Global Business Strategy 2023 Workbook

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SUMMARY REPORT

INTRODUCTION

ANALYZING THE BOEING 737 MAX CRISIS IN 2018 AND 2019

The Aviation Industry is a highly competitive sector that requires rigorous strategic planning, effective leadership, keen focus on innovation and change management (Frank Coleman et al, 2023). This portfolio report critically examines the strategic challenges faced by Boeing, a leading global aerospace company, with a particular focus on Boeing 737-8 MAX crisis in 2018 and 2019. A more recent crisis occurred on the 5th of January involving a 737-9 MAX aircraft specifically for Alaska Airlines Flight 1282 that had to make an emergency landing at Portland not long after takeoff, on its way to Ontario, after a door plug detached (Theo Leggett, 2024). This crisis presents a compelling case study to explore the intricacies of strategic planning, organizational leadership, innovation and change management in a global context.

Through a structured analysis utilizing models such as Fish Bone Analysis, Porter's 5 Forces, BCG matrix and more, this report aims to uncover the unrealized root causes of Boeing 737 MAX crisis and propose strategic options aligned with the company's objective for sustained competitive advantage, acknowledging its current situation and navigating future challenges.

BRIEF HISTORY OF BOEING

Boeing, formally known as Pacific Aero Products Company and an American multinational aerospace corporation, was founded on July 15, 1916 by Williams Boeing in Seattle, Washington. It operates in the design. manufacturing and sale of commercial airplanes,

defense, space and security systems. Boeing's reputation for innovation and technological prowess has been synonymous with the aviation industry since its inception (Erickson, 2023).

From its first successful aircraft, the B&W seaplane created in 1916, to when it entered the jet age with the development of a revolutionary commercial jetliner called Boeing 707, It continued to innovate by producing more aircrafts that catered to different segments of the commercial aviation market and with advanced innovative technological features.

Although, Boeing is a giant in the aviation industry and owns highly competitive market share with Airbus, the company has its fair share of shortfalls and business challenges. It is important to note that the aviation industry is generally safe and incidents are rare, however, there has been a few notable incidents in Boeing's history and the focus here is on the 737 MAX crisis.

THE BOEING 737 MAX

The Boeing 737 MAX is a family of narrow-body aircraft developed by Boeing Commercial Airplanes as an updated and more fuel-efficient version of the popular Boeing 737 Next Generation (NG) series. The program was launched in 2011 and the first variant in this series, 737 MAX 8, was certified by aviation authorities including U.S. Federal Aviation Administration (FAA) and European Aviation Safety Agency (EASA) and entered into service May 16, 2017. The 737 MAX series has 4 variants (7-10) with different seating and range configurations (Boeing.com, 2024). The MAX series was designed to compete with Airbus A320neo family. Some key features of these aircrafts are:

- CFM LEAP 1B-Engines
- Advanced Technology Winglets
- Boeing Sky Interior
- Upgraded Avionics Systems

THE CRISIS

The Boeing 737 MAX, a key player in the company's commercial airplane portfolio, faced significant crisis following two fatal accidents in 2018 and 2019 involving the 737 MAX 8 aircraft:

1. **Lion Air Flight 610 (October 29, 2018):**

   The Boeing 737 MAX 8 aircraft operated by Lion Air crashed into Java Sea shortly after takeoff from Jakarta, Indonesia. All 189 passengers and crew members on board were killed.
2. **Ethiopian Airlines Flight 302 (March 10, 2019):**

   The same 737 MAX 8 variant operated by Ethiopian Airlines also crashed shortly after take-off from Addis Ababa, Ethiopia. All 157 passengers and crew on board also died.

Tim Stenovec (2020) explains that the crashes were attributed to the Maneuvering Characteristics Augmentation System (MCAS) which was designed to address the aircraft's

tendency to pitch-up in certain conditions by keeping it level. The MCAS was found to have been activated erroneously in response to a faulty single Angle-of-Attack (AoA) sensor data causing the aircraft to enter a nosedive.

In response by aviation authorities, investigations into these accidents prompted a worldwide grounding of the Boeing 737 MAX fleet and a reassessment of the aircraft's design and safety features. The grounding affected airlines, disrupted schedules and led to substantial financial losses - with a negative net income of -$636 million in 2019 resulting from compensation payments to airline operators, the victims' families and other cost impacted by the crisis.

Although, the company has since undertaken significant effort to address the identified issues by redesigning the MCAS system, enhance overall safety features, optimally train Pilots, improve communication strategies and ensure operational resilience, and has received recertification from aviation authorities with the grounded fleets returned into service, this report will uncover current potential failure factors and will recommend strategies to mitigate their occurrence.

ANALYSIS OF BOEING AND THE 737 MAX CRISIS

To achieve a comprehensive analysis of the 737 MAX crisis that will aid the identification of core root causes and their implication for Boeing, it is essential to utilize industry recognized models that has proven effective in this context. For this purpose, the Fishbone Diagram and 5 Whys model will be used.

FISHBONE DIAGRAM

The Fishbone Diagram model is particularly effective in visualizing the factors contributing to an issue and helps in understanding the interconnectedness of various elements as in the case of Boeing 737 MAX crisis (figure 1).

PROBLEM IDENTIFICATION

The main problem to be analyzed is Boeing 737 MAX crisis.

CATEGORIES AND CONTRIBUTING FACTORS

1. Design Flaw (MCAS)

- The MCAS System lacked adequate redundancy and failed to prevent erroneous activation.
- Insufficient testing of the system and its interaction with various flight conditions.
- The presence and functionality of the MCAS system was not properly communicated to Pilots.

