



Leading Through Disruption

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Dr. Undraa Agvaanluvsan

An Essential Task For Leaders: Clarifying Their Organization's Values



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February 20, 2023

Dr. Undraa Agvaanluvsan, president of the Green Building Council of Mongolia, shared her key leadership lessons with me in my latest "Leading Through Disruption" interview. [Subscribe here](#) to receive future interviews.

Lauterbach: What is good leadership for you?

Agvaanluvsan: Leadership is about setting the direction so that people can follow. The quality of the followership depends on the style of a leader. People won't tolerate forthright – and sometimes dictatorial – leaders, because such an approach lacks inclusivity in decision-making. People need to participate in decision-making, and must have ways of offering their points of view.

Inclusivity encourages grassroots initiatives that can be based on a value system that everyone has some stake in. Clarifying the value system is an essential task of a leader. Are we looking for short-time profitability, long-term dividends, or the greatest societal impact? A leader fully aligned with the value vision will be the most authentic and therefore likely to be successful.

Lauterbach: Does authenticity help in correcting potential mistakes?

Agvaanluvsan: Boards, CEOs, politicians, and entire governments are not immune to mistakes. Authenticity in owning up to the difficulties and challenges, admitting to previous mistakes, and listening to people while determining the correct course is paramount. I believe that honesty is a precondition to correcting errors.

Lauterbach: How do you look for authenticity while hiring a leader?

Agvaanluvsan: In hiring, many successful individuals try to impress, but being authentic and open about shortcomings is much more impressive than listing accolades. It is essential to be very open with candidates about the challenges they will face and see how they react.

Who are their role models, and what is their daily discipline for making a difference? How do they think about risks, and what are their processes for consulting with experts? How do they develop a plan? How does the board of directors know they won't brush aside important information?

Authenticity has to do with humility in leadership.

Authenticity has to do with humility in leadership. We shouldn't forget that leadership decisions affect corporate reputation. Take the sexual harassment cases that surfaced some time ago at Uber, as an example. After an investigation, the board determined that the founding CEO, Travis Kalanick, bore a lot of the blame for the culture and decided he needed to be replaced.

Lauterbach: Do you think that a lack of humility backfires?

Agvaanluvsan: Absolutely. Sexual harassment cases are, of course, severe as they involve people and their privacy and dignity. Everything concerning people is central to the operating success of a business.

Lauterbach: What is your due-diligence process when you are thinking about a new board role?

Agvaanluvsan: I have a three-step approach.

First, I do my homework and study the history of the organization. And then I tie the past to the people at the organization. I see who has been there the longest, the key decision-makers and the visionaries, founders.

Second – when I commit to getting involved – I try to listen as much as possible and understand how effective and efficient the organization is in including different voices.

As a third step, I try to determine what value I can add and be helpful. It is always challenging to balance wanting to quickly make an impact while also taking the time to truly understand all the viewpoints.

Lauterbach: As a nuclear physicist, you are highly data-driven. What role does that play in your approach to leadership?

Agvaanluvsan: Data is the new currency, but only if it is clean and not too noisy. Eliminating the noise and discovering patterns is essential to using data for leadership effectiveness.

Lauterbach: As an active leader of corporate governance in Mongolia, what would you advise an independent Non-Executive Director joining a board in an emerging market?

Agvaanluvsan: It's been only 32 years since the fall of communism. Western directors might take good corporate governance for granted, but accountability, transparency, healthy supply chain management, and well-run human resources are not there yet. Joining a board in an emerging market requires readiness to adapt and shape at the same time, and to push for best practices while remaining patient to wait for progress.

Besides, in these markets, a CEO or other senior leaders

might not be people with the most experience within a particular business. Be ready to deal with generational shifts, changes in the ownership of companies, and balancing expertise with step-by-step professionalization of previous executive teams.

Lauterbach: How do you deal with a crisis?

Agvaanluvsan: I was a target of fake news and cyberbullying, and even threats on my life, such as when I was accused of bringing the coronavirus to Mongolia. In the darkest moments, I summoned my courage to speak up and I didn't pay attention to the destructive noise. Being courageous is essential for leaders.

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We need to make unpopular decisions in many situations. Sticking to them and proactively communicating the whys and how-to is paramount. Looking for comfort in nature's beauty and getting inspiration from history giants like Nelson Mandela or Mahatma Gandhi is helpful, as it gives us a better perspective on how small our own difficulties might be.

Lauterbach: Who influenced you most in your early years?

Agvaanluvsan: My father was a coal miner. I grew up witnessing a lot of accidents and worrying about my dad. He advised me to study – and paid with his health and safety, so his children had a chance to have a better life. Therefore, I feel more passionate about policies and governance programs, especially in the mining industry, around safety, occupational health risks.

Ultimately, our decarbonized future depends on those working in extraction of critical commodities like lithium, molybdenum, cobalt, and titanium. We can't ever dehumanize the supply chain – as mining shapes our future for clean tech.

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