



# Boeing Culture

The establishment and evolution of our company culture

Michael Lombardi  
Boeing Senior Corporate Historian

# Boeing DNA

Timeless, integral cultural elements that were embedded at the birth of the company

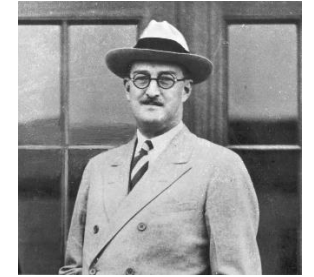
- Boeing is an Engineering Company
- Pioneering Spirit
- Can-do Spirit
- Integrity, Quality, Safety
- People
- Passion for Flight



# Boeing is an Engineering Company

“... Our job is to keep everlastingly at research and experiment, to adapt our laboratories to production as soon as practicable, to let no new improvement in flying equipment pass us by.”

*Bill Boeing, Company Founder*



“We must make all who work for Boeing feel that **we have a common purpose**, namely, the design and manufacture of the world's finest aircraft through the employment of efficient and workmanlike methods.”

*William Allen, Boeing President, CEO, Chairman*



# Pioneering Spirit

“I’ve tried to make the men and women around me feel, as I do, that we are embarked as pioneers on a new science and industry in which our problems are so new and unusual that it behooves no one to dismiss any novel idea with the statement that “it can’t be done!”

*William Boeing, Founder*

“Problems are gems that simply need to be polished.”

*Alan Mulally, BCA and Ford CEO*

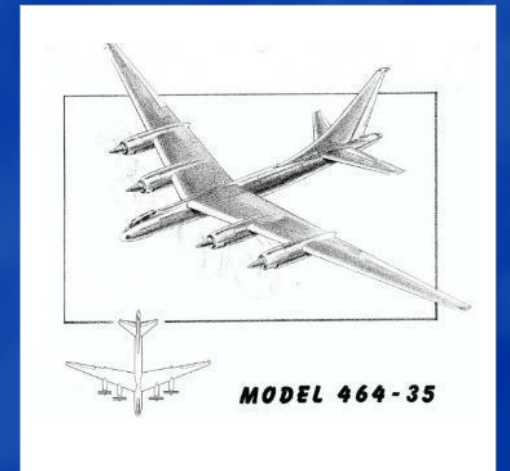
“Pioneers are people with arrows in the seat of their pants.”

*Dutch Kindelberger, CEO of North American Aviation*



1948-1952

## The Dayton Weekend: Birth of the B-52



# Can-do Spirit

“Hard work and science can lick any problem.”

*Bill Boeing, Founder*

“Adversity must never be used as an excuse for not achieving one’s objectives.”

*William Allen, Boeing Chairman and CEO*

“I believe engineering/manufacturing teams are capable of far greater accomplishments if they are stimulated by goals that they recognize as almost unachievable.”

*John “Jack” Steiner, Chief Engineer, “Father of the 727”*

“We do these things not because they are easy but because they are hard.”

*President John F. Kennedy*



# People First

“If there’s anything different or better in Boeing airplanes - as I believe there is - that difference lies in the people who turn out those airplanes.”

*William Allen, Boeing CEO, Chairman*

“A thing as astonishingly complex as a modern airplane can only be created by the concerted vision and hard work of thousands of skilled individuals.”

*Joe Sutter, Father of the 747*

“People! Love them up!”

*Alan Mulally, BCA CEO, Ford CEO*



# Integrity, Quality, Safety

“I would sooner close the company than let out substandard work!”

*William Boeing, Founder*

“If our philosophy should ever be marginally acceptable is good enough, we are in a sorry predicament, indeed.”

*Ed Wells, Boeing Senior Corp. VP, Director, Chief Engineer*

“Our company has always been very jealous and proud of the safety record of its manufacture and our emphasis has always been placed on the safety problem.”