2. Regulatory Oversight

- Possible conflict of interest between Boeing and regulatory authorities, which influenced the certification process.
- Lack of thorough scrutiny and oversight during the certification process.
- Ineffective communication between Boeing and regulatory bodies regarding design changes and safety features.

3. Faulty Sensor Data

- Reliability on Angle-of-Attack sensors leading to inaccurate data.
- Insufficient backup systems to cross-verify sensor data and ensure accurate readings.
- Insufficient trainings for Pilots to know how to handle situations involving faulty sensors.

4. Corporate Culture

- A corporate culture that prioritized profit over safety, potentially influencing decision making.
- Inadequate transparency in internal and external communications regarding known issues.
- The importance of safety was undervalued in favor of meeting deadlines.

5. Supply Chain Challenges

- Lapses in quality control during production process.
- Overreliance on certain suppliers without reviewing their deliveries.
- Inadequate diversification of raw materials.

6. Communication Breakdown

- Ineffective internal communication between different departments within Boeing.
- Lack of effective communication between airliners, regulators and the public, before, during and after the crisis.
- Cultural barriers which must have impacted communication flow.

IMPLICATIONS

The factors above led to significant implications such as safety concerns, financial losses, reputational damage, operational disruptions and legal consequences.

5 WHYS ANALYSIS

Sakichi Toyoda, the founder of Toyota Motor Corporations, developed the 5 Whys technique in the 1930s and

the company still uses it as a problem solving tool till date. It is used by repeatedly asking 'Why?' to each successive answer until the fundamental root causes are found. For a more thorough analysis of the 737 MAX crisis, the 5 Whys model was used to form a deeper understanding of the identified categories, contributing factors and implications under the fishbone analysis.

ROOT CAUSES

After asking the questions shown in the 5 Whys diagram (figure 2), the following root causes of 737 MAX crisis were identified:

- Intense competition with Airbus.
- Desire to meet demand quickly.
- Decision makers undervalued the importance of safety.

IMPLICATION

The root causes revealed from this analysis points strongly to leadership and poor strategic decision making. Dominating the aviation industry through speed was Boeing's focus and unfortunately, it led to fatalities that has placed a lasting smear till date on the company. These results emphasizes the importance of strategic planning and disciplined leadership

TRENDS AND OPPORTUNITIES

Boeing's global business environment is very vast and to accurately analyze the internal and external factors that contributed to the company's challenges, identify trends and recognize opportunities for its advancement, PESTEL analysis, Porter's Five Forces and SWOT analysis will be employed.

PESTEL ANALYSIS

PESTEL is a framework that helps businesses set strategies that takes all aspects of the macroeconomics business environment into consideration. (Indeed, 2022). The relevant categories are stated below and the factors are analyzed in detail in figure 3:

- **POLITICAL -** Regulatory Oversight and Government Contracts.
- **ECONOMIC** - Global Economic Conditions and Foreign Exchange Rates
- **SOCIOCULTURAL** - Travel Trends and Societal Expectations
- **TECHNOLOGICAL** - Innovation and Digital Transformation
- **ENVIRONMENTAL** - Emission Regulations and Sustainable Practices.
- **LEGAL** - Regulatory Compliance and Legal Disputes.

PORTER'S FIVE FORCES

This model aids the identification of an industry's competitive forces, taking into account 5 important players that helps determine its strength and weaknesses as well as help it identify unique corporate strategies. These 5 forces are mentioned alongside their impact rate below and analyzed in depth in figure 4:

- **BARGAINING POWER OF BUYERS (HIGH)**

a. Airlines make substantial investment in aircraft which gives them significant bargaining power.

b. High switching costs for airlines when changing to a new manufacturer.

c. Large aircraft orders give airlines leverage in negotiations.

- **BARGAINING POWER OF SUPPLIERS (MEDIUM)**

  a. Certain suppliers provide critical components for Boeing's aircrafts.

  b. Boeing's vertical integration and in-house production can mitigate supplier's power.

  c. The aerospace industry has a limited number of suppliers for specialized components.

- **THREAT OF NEW ENTRANTS (LOW)**

  a. Entering the aerospace industry requires substantial capital for research, development and production.

  b. Stringent safety and certification standards act as barriers to entry.

  c. Specialized knowledge and expertise in aerospace technology are key.

  d. Government's policies, defense contracts and geopolitical considerations can influence industry dynamics.

- **THREAT OF SUBSTITUTES (LOW TO MEDIUM)**

  a. Air travel remains a primary mode for long distance transportation.

  b. Substituting air travel with alternative modes involves high switching cost for individuals and businesses.

  c. Emerging technologies like high-speed rails could pose a threat in certain regions.

  d. Economic downturns can impact airlines' ability to invest in new aircrafts.

- **INTENSITY OF COMPETITIVE RIVALRY (HIGH)**

  a. Boeing competes intensively with Airbus, leading to price wars and aggressive marketing.

  b. Continuous innovation is required to stay competitive in the aerospace industry.

  c. Airlines may switch between Boeing and Airbus based on pricing, features and performance.

This analysis clearly shows the challenges and complexities within the aerospace industry. Boeing's strategic decisions needs to navigate these forces effectively to maintain competitiveness and adapt to changing market conditions.

SWOT AND TOWS ANALYSIS

SWOT analysis helps identify a company's strengths, weaknesses, opportunities and threats from a combination of internal and external business environment factors which informs the business' global

strategic decisions towards sustained competitive advantage through TOWS analysis. See the comprehensive analysis table and diagram in figure 5.

