

3 Takeaways Podcast Transcript
Lynn Thoman
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Ep. 146: Turnaround Time: The Remarkable Warmth and Wisdom of Former United Airlines CEO, Oscar Munoz

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INTRO male voice: Welcome to the [3 Takeaways](https://www.3takeaways.com/) podcast, which features short memorable conversations with the world's best thinkers, business leaders, writers, politicians, scientists, and other newsmakers. Each episode ends with the three key takeaways that person has learned over their lives and their careers, and now your host and board member of schools at Harvard, Princeton and Columbia, Lynn Thoman.

Lynn Thoman: Hi everyone, it's Lynn Thoman. Welcome to another 3 Takeaways episode. Today, I'm excited to be with former CEO of United Airlines, Oscar Munoz. Oscar was born in Mexico, his family emigrated to the US, and he's the oldest of nine children and the first in his family to go to college. Oscar is living proof of the American dream. I'm excited to find out how his upbringing shaped him, how his heart attack and then heart transplant just a month after being named CEO of United changed him, how he sees race relations as a Mexican-American who succeeded before the current focus on diversity, equity and inclusion and how he sees the future of air travel. Welcome Oscar, and thanks so much for joining 3 Takeaways today.

Oscar Munoz: Oh, Lynn, thank you for having me, and that is quite the agenda there, so let's get through it, boy. [laughter]

LT: Oscar, you and I knew each other before, but I learned so much about you from your new book which is wonderful, Turnaround Time. How has your upbringing shaped you as a person and as a leader?

OM: I always like to answer that question with a Tennyson quote, I am parts of all that I've met. Over the course of my life I've got so many wonderful people that have interjected themselves, their direction into my life. But to your specific question, I was born in Mexico. My mom left for the US with my uncle and left me with my maternal grandmother until she got settled here, and so I spent those formative years with my maternal grandmother who is one of the most incredible forces of my life, not a woman of means, didn't actually have a home. We traveled everywhere with our broader familia, as we say in Spanish, but you're never alone in our heritage. Her work ethic, her constant focus and caring for me and support really made me the person that I am, and importantly in a lot of the decisions that I've made in my life, hard business decisions and personal decisions, I often think of how she would handle it and how she would do it. And she, again, not a wise and educated woman, but a very wonderful influence on my life in the things that I've done and said.

LT: What do you think accounts for your success?

OM: I think that upbringing, my heritage, my ability and desire, very genuine ability and desire to connect with other humans to understand why they feel like they do, we all have concerns. We all have issues, and oftentimes, we talk past each other or we assume that the issue you have is what I

think it is, as opposed to actually asking people, "What do you think needs to be fixed? What do you think needs to be done? What can I do to get your trust?" And those are the kind of questions that I raise in the business world, and that came from my upbringing. And I grew up with eight brothers and sisters, we had a first and second lunch, we had to share bathrooms and communication was critical, but we always somehow got through it. So all of that certainly sort of shaped my approach to business and how I interact with people. I would consider myself, for lack of a better term, I bridge the widening chasm of people's beliefs and values in today's business and just today's world as a general role.

LT: That is so interesting. So identity is a complicated question. How do you think about yourself as Mexican or American or?

OM: I am a global citizen for sure, I have the ability to speak a couple of different languages, so I can kind of fit in, in a lot of different places, but I think the identity, while I'm clearly a Mexican-American, I am not viewed as that by a lot of folks, and I don't know how diversity inclusion is going to work over the long run, but I'm just tired of always being the exception. I'm the only Latino to ever run, I'm the only this and this. I want to get to a point where our world exists where people like me and like yourself, aren't exceptions, but rather the expectation of the younger generation below us that they see leaders, they see women, powerful woman, smart women, men of any color, and everywhere doing the things that they can do. So my identity is not to just singularly identify myself with one person, but rather again, this bridger of cultures, a bridger of views and philosophies that we can all in essence to use that Rodney King quote, to just get along in a way that I just fear that we aren't doing in our country right now.

LT: And how do you think that diversity, equity and inclusion, that focus in the US right now, how do you think it should work going forward?

OM: We need a lot of work. I have a phrase that I use that is called proof not promise, and I think we have a lot of promise, more promise than we'd had before, and so progress is clearly being made. We're beginning to graduate from lip service that has been done for so long. And actual initiatives are being taken on to sort of get equal representation. I believe, and the way I approach isn't as much as to hire more like me, bring me on to your boards, which all are all important. I approach this from a very academic manner in the sense of bringing facts to the table. You don't have to love me or want me or like my kind. You should be aware that the Latino community in the US, if you equaled up their economic output, they would be the fifth largest nation in the world by a GDP standard. So big, powerful, influential, affluent, educated, young, digitally native, loyal to brands. You just look at all the things, if you're a business person and you're looking to segment your business, oh my God, it's like, hey, I pick that line 'cause that's the kind of customer I want, and I think as a cohort in America, we're not looking for anything else. It's just see us.