*Wellwood Beall, Boeing Senior VP*





# Passion for Flight

“Airplanes are living things”

*Dick Taylor, Boeing VP, Test Pilot, “Father of ETOPS”*

“It is a fascinating business. The technical challenges, the production complexity, the high-stakes marketing, the industry growth, the traditional glamour of flight – all combine to make it one of the most exciting business endeavors going.”

*T. A. Wilson Boeing President, CEO, Chairman*



# Culture Evolution

over time new elements became embedded in the company DNA:

- Bold Leadership
- Fairness
- “Do the right thing”
- Working Together



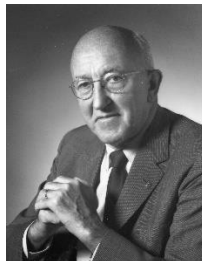
# Bold Leadership

“Be definite – don’t vacillate, be confident, having once made the move, make the most of it!”

*William Allen, CEO, Chairman of the Board*

“To a degree greater than ever before we are operating in an atmosphere where the stimulus and harsh discipline of adventure and risk are in force... The years ahead promise to be at least as challenging and revolutionary as those through which we have come. In all likelihood they will be more so.”

*William Allen, CEO, Chairman of the Board*



# Theodore Roosevelt: “The Man in the Arena”

**I**t is not the critic who counts, not the man who points out how the strong man stumbled or where the doer of deeds could have done them better.

The credit belongs to the man who is actually in the arena; whose face is marred by dust and sweat and blood; who strives valiantly, who errs and comes up short again and again; who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who at the best knows in the end the triumphs of high achievement; and who at the worst, if he fails, at least fails while daring greatly; so that his place shall never be with those cold and timid souls who know neither defeat nor victory.”

*Theodore Roosevelt*

# Fairness

“Be just, straightforward, invite criticism and learn to take it.”  
*William Allen*

- Leadership treats all employees fairly. All of us treat each other with respect and dignity – we know that getting our issues and problems out in the open only makes it easier to solve them and makes us stronger.



## *In Order to be Fair*

1. Avoid hasty decisions or actions when angry or under emotional stress.
2. Base decisions on merit alone. Apply rules uniformly.
3. Keep the promises you make. Avoid making any you can't keep.
4. Acknowledge your own mistakes and refrain from buck-passing.
5. Avoid decisions or actions before all facts are in and carefully considered.
6. Avoid delaying decisions and actions after all facts are carefully weighed.
7. Explain reasons back of your decisions and actions.
8. Be reasonable in your requests and expectations of others.
9. Be diligent and efficient. Do your job as well as you expect of others.
10. Be friendly, patient, encouraging. Give compliments whenever deserved.
11. Get acquainted with your men. Get their point of view.
12. Invite and welcome suggestions. Be courteous and interested.
13. Where differences of opinion exist be calm, pleasant, open minded.
14. If in doubt, ask a neutral person to appraise your judgment.
15. Constantly strive for fairest possible distribution of jobs, wages, promotions.
16. Apply the Golden Rule. Ask yourself: "Will this be fair?"

These are sound rules for any supervisor. We should make a real effort to follow them in our work at Boeing. They will benefit not only the employee, but the supervisor and the company as well.

WILLIAM M. ALLEN  
President  
Boeing Airplane Company

# “Do the Right Thing”

This was the golden rule at Boeing

“One of the things you do, when you are CEO, the buck stops here, you are responsible. Whether you’re involved or not, it still is that responsibility, and you have to treat it that way. The minute you start saying, “Nah, it’s someone else,” you’re not running that company. It’s no more complicated than that.”

*Phil Condit, Boeing CEO, Chairman*

“First , be single minded about safety. Safety first and safety always...The pursuit of safety first, last and always is and has always been a powerful driver in airplane design and production.”