SWOT ANALYSIS

While Boeing has several contributing factors for each of the SWOT categories, focus will be placed on the top two to streamline the analysis for deriving the TOWS strategies:

- **STRENGTHS** - Market Leadership and Diverse Product Portfolio
- **WEAKNESSES** - Supply Chain Vulnerabilities and Fatal Aircraft Crisis e.g. 737 MAX Crisis
- **OPPORTUNITIES** - Rising Air Travel Demand and Innovation in Sustainable Aviation
- **THREATS** - Intense Competition and Geopolitical Uncertainties

TOWS ANALYSIS

This analysis involves matching external opportunities and threats with internal strengths and weaknesses to generate robust strategic options. Below are the strategic propositions based on SWOT Analysis (see figure 5):

- **Strengths-Opportunities (SO) Strategies**

  a. Capitalize on Boeing's strong engineering capabilities to develop innovative fuel- efficient aircrafts for emerging markets which will meet the increased demand for sustainable aviation.

  b. Utilize Boeing's market leadership to form strategic alliances with international partners which can open access to new aerospace technologies and new markets.

  c. Enhance Boeing's brand reputation by emphasizing sustainability and environmental stewardship, aligning with global green aviation initiatives thereby, attracting environmentally conscious customers.
- **Strengths-Threats (ST) Strategies**

  a. Reinforce Boeing's commitment to safety through communication, transparency and enhanced safety measures.

  b. Strategically position products for both commercial and defense sectors to counter threats related to market fluctuations.

  c. Capitalize on Boeing's brand resilience to address threats related to reputational damage through robust crisis management, open communication and proactive measures to rebuild trust.
- **Weaknesses-Opportunities (WO) Strategies**

  a. Address weaknesses in the aftermath of the 737 MAX crisis by investing significantly in research and development to introduce advanced and safe aircrafts, regaining customers trust and market share.

  b. Mitigate weaknesses related to technological setbacks by fostering collaborations with organizations possessing cutting-edge technologies.

  c. Overcome weaknesses in product sustainability by diversifying into sustainable technologies.
- **Weaknesses-Threats (WT) Strategies**

  a. Address operational weaknesses by implementing efficiency improvements.

  b. Counteract weaknesses related to safety concerns by implementing rigorous safety protocols, thereby restoring confidence in Boeing's products and ensuring compliance with regulatory standards.

Implementing these strategies requires careful planning, effective execution and a commitment to continuous improvement to ensure Boeing's sustained growth and competitiveness in the global aerospace market.

GLOBAL STRATEGIC OPTIONS AND ROLE OF LEADERSHIP

Boeing, historically, employed a differentiation strategy, emphasizing technological leadership and a diverse product portfolio. The 737 MAX crisis highlighted the need for a reassessment of Boeing's competitive strategy. Based on the analyses above, two global strategic options are strongly recommended:

1. TECHNOLOGICAL INNOVATION AND SUSTAINABILITY

Aim: Using the BCG matrix, the aim of this strategy (Stars, figure 6) is to enhance existing product lines with advanced technologies, focusing on environmental stability.

Tactic: As depicted by the Ansoff Product-Market Mix in figure 7, investment in research and development to introduce next-age aircrafts with futuristic technologies and exploring emerging markets with increasing demand for sustainable aviation solutions, are the best tactics to use in achieving this aim.

Method: The Competitive Generic Strategy in figure 8, shows that the method of strategy to follow is differentiating Boeing's products through cutting-edge technologies, reduced emission, passenger comfort and emphasizing fuel-efficiency.

JUSTIFICATION

Boeing has a strong history of technological innovative and investing in sustainable aviation aligns with industry trends. Differentiating through sustainability can enhance Boeing's reputation, attract a new category of customers by aligning with globally trending initiatives. Sustainable aviation aligns with the industry's shift towards eco-friendly practices and allows Boeing to leverage its engineering expertise.

2. STRATEGIC PARTNERSHIPS AND SUPPLY CHAIN RESILIENCE

Aim: The cash cows quadrant in the BCG Matrix in figure 6, supports the aim of this strategy which is to strengthen the existing product lines while optimizing cost and building resilience.

Tactics: Optimize production processes, reduce costs to maintain competitiveness, forge strategic partnerships for joint ventures or collaborations in emerging aerospace technologies (Ansoff Product-Market Mix, figure 7).

Method: Use lean processes in streamlining operations, negotiate new favorable terms with suppliers and enhance cost efficiency throughout the value chain (Porters Generic Competitive Strategy, figure 9).

JUSTIFICATION

Boeing has the experience to optimize its operations, cost leadership ensures competitiveness and strategic partnership can provide access to complementary capabilities and new markets. This strategy leverages Boeing's current market position to negotiate favorably with suppliers and other stakeholders, thereby enhancing overall supply chain resilience.

LEADERSHIP

To foster a culture that encourages calculated risk-taking and creative problem solving, the leadership of Boeing should inspire and drive innovation through transformational-transactional leadership model and balance efficiency to ensure execution of streamlined processes, negotiation and building of strategic alliances. Combining these leadership styles provides Boeing with a comprehensive and more adaptable leadership strategy.

ANALYSIS OF THE COMPANY AND PROBLEM

FISHBONE ANALYSIS

Available at: https://www.mywordtemplates.net/fishbone-diagram-template/ (Accessed on 2nd December, 2023).

MY TAKE:

Boeing is at a sensitive phase currently and the decisions made to address the numerous issues existing across most of its arm of business can either make or mar the company.

