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Former Johnson Controls CEO Alex A. Molinaroli on Effective Executive Leadership



Alex A. Molinaroli Senior Executive

Interview conducted by: Lynn Fosse, Senior Editor CEOCFO Magazine

CEOCFO: Alex, you have a long history of executive leadership. What led you to combine engineering with business?

Alex A Molinaroli: I wish I could say my studies and my career were a coordinated part of a grand master plan. The truth is much simpler. For the Molinaroli family, studying engineering is a family affair; an implicit expectation. My father, brothers, uncles and cousins are all graduate engineers. That's just what we do.

Not until I earned my degree did I realize that an engineering degree could open doors to such a broad set of possibilities. My initial career choice was serendipitous and not planned. As I interviewed with potential employers, one opportunity stood out, not because it was the most technical, but because it uniquely allowed me the freedom to solve technical problems and work with people as a sales engineer. The role of a sales engineer was perfect for me. It allowed me to use my technical knowledge to solve complex customer problems and work with our company's technical team to execute the solutions, all within a set cost. I learned so much, so fast. I loved it, it was perfect for me.

This decision to forego a traditional engineering track for a sales role was the single decision that determined my career trajectory and quickly led to general management roles. I was now set upon a career track that led toward general business and management roles. As time went on and my roles evolved to be larger and more complex, it became clear our business would benefit if I had a more formal set of business tools and skills. Going back to school for my MBA after working for almost two decades was not easy, but the educational experience was incredibly valuable. And waiting until I had real world business exposure made the educational experience even more powerful, allowing me to immediately take advantage of these new tools and learnings at my job.

CEOCFO: What is your leadership philosophy?

Alex Molinaroli: My experience and success were more determined by how I worked with others more than my specific domain knowledge. I

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understood that there was always someone that knew more than me about how to solve a specific problem or capitalize on an opportunity.

I focused on how to assemble and motivate a diverse, knowledgeable and experienced set of people to most effectively work together to achieve an objective or goal. Creating a vision, aligning a team and providing the proper incentives for the team to succeed. I believe in people and the power of working together.

CEOCFO: Would you tell us 2 or 3 insights from different steps in your career? What did you learn and how did you put it into use?

Alex Molinaroli: Focus on what you do well and your passion: Although I had a technical undergraduate degree, I immediately realized that the tradeoff of working directly with customers versus focusing on utilizing my technical training was the right decision for me. I knew where and how I would be more effective and what I enjoyed. I actually started my career in a role that paid 30% less than my 'best' job offer. Best decision ever.

After twenty years into my career, I made a decision to go back to school for my MBA. This was not required for the position I was in, but I realized that the next 10-15 years of my career would likely require skills, knowledge and tools I just did not have. It was difficult to go back to school but in the end it was worth it.

Late in my career, I once again stepped out of my comfort zone and left the business and industry I fully understood to lead a completely different company within a different market utilizing a new business model and value proposition. The experience was incredible, I learned so much and my different set of experiences also brought new energy and insight to my new business.

CEOCFO: How have you helped others understand and develop their leadership skills?

Alex Molinaroli: Likely, the biggest impact I have had in the development of others was by setting a pace and holding both myself and those around me accountable for results. Many times, we decide to do another person's job because it's 'easier' or 'quicker', but this path inevitably leads to a predictable result; team members don't learn or develop, less gets done and no one feels fulfilled or happy.

I have a firm belief that if people have the basic skills and knowledge, understand the goal and have the tools, the best thing we can do to help them be successful and grow is to get out of their way and be there for them if they need help. Of course, this means that you have to reward people for making decisions and taking acceptable risks, expecting and accepting that mistakes will be made along the journey.

CEOCFO: How do leaders deal with crisis times? Covid, product failure, economic downturns, world events?

Alex Molinaroli: My best advice for leaders dealing with any crisis came from the learnings I gleaned from the economic crisis of 2007-08. During that period, I was the leader of a global automotive supplier and our

customers, the major automotive OEM's (Original Equipment Manufacturer), were in disarray, many of them actually bankrupt.

Our company's board of directors at the time did not panic or overreact; actually quite the opposite. They clearly communicated we were all entering this uncertain time together and they would visibly and actively support management as we navigated through this unprecedented and uncertain time. Their communicated trust and decidedly steady hand gave us the confidence that we were all together, and empowered management the flexibility to make decisions quickly and decisively. Knowing we would not be second guessed and that we were supported was powerful.

I have taken this powerful learning with me. Trust your people and in a time of crisis visibly stand with them and give them the space and empower them to move quickly and be decisive.

CEOCFO: What are the similarities as well the differences between leading a large, global company and a small start-up? What translates from one to the other?

Alex Molinaroli: In many ways, the needs of leading a large company are no different than leading a small company. The real difference is in the complexity and how you go about accomplishing the task to get these things done.

Both small businesses and large complex companies require the same basics; knowledge about your company and the markets you serve, the ability to listen and communicate to customers and employees, and a willingness to work across boundaries with a diverse set of team members.

With a large company, the markets you serve often include multiple geographies with differing value chains, customer requirements and competitors that are complex and diverse and business models can have wide variations.

Large companies certainly require much more process, very robust frameworks and ultimately a bureaucracy to get things done. Both small and large companies must effectively lead, communicate, measure and manage, but the skills required to accomplish these tasks can be very different.

CEOCFO: How have your outside activities and associations enriched your leadership perspective?

Alex Molinaroli: There is so much to be learned from others with different backgrounds and perspectives, and from others who may not been as fortunate as me. I have found when I truly listen to others and work to understand their perspectives and respect their experiences, I can't help but learn and usually, I am humbled. I have found that a little humility can go a long way!

CEOCFO: What is next for you?

Alex Molinaroli: I am currently working with multiple small companies and start-ups <u>as a board member</u>, advisor and investor. My experiences

can be helpful to them; solving problems which are new to them but are likely many I experienced. I enjoy helping them and watching them be successful and of course there is the added benefit of me learning something along the way.

Connect with Alex A Molinaroli on Twitter and LinkedIn.