OM: And when you do that and you make your brand available to us in a way that's meaningful, and again, that's a tricky thing 'cause not everybody speaks Spanish and we have different nationalities, but there are threads through the Latino and Latina cohort that are common, and I think companies is how I advise senior leaders and capital allocators, as I call it, the CEOs, is to just recognize this marketplace and see what you can do about it, and people are slowly beginning to do that. And I think it's going to pay dividends. So it's not give me, it's understand this and take action and you'll see the benefits on your own. That's the way it should work, that people do it because there's a mutual value, not because someone is making them do that. I just find that forcing all the

[inaudible] practices and procedures just isn't durable, and it creates, again, a widening chasm of people that aren't under-represented all of a sudden feeling, right? And then we get back to the divide that we have in our nation, that is the racial tension that exists. So somehow we need to bridge it in a more data filled way.

LT: How do you see America as an immigrant and someone who's also raised your own four children here?

OM: Gosh, we love to say ill things about our nation. I traveled to 23 different countries in 2019 in my role at United and I get a chance to see the topmost leaders in most of those countries. And when a US-based airline flies to your country, it is a big deal. And so when someone like me shows up, the clouds open and the... So I've had a lot of wonderful opportunities to speak with senior leaders, senior political leaders from all over the world and understand their issues, understand their mission, whether it's China to Latin countries, democratic countries throughout the world. And you always come back home and it's that old phrase, it is good to be home. So I wonderfully appreciate our nation and all the possibilities. Ancient history would tell you that all great civilizations first implode from within.

OM: And you know, you saw it. Certainly, the Roman Empire is probably a good example. I often wonder and worry that are we not creating so much divide in our nation that this "civilization" that is the US may indeed be headed for something over the course of the future. So I see a lot of opportunity, I see a lot of progress, but I have lots of faith that people like yourself and myself and so many others will continue this mission of civil discourse, this concept of speaking to each other, creating relationships that are personal, not through Twitter or Instagram. And I love social media. This is not a knock on that. You and I know each other because we physically know each other. We sit next to each other in a meeting, we talk and I think all of us know how deep and meaningful and rich that can be.

LT: Oscar, you're trim, you're a runner and a vegan, exactly opposite to the stereotype that most people think of for people who have heart attacks, and yet you had a massive heart attack and then a heart transplant. Can you talk about that?

OM: I can. I think two things on the heart. The first one is a quick PSA to all of you out there. Heart disease is the largest killer in America by far. The symptoms that we feel as men or women are varied and different and it's not this clutching of the chest and say, you know, oh my god, it's the big one. There are so many and we don't recognize them. And I had a good friend who's a cardiologist who would always sort of warn us about this and said, "You should take care of yourself certainly, but if you ever feel anything weird," it was a term he used, "In your body, just call 911. The worst you can be is embarrassed that you brought attention to yourself and nothing happened." I don't want to be dramatic that it saves lives, but it's a good thing to remember. So that's the first part. The second issue for me, I had been on my job for 37 days, so short time. 37 minutes from when I called 911, I was on a medically induced coma and on life support at the hospital.

OM: And then fast forward a couple of months later after they've gotten me a little balance, on the morning of my birthday, my doctor calls me and says, these are exact words, he goes, "Oscar, we've got a kick ass heart for you." And so this journey of illness and I was, oh boy, I looked like hell froze over after I had the heart attack and obviously blew it up, required a transplant, but to run that

full course and get my heart on that day. And to add to the drama of the story, on that same exact day, on my birthday was the culminating day of a strategy retreat with my senior leaders at United where we were finalizing the one big first priority we were going to pursue in turning the company around and getting their buy-in on the fact that we had to first regain the trust of our employees before we could do anything else because we had lost them in such a significant way. So long story made shorter there, but the heart attack has just so much impact and intertwined in what became a wonderful story at United.

LT: How did the heart attack and heart transplant change you?

OM: Oh, of course you have an amazing new found appreciation and gratitude for life and the people around you. I don't know that I didn't have it before. And for those that know me and have known me for a long time before and after, there really hasn't been a big change other than what I just said. I think I am possibly even more friendlier and outgoing and I think probably understanding of folks. One of my nurses in the middle of the night, you meet these wonderful people that are poets and philosophers that you don't know because they see people close to death, right? Every day they experience something like that. So it's a serious nature. But talking to her one night, she said, there are two types of people that I categorize they come in, there are here in my ICU.

OM: They all ask the same question. "Why?" As in, why the hell did this happen to me? I'm a good human, I'm religious, I work hard, I work out hard or whatever, yet I'm befallen with this sickness and kind of an angry why. And the same "why" asked differently. It's like, why did I survive a near, if not should have been fatal event, and why am I still here? What is left for me to do? And in a wonderful moment of clarity for me and feedback from a person that I only knew by laying in a hospital bed, she said, I see you as the latter. And to your question I think that's what really changed me. I had zero desire to not come back to United, to not continue living the way I have been. I think that's probably the biggest change to my mindset that I had over the course of that illness.