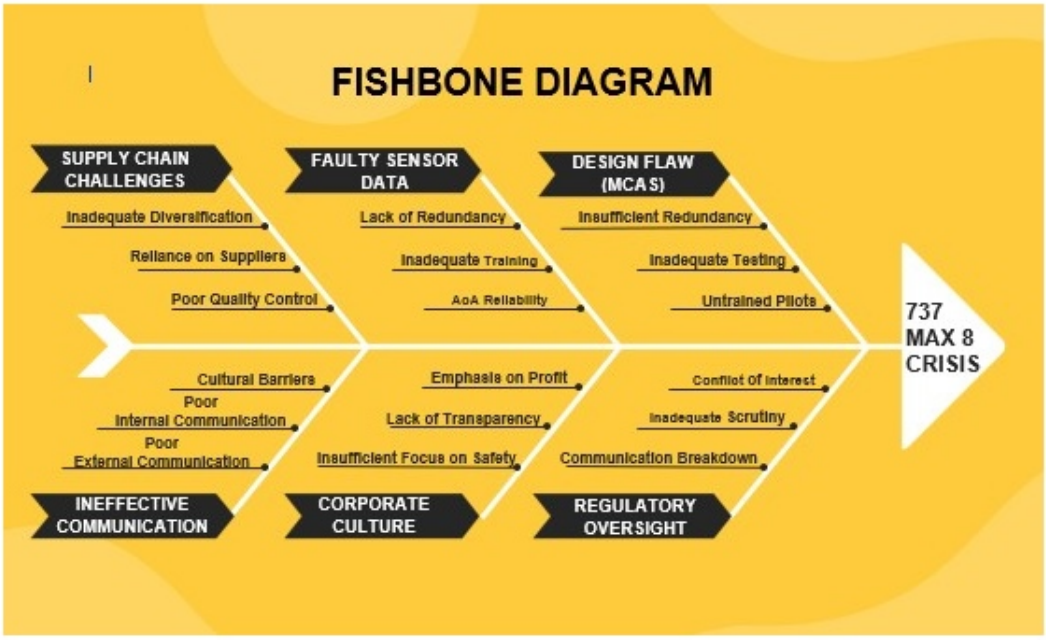


Fig. 1: FISHBONE ANALYSIS

5 WHYS ROOT CAUSE ANALYSIS

Mind Tools Content Team, 2022. 5 Whys: Getting to the Root of a Problem Quickly. Available at: https://www.mindtools.com/a3mi00v/5-whys (Accessed on 18th January, 2024).

MY TAKE:

If the root causes in the diagram below are removed, there is a better certainty that the 737 MAX Crisis would not have occurred.

