Leadership development at Airbus

There is significant evidence that leadership is perceived to be a critical activity in successful organizations in all sectors in the UK. Reviews of leadership theory indicate that there has been a metamorphosis to a more collaborative, team based approach and it is clear that these common themes are emerging irrespective of sector or social system.

Leadership development is fast becoming a panacea and a huge growth industry. This case study in leadership development details a synergy between a range of practical, emotional and intellectual perspectives within a thriving aerospace company in the UK.

Here we will take a look at the growth of the Airbus World Class Leaders programme since 2002 by explaining the alignment between the learning design and delivery, business context, and the Airbus strategy, mission and vision.

The Organizational Context

In 2003 it became apparent that for the first time in its thirty-year history, Airbus manufactured and sold more aircraft than its main rival, Boeing, and had become the number one supplier of passenger airliners with over 100 seats.

With approximately 50,000 employees and a 2003 turnover of 19.3 billion euros, Airbus supports over 3,300 aircraft currently in operation with its 180 global customers. Airbus’ core business is defined by the product range; providing 12 models from 100 seats to potentially 557 (the average seating configuration of orders placed for the new A380 super-jumbo). Airbus’ key operations take place across 16 design, manufacturing and development sites across Europe in addition to the 130 sites worldwide.

The Vision

With the emergence of Airbus as an integrated operating company, the Vision of the organization is ‘to be the number one supplier of quality aircraft of more than 100 seats’. However, when operating in a current market that contains only one other competing organization, remaining number one has different challenges than becoming number one.

The Market

Market forces, such as the temporary downturn in air travel trends due in the main to the SARS epidemic and 9/11, have combined with today’s ‘low-cost’ customer model to give the customer high bargaining power. There are indications that the air travel trend is about to reverse and global market forecast projections show that ten of the sixteen world cities with more than 20 million inhabitants will be in the Asia-Pacific region. Airbus suggests that the consequence of these trends is that an additional 3.6 million seats will need to be delivered between 2002 and 2022 to match demand.

New entrants represent a further market force. However, the high capital costs of both developing the level of technology and the manufacturing facilities required to produce aircraft remains a barrier to most entrants. This threat must be considered particularly where low cost and high efficient manufacturing principles are established – e.g. Honda, Kawasaki and the success of the Toyota Production System developed by Taiichi Ohno. Also, 40 per cent of Boeing’s latest aircraft, the 7E7, is being built by Japanese companies. This aerospace competence is already developing at pace in the Asia-Pacific corporates.
The Mission

The response to the current and future market conditions is an impressive mission – ‘to provide aircraft best suited to the market needs and to support these aircraft with the highest quality of service’.

This mission will be achieved by creating differentiation between Airbus products and those of its competitors.

The Culture

Airbus is committed to international cultural differences by creating an environment that allows employee contribution, recognition and growth through the provision of integrated common processes and methods.

The People Strategy of ‘Growing Together’ has been established to achieve this. However, an aligning organizational culture can be problematic, slow and expensive.

The Leadership Challenge

Leadership is required to drive the organization to meet the market challenges and to maximize the diverse mix of cultural difference. Leadership is key to the growth and prosperity of Airbus, along with integrated processes and methods that create an environment which respects cultural difference.

The strategy ‘Growing Together’ recognizes how leadership is deployed in Airbus and how it supports the overall business strategy. This framework is used within integrated HR practices such as performance reward and grading which sets out what expectations the organization has of its people. It also assists leaders and the proprietors of leadership to calibrate the impact of their behaviour when leading.

World Class Leaders

The Airbus UK World Class Leaders programme has integrated theory and practice on leadership development and created a learning design that delivers results to the business that are aligned to the strategy, vision and mission.

The Mission of the World Class Leaders programme is:

- To grow the individual and collective capability across the leadership population to meet strategic and operational goals;
- To create a network of leaders who can manage cultural and organizational diversity in a turbulent environment.

Design Features

Intellectual development and emotional growth are key features of the design of the programme. The synergy between these two adult learning practices comes together in a learning process called a ‘business transfer’.

The 16 month programme has three transfer points:

1. Feasibility
2. Development
3. Implementation

The process is designed to mirror project management in the business world and create opportunities to apply the leadership theory to meaningful work scenarios.

The educational success of the design is in the holistic approach to the range of learning methods applied both during and between modules. The business transfer process ensures that application is embedded in the business and is challenging enough to bring the behavioural changes in Airbus leaders as charted in the ‘People Strategy’.

“The responsibility for quality leadership is not for a chosen few, but the responsibility for everyone.”

Ownership is a Power Mind Set

There is an organizational assumption that the responsibility for leadership development is at the top. This results in confusion over the corporate ownership of development. In some large organizations, the responsibility for leadership development can be dispersed around powerful heads of business, which results in a lack of coherence as multiple power centers create their own products. With a lack of shared ownership, prospective leaders may find themselves unable to make links between the leadership programme and their business priorities.
Shared accountability for leadership development is key to successful implementation. The responsibility for quality leadership is not for a chosen few but the responsibility for everyone.

**Productization of Leadership Development**

The product model of leadership development encourages a tendency to believe that leadership can be taught through a series of skills and tools rather than address the complexities of modern corporate life. The complex social system of an organization is regularly simplified into clumsy, rhetoric-laden prescriptions. This rush to make leadership development a product is highly detrimental to a quality learning experience by creating a tension between the personal experiences of participants in the social system of an organization and the favored models of the provider.

The World Class Leaders design is based on the premise that leadership development is not a prescription that brings an instant remedy. Both individual and organizational development is regarded as a long-term commitment, and learning mechanisms are designed into the programme to ensure sustainable change. This is carried out on the World Class Leaders programme by the following methods:

- **Business Transfers** – to demonstrate that the programme is delivering tangible benefits in terms of personal growth and organization development;
- **Personal Mastery and Coaching** – the structured approach to self knowledge and personal development is aligned to the role of the individual within the business;
- **Taught Modules** on strategic, process and transformational leadership;
- **Action Learning Sets** operate as a microcosm of the organization and a focus for transfer work and experiential learning.

The clear understanding from the design team was to create a leadership development programme that directly responds to the strategic needs of the organization. The team recognized the shortfalls. The traditional training model is more likely to produce short term results with little impact in supporting the business change requirements of the future.

Creative programme design, which encourages leaders to critically reflect on their own practice, enables new theories of leadership to emerge. This connection between theory and practice allows leaders to bring in the complexities of organizational life to learn more effective approaches that directly benefit the organization.

The programme is by no means now in its final iteration. Continuously ensuring the programme delivers leaders who are ready to take on key roles that guarantee we are better able to satisfy our customers’ needs will be a critical measure of the programme. With the continued shared ownership between the line management, the development forum, Lancaster University and HR, the programme is set to achieve this.

---

This is a shortened version of an article written by Dr Sally Watson, Director of Management Development at Lancaster University Management School.

Sally Watson can be contacted at sally@watson19.freeserve.co.uk

To find out more about Airbus, visit: http://www.airbus.com