

Making way for good ideas

If we want to lead the market for mobility concepts, we need less hierarchy and more courage.

Illustration — Mathis Rekowski

Success makes people lazy. The Volkswagen Group has been very successful over the past decade – and has been resting on its laurels. This must change because the market, our customers, and our staff are all changing fast. Anyone who isn't alert will miss the boat. The wake-up call in September 2015 was a particularly painful and costly lesson. But the scandal was just a symptom, albeit a dramatic one. The changes to our company and management culture that we introduced in 2015 were unavoidable – in fact, they were vital for our survival.

To understand why, we need only look at our future competitors: the Apples, Googles, and Ubers of this world are uncomplicated, direct, and fast-moving. At Volkswagen, by contrast, processes are sluggish and hierarchies hold sway. Good ideas sometimes fall by the wayside because they have to be presented to too many management levels before being budgeted and implemented.

Today's competitive market is fueled by the spirit of Generation Y, the Millennials – the generation to which many of our employees, future colleagues, and customers belong. These young people have different values from the generations before them. They want to have a say, make decisions, and shape things. They are less interested in exercising power. They cultivate their real and digital networks and are used to sharing their thoughts, their experiences – and their cars.



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If we want to survive in this environment, we must change the way we collaborate across brands. Up to now, there has been too little sharing of knowledge within the Group. We waste lots of money reinventing the wheel and competing among ourselves. To achieve an objective, we can use more cooperation and fewer resources, or less cooperation and more resources. At the moment, we are much closer to the latter.

These realizations led us to adopt a Code of Cooperation for the Group in June 2016. The code states that we deal with one another on an equal footing,

that we are sincere with one another, straightforward and reliable when working together on projects, and that we stand by one another. We are also aligning our management and staff development programs with these principles, using formats that strengthen, value, and nourish. In this way, we can promote a culture that learns from mistakes rather than sweeping them under the carpet.

We will have to say goodbye to many familiar rituals if we are to create a culture that deemphasizes power and hierarchy. Our vision of leadership is less about directing and steering. In the future, management must clear obstacles out of the way so that employees can do their jobs well. It should encourage the little experiments, even though they may fail. This is the only way we will unleash creative potential – and the only way Volkswagen can set the course and take the lead again in the field of disruptive technologies. ◀



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