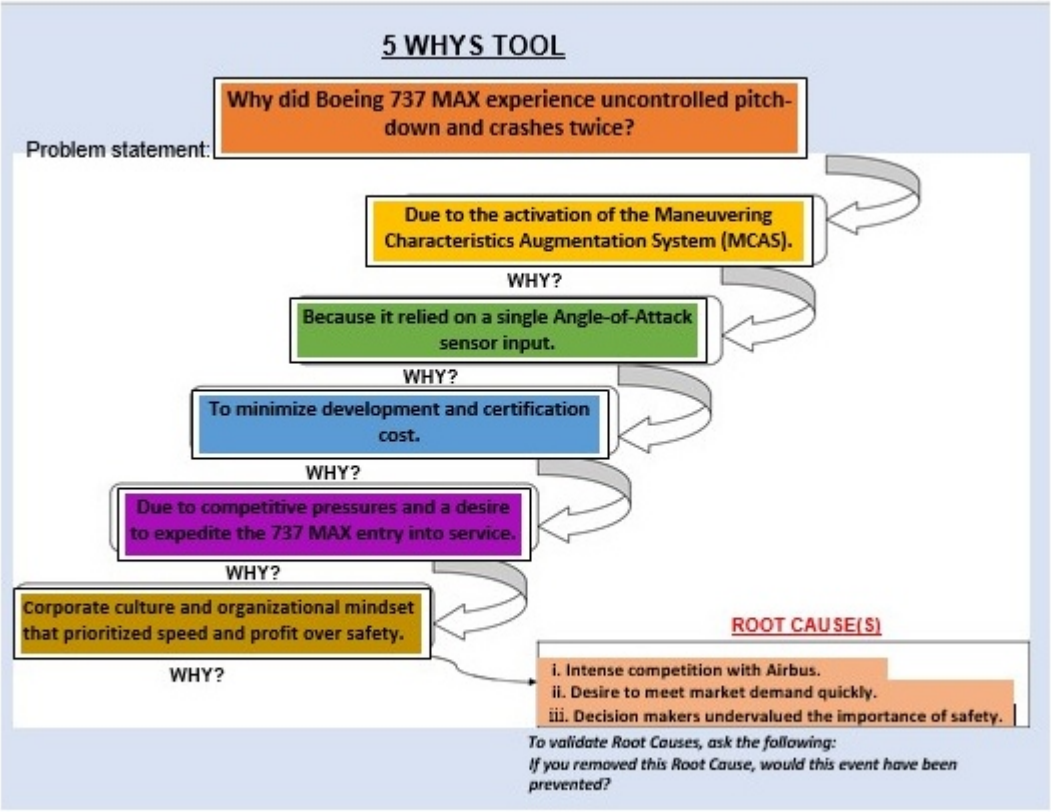


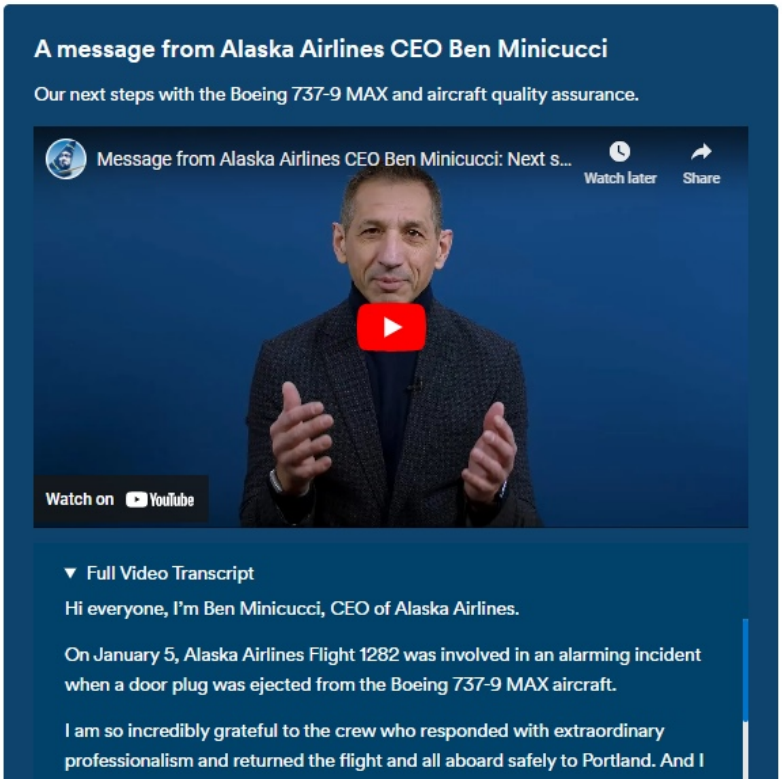
Fig. 2: 5 WHYS ROOT CAUSE ANALYSIS

NEWS ARTICLE ON ALASKA AIRLINES FLIGHT 1282

Boeing Newsroom, 2024. Available at: https://boeing.mediaroom.com/Boeing-Statement-on-Alaska-Airlines-Flight-1282gl=1*1qt75wv*_ga*MTAwNjI0OTk5Ni4xNzA2MDM5NTkz*_ga_3N2PEGZ4HD*MTcwNjAzOTU5Mi4xLjEuMTcwNjA0MDM3NS4wLjAuMA. (Accessed on 9th January, 2024).

A MESSAGE FROM ALASKA AIRLINES CEO, Ben Minicucci, 2024.

Aircraft Quality Assurance. Available at: https://news.alaskaair.com/alaska-airlines/operations/as-1282/ (Accessed on 9th January, 2024).



GLOBAL GROUNDING OF BOEING 737 MAX 8 AIRCRAFTS

Tim Stenovec, 2020. Explained: Boeing in Crisis One Year After Second 737 MAX Crash. Available at: https://cheddar.com/media/explained-boeing-in-crisis-one-year-after-second-max-crash (Accessed on 2nd December, 2023).

MY TAKE:

Despite Boeing's lack of consideration for safety in 2017/18 and regulatory authorities lack of scrutiny, grounding the aircraft variant by FAA proved the industry still cared about safety and this showed their awareness of it.


COUNTRIES THAT GROUNDED BOEING 737 MAX 8 AFTER CRASHES
•Australia
•France
•Malaysia
•Oman
•Singapore
•Indonesia
•Hong Kong
•Thailand
•Lebanon
•United Arab Emirates
•Canada
•Nigeria
737
SOURCE: TIME

TRENDS AND OPPORTUNITIES

PESTEL ANALYSIS

Indeed Editorial Team, 2022. What Is a PESTLE Analysis? Factors, Examples and Uses. Available at: https://www.indeed.com/career-advice/career-development/what-is-the-pestle-analysis (Accessed on 22nd January, 2024).

MY TAKE:

Boeing's external environment generally has a very high impact on its success. Leveraging these factors right can aid the formation of strategic positions the company can take for sustained competitive advantage.

Category	Possible Factors	Business Impact	Time Frame	Type of Impact
Political	Regulatory Oversight: Changes in aviation regulations and oversight have a direct impact on Boeing's operations.	Threat	Long-term	Negative
	Government Contracts: Boeing's substantial involvement in defence and government contracts is subject to political decisions.	Opportunity and Threat	Long-term	Positive & Negative
Economic	Global Economic Conditions: Economic downturns can reduce airline demand, affecting aircraft orders.	Threat	Medium	Negative
	Foreign Exchange Rates: Currency fluctuations may impact production costs and international sales.	Threat	Medium or Long-term	Negative
Social	Travel Trends: Changing consumer preferences and travel trends influence demand for new aircraft.	Opportunity and Threat	Long-term	Positive & Negative
	Societal Expectations: Increased emphasis on sustainability and environmental concerns affecting aircraft design.	Opportunity	Long-term	Positive
Technological	Innovation: Continuous technological advancements impact aircraft design, fuel efficiency, and production processes.	Opportunity	Long-term	Positive
	Digital Transformation: Adoption of digital technologies in manufacturing, maintenance, and customer interactions.	Threat	Long-term	Positive
Legal	Regulatory Compliance: Adherence to safety and certification standards is critical for regulatory approval.	Opportunity and Threat	Long-term	Positive & Negative
	Legal Disputes: Ongoing legal challenges, especially related to the 737 MAX crisis, impact Boeing's reputation and financials.	Threat	Medium or Long-term	Negative
Environment	Emission Regulations: Stringent environmental regulations drive the development of more fuel-efficient and eco-friendly aircraft.	Opportunity	Long-term	Positive
	Sustainable Practices: Increasing importance of sustainable practices in the aviation industry.	Opportunity	Long-term	Positive

Fig. 3: PESTLE/PESTEL ANALYSIS

PORTER'S 5 FORCES

Gordon Scott and Patrice Williams, 2023. Porter's Five Forces Explained and How to Use the Model: The fundamentals you need to analyze an industry's weaknesses and strengths. Available at: https://www.investopedia.com/terms/p/porter.asp (Accessed on 22nd January, 2024).

