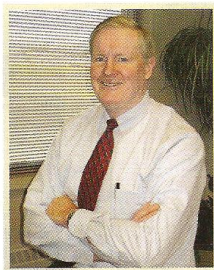


# Leading in the Fast Lane

By Bill McCabe, President, The McCabe Group

**R**enowned sage Herb Kelleher once remarked that you can't have a midlife crisis in the airline business; the airline business *is* your midlife crisis. If you support the carriers these days by running a large or small aeronautical repair station, you know exactly what Herb was talking about. The global MRO world is dynamic, highly competitive, laced with unpredictability and under severe financial stress. Your own tough internal financial situation is further complicated by a steady diet of ever-changing external policy and political pressures. Yet, somehow, you maintain your focus on your customers, your people and the industry's overarching priority—the safety of the traveling public. As you search for ways to compete more successfully in this climate, reflect for a moment on your business' state of health (internally and externally) and consider how you may want to move forward.

Internally, your business culture—your operating discipline—is your basic tool to manage risk. How healthy is it? Ask yourself how well you and your management team demonstrate your leadership. Members of strong teams are aligned and visibly committed to their firm's critical operating tasks. Their principles, policies and plans are clearly understood, and their people truly feel leadership's high expectations for their performance. How about your company structure—does it support your mission? Is line management accountability one of your most basic demands? Do you keep your folks focused with robust communications, realistic training and meaningful audits? In firms with strong cultures, leaders are not satisfied when the reports look good; they empower their people to continuously search out and celebrate finding “ugly,” those little process



issues, safety hazards, logic fuzziness, etc., that will jump up and bite them at exactly the wrong moment. It takes everyone to find such threats. In your culture, do your people perceive it's okay to do that?

Externally, you know very well what it is like to do business in this eclectic arena filled with OEMs, operators,

airports, the military, regulatory authorities and your own diverse MRO community. You certainly experience complexity, but opportunity is out there as well. How do you differentiate yourself from your competition, and what kinds of value chain relationships do you strike? Companies engaged in “strategic” customer/supplier initiatives generally have common interests, such as financial stability, flexibility and assured sources of supply of critical goods and services. Both want to become stronger competitors in their respective markets. Their mutual commitment is built on trust and open communication, and the concentration is on total value. Does this resemble what you have underway?

If you are a current strategic account practitioner, you know there are crucial success factors, starting with the health of your own operating discipline. For instance, with a truly important customer (or a vital supplier), this may likely be a cross-organizational “one company” initiative. Do you really treat it as an overarching critical operating task for your firm? Are you personally committed to its success? Are your business-segment managers on board as accountable leaders? If it's important to you, it had better be to them.

Another factor has to do with how you and your external counterpart interact, along with your respective working level representatives. Have you established meaningful cross-company goals,

expectations and working-level relationships for the initiative? This helps to ensure that a common understanding of the success criteria exists throughout both organizations. In that light, give some real thought to who you want to lead the account on your behalf and how you will provide the support for that person to be successful. Natural tensions always occur between an overarching company initiative and business segment goals, so leading from within can be a real challenge. It is often the toughest part of the initiative to sustain. So, under-promise; make sure you stay within the bounds of your capability. It affects your personal credibility in the eyes of your customer.

Incidentally, consider bringing that same discipline to bear on how you interact with your aviation safety regulators. A clear, respectful relationship enables you and your inspectors to manage risk more successfully. It provides for healthier cooperation and better withstands the invariable stressors that occur inside and outside the relationship, such as business demands, personalities, differing points of view and priorities of the moment. Your mutual result will be improved safety for the traveling public. You may recall a couple of unfortunate, highly visible cases in the recent past in which such an initiative could have really helped both the carrier and the regulator.

The bottom line is to make sure you have a healthy internal business culture, then carefully develop the crucial strategic relationships that will enable both of you to be more successful. You will be working the needs of your customer's customer, which will drive up your perceived value throughout the value chain. Expect the same help from your key suppliers. Good luck! ▀

*Bill McCabe, a retired colonel in the U.S. Air Force, formerly was global managing director for DuPont Aviation.*