

20009 It's time for Boeing's new CEO to restore trust by putting people first

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Boeing faces massive headwinds as it tries to gain back the trust of consumers, regulators, employees and investors after two crashes of its 737 MAX planes, traced in part to defective flight software, have kept the planes grounded.

Attempts to contain the damage are already a failure. Employee emails appear to show a culture of negligence and inattention to worker concerns. After safety failures, how does Boeing prove that it won't happen again, that next time will be different? Boeing faces the Humpty Dumpty problem — once the egg falls off the wall and breaks, even limitless resources can't put it together again. It will take years before Boeing isn't greeted with lingering suspicion.

Boeing's new CEO and leadership team must root out arrogance and approach stakeholders with humility and a listening stance. These include government regulators, investors, pilot and flight attendant unions, suppliers, maintenance workers, the airlines themselves, and, of course, passengers.

But first, they must focus on the employees. A turnaround can't get off the ground without high employee engagement. If the workers who design, build and test the planes don't stand behind the company, no one else will. A recent report shows a growing gap between elites and those of lower rank. Elites generally think things are better than average workers do. A turnaround CEO should roll up his sleeves, mingle with the masses to see what life is like in the rest of the company. He must communicate early, honestly and often. And he must constantly make clear to employees that their friends and family are the ones they are working for.

To earn back employees' trust, leaders must first ensure that employees don't feel like helpless victims blamed for shoddy performance. They need opportunities to enlist in change efforts, in order to increase employee pride in their work and confidence in the company. New voices in management can help. New leaders are less likely to engage in self-justifying behavior that defends past actions. For Boeing, the right management changes can help it regain the pilot mindset that made it a great engineering company.

Operational cost-cutting might be in order, but in successful turnarounds, the best trimming is to get rid of management layers.

Trust is a human issue. When stakeholders decide whether to trust Boeing with their money, reputations or lives, they are weighing history against mere promises. The new CEO must set the tone for putting people first in every leadership action he takes.

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