MY TAKE:

Using this analytical model helped substantiate the results I obtained from the PESTLE analysis. Boeing's competitive advantage over Airbus and other competitors, lies in ensuring it has builds a formidable relationship with all key stakeholders.

PORTER'S FIVE FORCES	DESCRIPTION
Threat of New entrants	Low - Entering the aerospace industry requires substantial capital for research, development, and production.
Bargaining Power of Buyers	High - Airlines make substantial investments in aircraft, giving them significant bargaining power.
Bargaining Power of Suppliers	Medium - The aerospace industry has a limited number of suppliers for specialized components.
Threat of Substitute Products	Low to Medium - Air travel remains a primary mode for long-distance transportation.
Competitive Rivalry	High - Boeing competes intensely with Airbus, leading to price wars and aggressive marketing.

Fig. 4: PORTER'S 5 FORCES

SWOT AND TOWS ANALYSIS

SAFe Studio, 2023. Envisioning the Future State: Understanding Opportunities and Threats. https://scaledagileframework.com/portfolio-vision/ (Accessed on 22nd January, 2024).

Brunger, Bruce A. 2023. The T.O.W.S. Matrix: Developing Strategic Options from an External-Internal Analysis. Available at: https://brungerblog.wordpress.com/2016/03/20/tows- (Accessed on 22nd January, 2024).

MY TAKE:

Using SWOT analysis to identify Boeing's characteristics and further developing strategies from these factors using TOWS analysis helped to identify strategic growth opportunities that can potentially recover the company's brand trust and market share.

STRENGTHS	WEAKNESSES
• Market Leadership: Boeing has historically been a major player in the aerospace industry. • Diverse Product Portfolio: A wide range of commercial and defence products.	• 737 MAX Crisis: The crisis has led to financial setbacks and reputational damage. • Supply Chain Vulnerabilities: Dependency on a complex global supply chain.
OPPORTUNITIES	**THREATS**
• Rising Air Travel Demand: Anticipated growth in air travel presents opportunities for new aircraft orders. • Innovation in Sustainable Aviation: Embracing green technologies for future aircraft.	• Intense Competition: Competing with Airbus and emerging aerospace companies. • Geopolitical Uncertainties: Political and trade tensions impacting international business.