LT: Oscar, people think that pilots are always flying planes, but that's not really the case, how much of the time is artificial intelligence flying planes?

OM: By and large, I don't know the exact percentage, but I do know that the systems that we have, the autonomous systems we have to fly aircraft are everywhere and are used quite frequently. And not because people are not wanting to fly. I mean, I think pilots 10 times out of 10 if they choose to fly or not fly, they're going to choose fly. But we have wonderful systems as backup safety systems when we need them. I do know that especially in really irregular ops or air ops as we call them, really nasty weather, a lot of our pilots are asked to rely on those systems because they're that good. I don't think we're at a place in our social acceptance that we would have aircraft without pilots, but I would offer the opinion that the systems that we have are probably close to good enough to be able to actually do that, but not for today. [laughter]

LT: The Concorde, the supersonic consumer plane, went into service almost 50 years ago - why don't we have supersonic planes now and when will we have them again?

OM: Well, what a great question because supersonic is just around the corner. There's a great company out of Denver, Colorado called Boom, Boom Supersonic, and their first aircraft will be called Overture and it will be a supersonic aircraft. Dissimilar to the Concorde is that it's 100%

sustainable fuel, period, the same mach power, everything there. So it'll be fast. The aircraft itself is being designed in a customer-oriented way. It will not be hot and noisy as the Concorde was. It will not be as expensive as the Concorde was. In fact, the prices on that aircraft will largely be the same as other commercial airfares for the same class of service. And so it's right around the corner. Of course we will not fly it over land because of this supersonic boom that happens, but we will be flying them. And when I say we to support the notion that it's very customer friendly, United Airlines was one of the first ones to take a large order as those aircraft get finalized. So that's an exciting future thought there along with flying cars, by the way.

LT: Tell us about flying cars.

OM: Same concept. 100% sustainable. So a flying car is in essence called it's eVTOL, E-V-T-O-L, electric vertical takeoff and landing aircraft. For some of you in your audience that remember the Jetsons and the cartoons, everybody's zipping around in flying cars. It's not too dissimilar to that concept that is here today and it will be used for a short service. If you live in a major city - and you know what traffic can do to you and trying to get to an airport at any given time - one of its first usages will be to shuttle between, I'm in New York today between here and EWR [Newark airport], seven minutes, right? And LA, from downtown LA to LAX [LA airport] under 10 minutes. So that's the value of it. Again, battery powered, so sustainable, very quiet, and importantly, the cost of it will be accessible to all. So the future is make it accessible, make it sustainable, and then provide a really needed service in a growing and crowded world. And so the concept is real and looking forward to getting that in the markets here in the next couple of years.

LT: Oscar, before I ask for the three takeaways you'd like to leave the audience with today, is there anything else you'd like to mention that you haven't already talked about?

OM: I mean, there are so many things. Probably one of my first big of the three takeaways is simply to open yourself up and let people in. There's a phrase called sharing is caring, that I learned from somebody that would always walk in my office and shut the door and she would say, "Sit, I have some things to share with you." And they would never be necessarily pleasant, but it really drove home the point that when people do care about you, they will come in and tell you what needs to be, what you need to be told. As you rise up the ladder, there is often people that would just let you go because, "Oh I'm not telling him that." So sharing is caring and allow people to do that. Second takeaway, my philosophy in leadership is that the concept of listening, and learning from that listening, and then going back to listening before you lead. So I paraphrase this as, listen, learn, and lead, but it's never that quick. Listening is hard, genuine connection.

OM: Learning from that, going back to people and then determining what it is. It is what set the threshold and the platform for the change at United about trusting our employees as a first priority despite everybody's opposition to that. And then the last thing I guess is this concept of proof, not promise. I say that all the time, and I say this not out of self-aggrandizement of any sort, but if you meet a United employee that was there during my tenure, and you usually will get a smile if you mention my name, if not 100%, but you will never find somebody that said that he promised something that he never delivered. We made sure, I was careful what the promise, and I was careful what... You can't do everything you'd have to, but when you create a genuine connection, even one to 100,000 people through your reputation and proof of what you can do, it's amazing how much you can add. So remember, promises are easy, the proof is hard. So make sure you deliver on that proof and you'd be amazed at how successful whatever your endeavor is going into the future.

LT: Thank you, Oscar. This has been wonderful. I really enjoyed your book Turnaround Time and learned so much from it, and I also really appreciate your friendship. So thank you.

OM: Thanks Lynn. I'll see you soon. Appreciate your time.

OUTRO male voice: If you enjoyed today's episode and would like to receive the show notes or get new fresh weekly episodes, be sure to sign up for our newsletter at <https://www.3takeaways.com/> or follow us on [Instagram](#), [Twitter](#), [LinkedIn](#) and [Facebook](#). Note that 3Takeaways.com is with the number 3, 3 is not spelled out. See you soon at 3Takeaways.com (<https://www.3takeaways.com/>)

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