain sides in balance. In their free time, they are musicians or artists or engaged in some creative outlets that are different from their daily job. Intersectionality matters. The "Medici effect," where you combine disparate disciplines to create the most innovation, leads to the best outcomes. I strive to achieve this mix in a boardroom as well.

**Lauterbach: What role does creativity play in value creation?**

Wieck: I spend a lot of time thinking about innovation because I've always focused on emerging technologies and how to apply them in an enterprise setting. There are two core types of innovation. There's always progressive improvement in whatever product, service, or workflow you produce. Then there is actual invention, a new machine, a new drug, or a radical simplification of something that existed before.

Apple did not invent technologies going into the iPhone. They radically simplified the user experience and thus created a new market. Creativity triggers radical simplification, looking at things outside the box, enabling the transformation of product cycles, businesses, and even entire industries. Creativity — or at least the willingness to explore new ways of doing things — will be increasingly important as markets converge and shift.

**Lauterbach: How do you operationalize creativity and innovation in an organization that might not be a startup or on the cutting edge of CRISPR research?**

Wieck: There isn't any silver bullet for innovation. You must dedicate time to it. You can't count on lightning striking. If you don't explore new technologies and how they might apply to you as an individual or to your entire organization, you will never see exciting new answers. Reaching out to your teams in a structured way is vital.

Innovation projects and ideas find their way into board rooms. When you listen to engineers and computer scientists, you facilitate insights that might lead to breakthroughs. You can't only rely on the voice of customers when it comes to innovation. Customers did not define an iPhone. Apple showed them. Portfolio simplification is also essential. Dedicating say, ten percent, of a company's R&D budget to emerging research projects can lead to prototypes that can be critical for market sensing and early customer feedback.

**Lauterbach: How do you ensure the whole organization is involved in transformation?**

Wieck: In any transformation, digital or otherwise, the workflow is as important as the technology. "Teaching the teachers" is my advice. Leaders need to engage the trailblazers — those team leaders who are not necessarily managers in the organization but get things done at the operational level.

When they are open to adapting the process, teams follow. Unless there are regulatory requirements at stake, top-down mandates don't typically get traction quickly without broader stakeholder involvement. We need a bottom-up movement connected with top-down support and funding.

**Lauterbach: What influenced you most from the early days of your carrier?**

Wieck: I worked for IBM for many years. They have an excellent approach to a dual technical and managerial career path. I switched back and forth, from the product side to managing a new group, and also getting a "growth assignment" as a technical assistant to the CFO when the organization underwent a profound transformation.

The flexibility allowed me to deepen my skills and

confidence on both sides. Today, I am very focused on diversity, women in tech, and sponsoring people to take on opportunities and do things others might have thought they couldn't master. One of my former CEOs, Ginni Rometty, likes to say: "Growth and comfort don't coexist." That's true for people and for businesses.

***[Subscribe here](#) to get future "Leading Through Disruption" interviews.***