Fig. 5: SWOT ANALYSIS

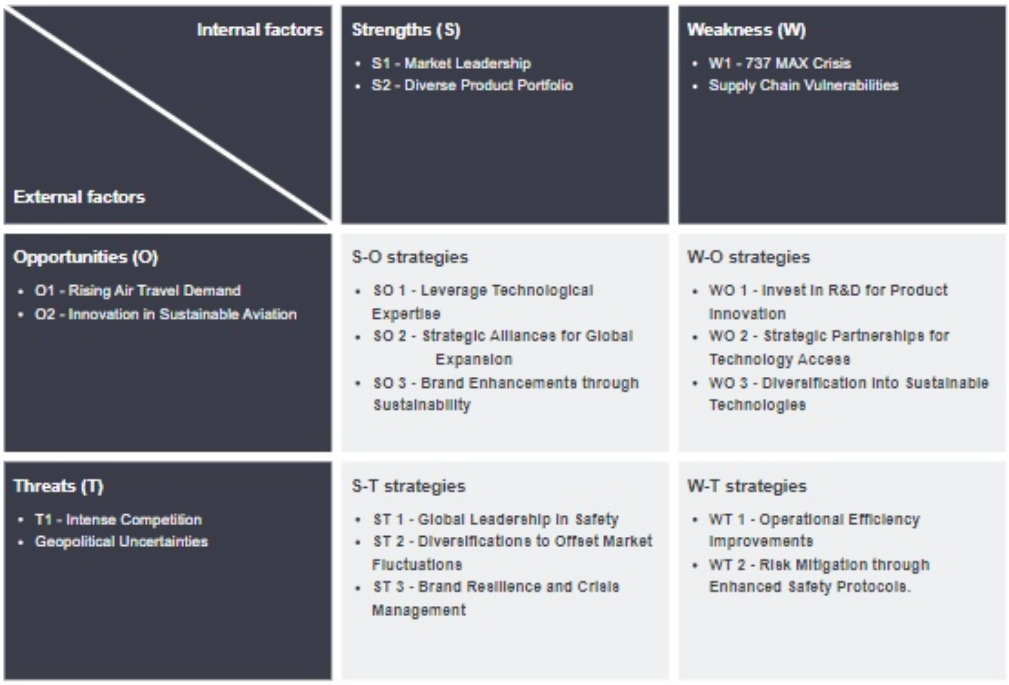


Fig. 5: TOWS ANALYSIS

STATISTICS ON BOEING'S LOSSES, ORDERS AND STOCK

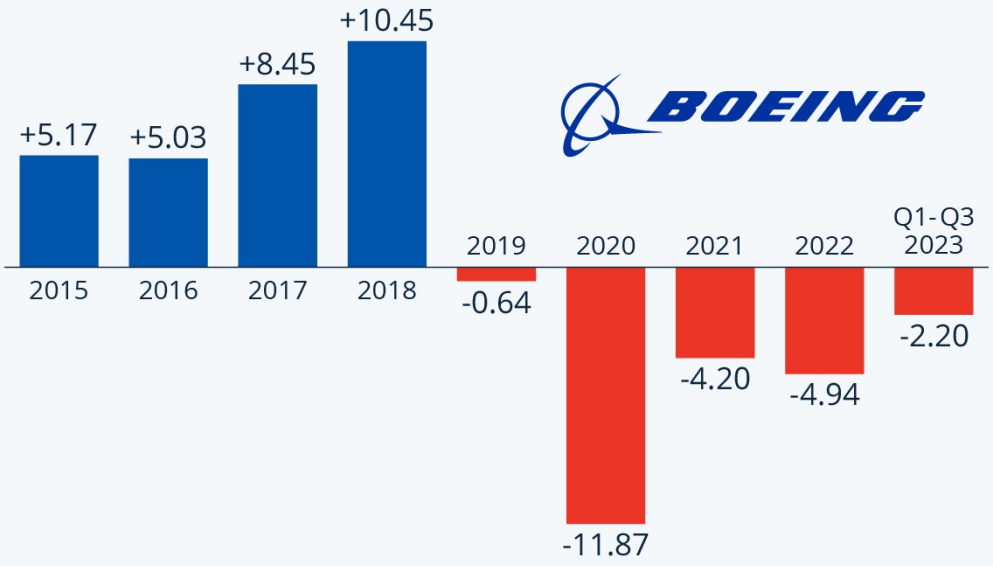
Available at: https://www.statista.com/chart/20660/boeing-earnings-loss/ (Accessed on 23rd January, 2024).

MY TAKE

Boeing has been progressively reporting losses after the crisis and effects of Covid-19 pandemic and its aftermath. I believe the leaders should take a step back and review what they were doing right before the crisis and employ recommended strategies to recover their dominance.

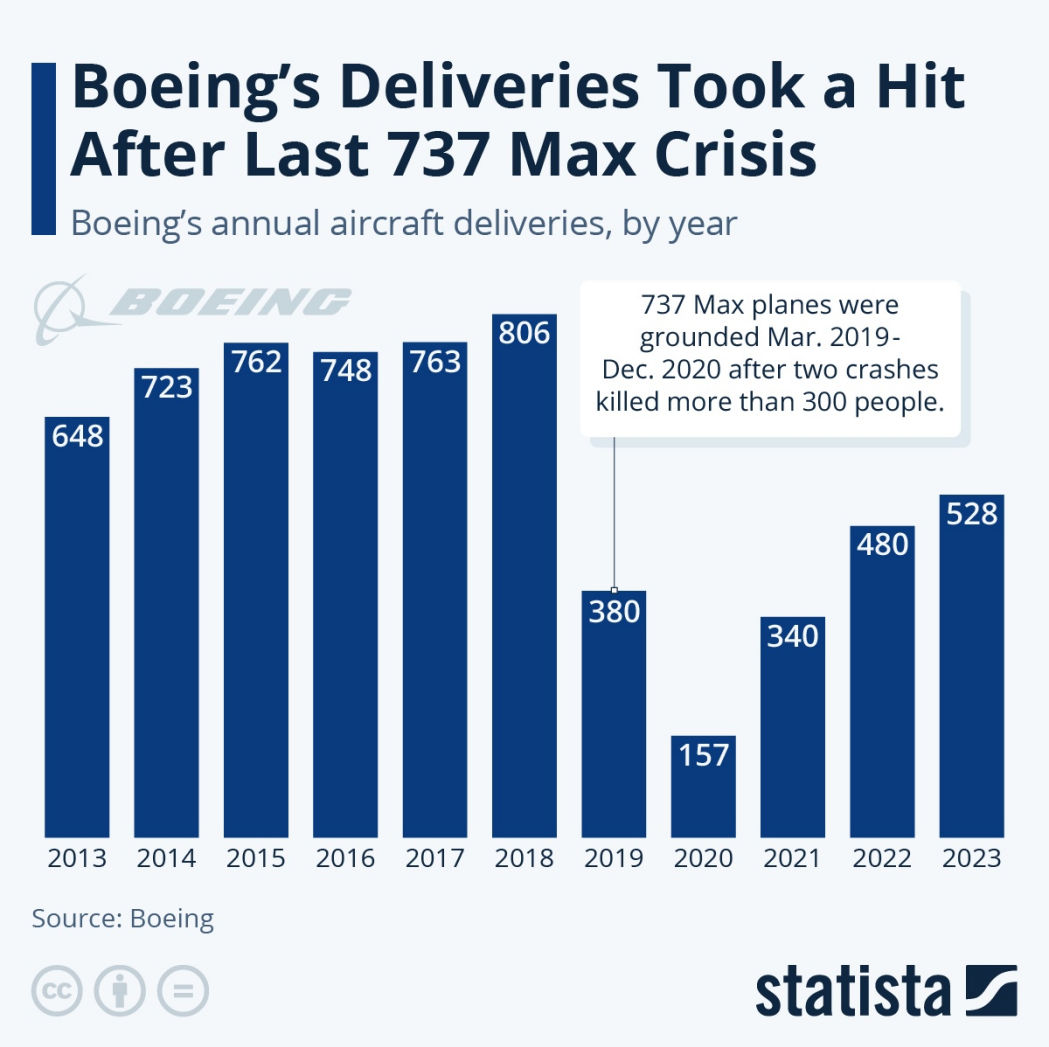
Boeing Posts Losses Amid Low Deliveries, Air Force One Costs

