

INTERVIEW WITH THE EADS CHIEF QUALITY OFFICER, BILL BLACK

“An effective Quality function is a value adding asset”



Bill Black was appointed EADS Chief Quality Officer as of 1 July 2004. He explains why it is so important for EADS to improve quality and customer confidence and outlines corporate level initiatives which will help to bring about such improvements.

■ **Quality has recently been made an EADS headquarters function. Why do you think that Quality is becoming more of an issue today?**

It is quite clear that the demand for ever improving levels of quality, in all industry sectors, is real. And although this demand is being driven directly by our customers, we should never forget that they are being driven in this direction by their own customers. What is behind this drive is perfectly natural. It is human nature to consider whatever we may al-

ready have as the absolute minimum that we want for tomorrow. This has never been more true than today and it starts with you and I, together with our fellow consumers around the world.

Just think for a moment how we as individual consumers shape what EADS customers demand of our company. We want more choice of TV channels with ever improving content and reception quality. We want faster broadband internet connections available instantly and anywhere. We want to be able to fly anywhere safely, in extreme comfort and for lower

and lower air fares. On top of all of that, we want to be safe in our homes, in our cities and when we travel, so we want highly effective unintrusive defence systems, but of course we also want lower taxes and so these defence systems have to be low cost.

So you and I, and billions of other consumers like us, are collectively driving EADS customer requirements higher and higher. And, of course we always have to remember that our customers have a choice. We're not the only supplier out there, so we have to ensure that we keep ahead of the

Bill Black - Résumé

Bill Black (48) began his career as a marine engineering officer for British Petroleum. He later switched to the aeronautics industry following a career path at British Aerospace, initially as a design and stress engineer before heading Manufacturing and Supply Chain functions and latterly as Head of Engineering and Customer Support at BAE Systems Regional Aircraft. From June 2000 to June 2004 he was Head of Quality & Integration and Member of the Executive Committee of Airbus.

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competition in terms of the quality of products and services that we offer.

Is there a need to raise the profile of Quality at EADS?

Quality of the products and services that we deliver has long been recognised as a key success factor in all of our EADS businesses. Indeed much of our unprecedented success in the marketplace today is due to the excellence of our products and services.

On the other hand, there are good reasons for wanting to raise the profile of the Quality function within EADS. In setting tough standards of performance for acceptable levels of on-time on-quality delivery and customer satisfaction, in measuring and in continually improving our performance against these standards we find some of the most important tasks of any Quality function in any company.

Through this setting of clear quality targets and the driving of continual improvement actions we can further improve customer confidence and so do our part in securing future orders for EADS. An effective Quality function is a value adding asset in any company

but it will require a lot of hard work and some changes in mindset and level of engagement from the Quality function throughout EADS in order to earn this reputation, and then the appropriate recognition of the function and its people will follow.

So how do we in EADS go about improving customer confidence?

The fundamental approach is quite simple to express and quite difficult to achieve. It works only through completing a classic cycle of four steps: listen, understand, act and communicate. First we have to really listen to what our customers are saying about our performance. Then we have to clearly understand out of this feedback what are the customers main concerns and to use these as priorities for our improvement actions. We then need to act to solve these issues through practical, results-focused improvement projects. Finally, through simple and clear communications we have to convince our customers that we've responded to their concerns and that our actions are bringing about real, measurable improvements.

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And how do the Customer Reviews work?

These are face-to-face interviews between key people from our customers' organisations and Business Unit representatives who are knowledgeable about the products and services delivered. One of the main aims of these interviews is to establish a deeper understanding of what lies behind the customer's perceptions of our performance. In fact, it is often possible to begin to change the customer's perceptions during the course of the interview itself. After an interview lasting roughly one and a half to two hours, data will be collected, processed and the key findings and actions required will be summarised in a report for the BU concerned. The Business Unit involved will then review the data and identify those areas where it is prepared to launch improvement actions. Once the various

action plans have been launched it is important to go back to the customer and communicate what has been done to improve on-time on-quality delivery (OTOQD). This is when we can really start to change perceptions for the better and build up customer confidence.

So is this one of the things you'll be aiming to establish across all Business Units?

Yes, of course. This is our top priority since it sets the direction and priorities for the subsequent improvement actions. As it happens, most Business Units already have some form of system for measuring customer satisfaction in place. What we are now doing is establishing one single approach to customer confidence measurement. We need to have a consistent view across all BU's of how the customers perceive EADS.

You said before that the Quality function is also about setting internal standards for on-time on-quality delivery. Is it possible to create a set of standards that work for all?

The last thing we want to do is burden our Business Units with cumbersome measures. The business environment is pressured enough as it is. But it is a fact that what gets measured gets management attention. Without facts and data we are flying blind, reacting to random events in a totally reactive way. We need to be clear what is important to be measured, and for each Business Unit we will together identify a minimum set of key measures to track the on-time on-quality delivery trend to be confident that it is improving. Customer confidence levels are equally important measures which show whether the customer's perceptions agree with our own internal data. For each BU we need to identify three to five key measurements that will show clearly whether our OTOQD performance is improving to meet the BU specific standards. These measurements can generally be drawn from the BUs existing data and they will therefore vary in style and content between BU's. For an aircraft manufacturing BU, for example, we might want to choose: percentage of OTOQ aircraft deliveries, percentage of spare parts delivered OTOQ and percentage of aerostructures delivered internally OTOQ. There is no value in making direct comparisons between OTOQ performances from one BU to the next. What is valuable is to compare the trend in each BU to stimulate cross BU learning and best practice transfer to get all moving in the right direction at a good pace.

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At what point will you begin to feel that establishing corporate Quality has been a worthwhile initiative?

When I can see a robust improving trend in measured OTOQD and measured customer confidence levels across all BU's. That will tell me clearly whether we are heading in the right direction and, more importantly, whether our customers agree that we are improving.

In the medium term EADS will become widely recognised, publicly and internationally, as a truly excellent company that consistently improves upon delivering on-time and on-quality products and services that our customers are delighted to buy and to use.

James Gibbs/Paris ■



Bill Black in his Paris office