*Joe Sutter, Father of the 747*



# Bill Boeing on Schedule vs. Safety



**COMPENSATION:** The humane and proper response to the Japanese tradition of compensation for victims of tragedy. The custom is negotiation rather than litigation. The innocent parties should not have to wait out a potentially lengthy investigation to determine liability. Boeing participation has no implication to the continuing investigation seeking the cause of the accident.



Compliments by Mr. Susumu Yamaji  
President, Japan Air Lines

I would like to express my sincere appreciation and gratitude that the Memorial Service has been solemnly performed here today with the attendance of 1,735 family members of the deceased.

Here beside me is Mr. F. Shrontz, President of The Boeing Company.

Representing Japan Air Lines and the Boeing Company, we hereby offer from the bottom of our hearts our sincere apology and condolence to the 520 souls and the bereaved families.

Being here now in front of the souls and looking over the green mountains where the souls rest in peace for the one year time since the occurrence of our most regrettable accident on the 12th of August, 1985, I feel as if my heart would break in thinking of the feelings of regret by those who died in the accident. I feel it very sorry also that it has been the days of grief and sadness for the bereaved families who lost their beloved ones. I have no words to express to the bereaved families, when I think of their grieves and sadnesses.

We, at Japan Air Lines and the Boeing Company, hereby swear, in front of the 520 souls from the bottom of our hearts that we will devote ourselves in establishing the absolute safety to prevent the recurrence of such a disaster.

We will also try our utmost and best possible coordinated efforts in the investigation of the accident as well as in the consultation with the bereaved families.

We would like to express at this occasion our sincere respect and gratitude with our whole hearts to Mr. Takeo Kurosawa, President, Memorial Park Foundation and all others concurred in this village for their devotion in constructing the Memorial Monument at this Park and another Monument at the crash site on the Ootaka ridge. We continue to pray for the souls that may they rest in peace in the solemn nature of the Ootaka-yama mountains, and maintain these Memorial Monuments.

We once again express our sincere gratitude to the bereaved families for their participation in the Memorial Service today. Our gratitude also goes to Minister of Transport, to Governor of Gunma Prefecture, and to other guests who attend here today by taking the busy time.

Now that some words from President Shrontz of the Boeing Company.

Compliments by Mr. F. A. Shrontz  
President  
The Boeing Company

I join in Mr. Yamaji's remarks. I am here to express to the bereaved families Boeing's deep sympathies and apologies. Boeing shall work hard to assure that no accident like this shall happen again. The thoughts of the many people who work for Boeing are here with you all today, and our hearts go out to you.

今後ともこの昇魂之神と慰霊塔をお守りしていきにあたり大自然の莊嚴の中で御乗機の尾根が安らかでありますよう、そして御霊の平安を念じて参りたいと存じます。

本日はご遠路のところご遺族の方々のご列席を賜り心よりお礼を申し上げます。また運輸大臣、群馬県知事はじめご来賓の皆様におかれましては、諸事御多用中にもかかわらず、ご列席を賜りまことにありがとうございます。



ボーイング社長  
F. A. シュロンツ

山地社長のご挨拶に私も同感であります。私は、ここにボーイング社を代表して、ご遺族の方々へ心から哀悼の念を捧げ、深くお詫び申し上げます。ボーイング社は、今後このような事故が二度と起こらぬよう万全を期して努力する所存であります。ボーイング社で働く多くの者の心も、本日皆さまとともに参加させていただいております。ここに改めて真心よりおくやみを申し上げます。

鎮魂のしおり





## Guidance *Frank Shrontz, Boeing Pres. CEO and Chairman*

- First, integrity: Ethical behavior must be our highest priority with customers, suppliers, business associates, other Boeing employees and the community.
- Second, quality: The needs for product and process quality are greater today than ever before.
- Third, technical excellence; It is the foundation of this great company, our heritage, our future.
- Forth, people: Our greatest resources the dedication, innovation and productivity of Boeing people.

