



# Daimler Truck North America | Case Study

## Daimler Truck North America Develops a Leadership Culture

### *Engaged Leaders Drive the Company to Better Results*

As America's leading commercial vehicle manufacturer, Daimler Truck North America has been engineering innovation in the commercial trucking industry since 1942.

Daimler's leaders realized that while they were heavily investing in the business, they weren't making the same investment in leadership development. As a result, their culture was starting to suffer with a dip in employee satisfaction and engagement. They knew that if they invested in creating dynamic, effective leaders now, they'd be in a better position to weather market shifts in the future.

### **COACHING AS A 'GAME-CHANGER'**

In the midst of these efforts to improve culture and develop leaders, General Manager of Human Resources Eileen Frack was invited to a meeting with Building Champions, an executive coaching firm dedicated to helping companies develop leaders and improve results. Plagued with a very full schedule, Frack was reluctant to attend the meeting. "I thought, 'Don't I have enough on my plate?'" she said. "It was all I could do to make myself go."

As she learned about the company's one-on-one coaching model and belief that each leader's number one job is to develop their people, she realized that this could be the framework she and her team were looking for. With two decades of coaching thousands of leaders to make better decisions and improve their influence, Building Champions seemed to have the capacity to deliver effective culture change and lasting results.

After the meeting, Frack approached Daimler's CEO at the time, Martin Daum. "I said, 'They're not like any professional coaching firm I've seen before,'" she told him. "I think this could be the game-changer for us."

### **PROVIDING AN UNBIASED PERSPECTIVE**

For Daum — who is now Head of Daimler's Trucks and Buses Divisions on the Board of Management of Daimler AG — business coaching had always carried a negative connotation. "If I needed to be coached by someone, it would have been considered a weakness," he said. "In the past, the idea of getting a coach was like a punishment." But Building Champions' philosophy that "self-leadership precedes team leadership" resonated with him.

So a few months after that initial meeting, more than 40 Daimler executives attended a two-day catalytic event with Building Champions at Brasada Ranch near Bend, Oregon. The private event was designed to



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elevate the leadership effectiveness of Daimler's top leaders. During their time at Brasada, Daimler's leaders learned about Building Champions' framework for self-leadership, team leadership and organizational leadership and clarified their personal and professional priorities by creating Life Plans, Business Visions and Personal One-Page Business Plans.

After the event, each attendee was given the opportunity to work one-on-one with a Building Champions coach for ongoing direction and support. While coaching was an optional part of the program, every Brasada participant had opted in within six months of the event. In regular coaching calls and face-to-face meetings, leaders talked with their coach about specific challenges they were facing.

Even though Daimler was subsidizing coaching for business performance, Daum said Building Champions' open-ended coaching structure was important to him, because it addressed both work and life. He knew challenges at home tended to bleed into the workplace and vice versa, so he saw coaching as a way to support employees' work-life balance and build up all aspects of their lives.

"We never gave any targets for the coach. You can talk about everything. You can talk about your marriage, your kids, your business, your boss, whatever bothers you." He said, "This is different than talking to your best friend. A coach is someone who understands the business and the company, and who can give you an unbiased perspective to help you get even better results in your leadership and your life."

## DRIVING CHANGE THROUGHOUT THE ORGANIZATION

With the senior leaders now on board, Daimler's leadership knew they needed to cascade the framework down through multiple levels of the organization to see real change.

Markus Pfeifer, the company's Director of Marketing Operations and Planning, was one of about 30 senior leaders who were invited to attend a multi-day event with Building Champions in La Jolla, California the following year. At the time, Pfeifer was working long hours but couldn't keep up with his growing to-do list. "I was at the point where I didn't know what to do," he said. "I felt like all the tools that had worked in the past weren't working anymore."

Pfeifer was used to approaching his home life proactively and intentionally, but at work he struggled to say "no" when he needed to. At the La Jolla event, he realized that he had the power to make his own choices at work, and he and his colleagues left equipped to communicate their priorities rather than react to day-to-day challenges.

Today, Pfeifer continues working with his coach to gain perspective on challenges and stay focused on his priorities. Coaching has helped him to maximize one-on-one meetings with his direct reports and use time-blocking to organize his work throughout the day. "I don't have more time now, but I spend more valuable time



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with my team members, giving direction but also recognizing the individual,” he said. “Coaching with Building Champions has made a huge difference. It helped me to be much more efficient and effective as a leader in my job.”

Two years after their initial catalytic event, Daimler partnered with Building Champions to organize a series of events that would take 800 additional leaders through the self, team and organizational leadership curriculum. The interactive workshops were designed to help participants improve how they lead themselves and their teams, ensuring alignment on leadership and growth throughout the organization.

## THE RESULTS

Through three years of working with Building Champions, Daimler’s leaders have gained new skills, become more connected to their teammates and improved their quality of life overall. The company’s Great Place to Work scores have improved by 14 percent over the past four years. And as a company, Daimler’s market share and revenue have never been higher.

In a recent survey of Daimler’s leaders, 71 percent of respondents said coaching has helped them improve their work-life balance, 75 percent said it had helped them improve their work relationships and 85 percent said coaching helped them become a more effective leader.

Daimler’s CEO Roger Nielsen said that’s what the partnership is all about. “Getting an Executive Coach is not about fixing a serious problem,” Nielsen said. “Our leaders are great now — we want to make them better. It’s about helping our leaders find their passions and learn how to lead people.”

From a human relations perspective, Frack said working with Building Champions has been a gift to her, her team and the company as a whole. “It’s worth every penny,” she said. “If you think about how many people are disengaged in the organization and what that costs you, it’s astronomical. If you have the opportunity to reengage even 25 percent of your workforce, you would more than pay for this investment, because that disengaged workforce is just sucking the life out of you.

“Working with Building Champions has given us the opportunity to develop our people to be the best they can be. And not only does that bring out their full potential, it brings out ours as a company.”

## ABOUT BUILDING CHAMPIONS

Since 1996, Building Champions has coached thousands of leaders, managers and business professionals to intentionally build their businesses and lives. Building Champions’ personalized approach to coaching, combined with two decades of coaching experience, sets it apart from other coaching companies.