Case Study: Boeing Aerospace Company

There is a new way of doing things at the Boeing Aerospace Company. Its senior managers have taken steps to ensure co-operation is the rule, rather than the exception.

Boeing has replaced its ponderous, military-style hierarchy with responsive, Japanese-style participatory management. The idea was to replace autocratic, turf-minded supervisors with self-regulating, cross-disciplined work teams.

The 777 aircraft needed reorganization around an intense collaboration between designers, production experts, customer support personnel, and finance specialists. Grouped into small teams of eight, they have been assigned to refine and integrate all aspects of the aircraft program. The idea is to have each team consider the aircraft as a whole and to empower each team to act quickly on ideas, free from chain-of-command second-guessing.

Items for Discussion:

1. Describe the phrases “military-style hierarchy” and “Japanese-style participatory management”.

2. How does the leader change “autocratic, turf-minded managers”?

3. What types of skills would be needed by each team member, considering the differences in training?