# Working Together, The Apex of Boeing Culture: 1990



We looked to those first days of our company and to our rich heritage to create the 777, and we began to create a mission. Our mission statement became: **“People Working Together to produce the preferred new airplane family.”**

*Phil Condit, CEO, Chairman of the Board*

“Anything is possible if you have enough funds to work with and if everyone is working together with one mind, one purpose.”

*Ed Wells, Boeing VP, Chief Engineer, Director*



## “Working Together:” Principles, Practices and Culture

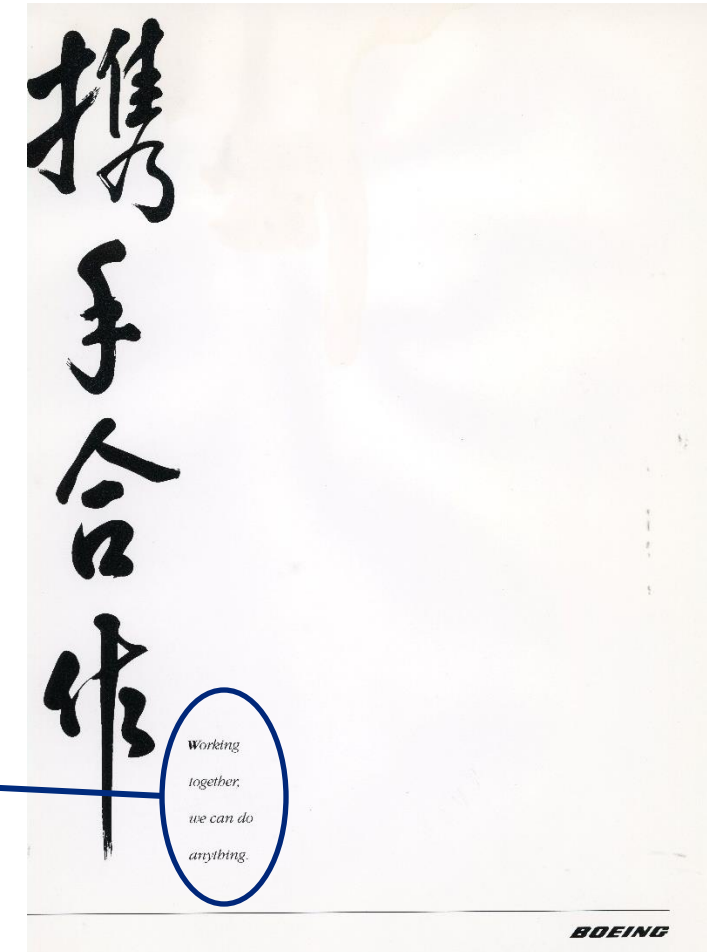
“...I see talented and motivated people working together for the greater good. I see three elements that are absolutely critical to true success of any venture, company, product or life: humility, love and service. And I see the unique contribution of leaders holding themselves and the leadership teams responsible and accountable for creating smart and healthy organization that are delivering value for the greater good.”

*Alan Mulally, CEO Boeing Commercial Airplane, CEO Ford Motor Co.*



- People first...”Love‘em up”
- Everyone is included
- Compelling vision, comprehensive strategy, and relentless implementation
- Clear performance goals
- One plan
- Facts and data... **We Can't Manage A Secret** ... The data sets us free
- Expect the unexpected and expect to deal with it
- Everyone knows the plan, the status and areas that need special attention
- Propose a plan, positive, “find-a-way” attitude
- Respect, listen, help, and appreciate each other
- Emotional resilience—trust the process
- Have fun— enjoy the journey and each other

Working Together  
We can do  
Anything



# The Future

“The Key to the future also lies in our past. Throughout our company’s history we have achieved success by designing and building quality products with quality service. Our plan for the future is to build on those traditional principles, not replace them.”

*Frank Shrontz, Boeing CEO, Chairman of the Board*

## Boeing Flightpath to Success