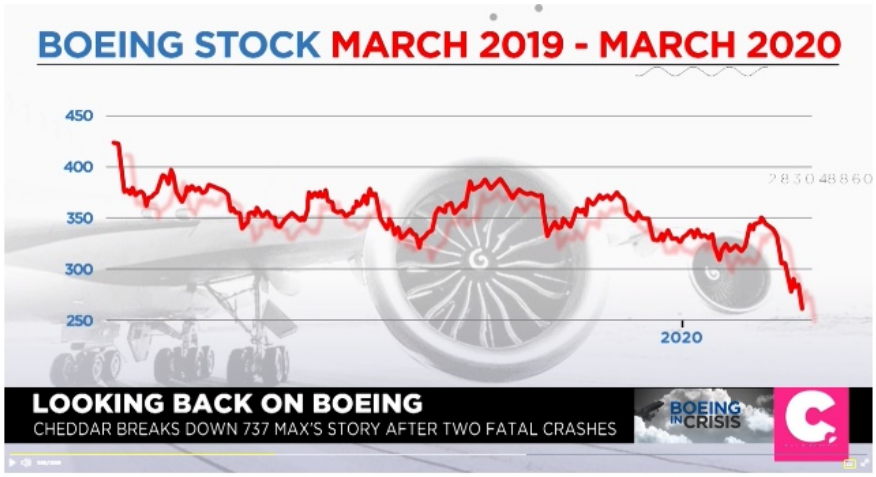
Annual net loss/earnings of Boeing for a given year (in billion U.S. dollars)



Sources: Boeing company reports, Macrotrends

statista


Boeing's Deliveries Took a Hit After Last 737 Max Crisis
Boeing's annual aircraft deliveries, by year
BOEING
737 Max planes were grounded Mar. 2019- Dec. 2020 after two crashes killed more than 300 people.
648
723
762
748
763
806
380
157
340
480
528
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
Source: Boeing
statista


BOEING STOCK MARCH 2019 - MARCH 2020
450
400
350
300
250
2020
LOOKING BACK ON BOEING
CHEDDAR BREAKS DOWN 737 MAX'S STORY AFTER TWO FATAL CRASHES
BOEING IN CRISIS

GLOBAL STRATEGIC OPTIONS AND ROLE OF LEADERSHIP

BOSTON CONSULTING GROUP (BCG) MATRIX

CFI Team, 2022. Boston Consulting Group (BCG) Matrix. Available at: https://corporatefinanceinstitute.com/resources/management/boston-consulting-group-bcg-matrix/ (Assessed on 22nd January, 2024).

MY TAKE:

Boeing should invest more on technological innovations and sustainability. I would advice they focus squarely on developing existing product lines to a confident level, integrating trends of eco-friendly systems and recovering their high competitive market share before producing new variants of aircrafts.

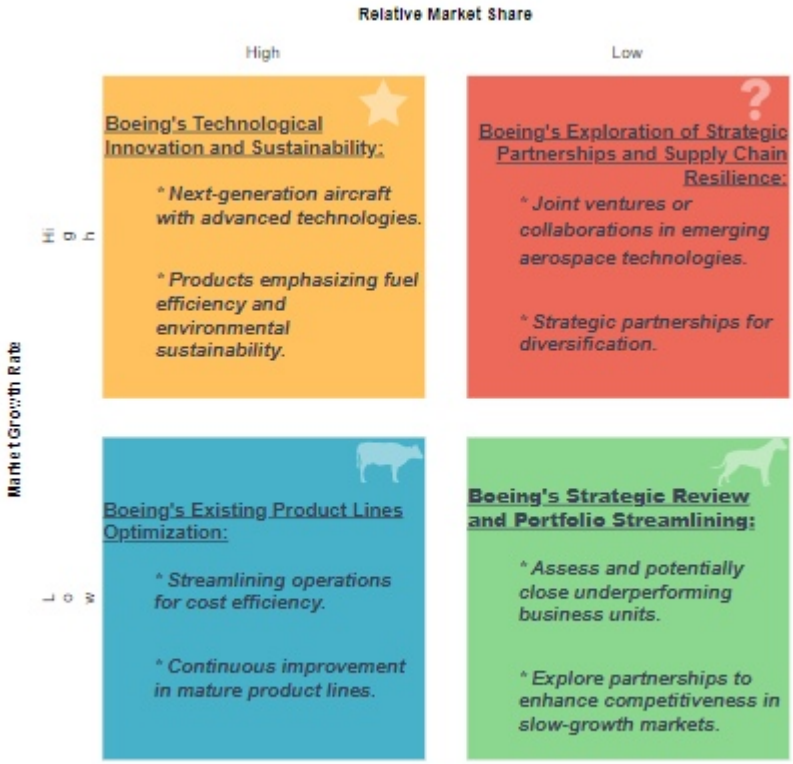


Fig. 6: BCG MATRIX

ANSOFF PRODUCT-MARKET MIX

How to develop tactics of strategy. Available at: https://online.visual-paradigm.com/diagrams/features/ansoff-matrix-template/ (Accessed on 22nd January, 2024).

MY TAKE:

Developing from the aim of strategy as deduced by the BCG framework, developing product lines, penetrating the market through lean processes, exploring emerging markets and forging strategic partnerships will avail Boeing the much needed growth it urgently needs.

Fig. 7: ANSOFF PRODUCT-MARKET MIX

PORTER'S GENERIC COMPETITIVE STRATEGY

Generic Competitive Strategies. Available at: https://online.visual-paradigm.com/infoart/templates/strategic-analysis/digital-market-porters-generic-strategic-analysis/ (Accessed on 22nd January, 2024).

MY TAKE:

The analysis so far has emphasized the cost and differentiation focus in the image

below. Exploring new markets and building trust with quality-assured aircrafts is the best strategy Boeing can take now.

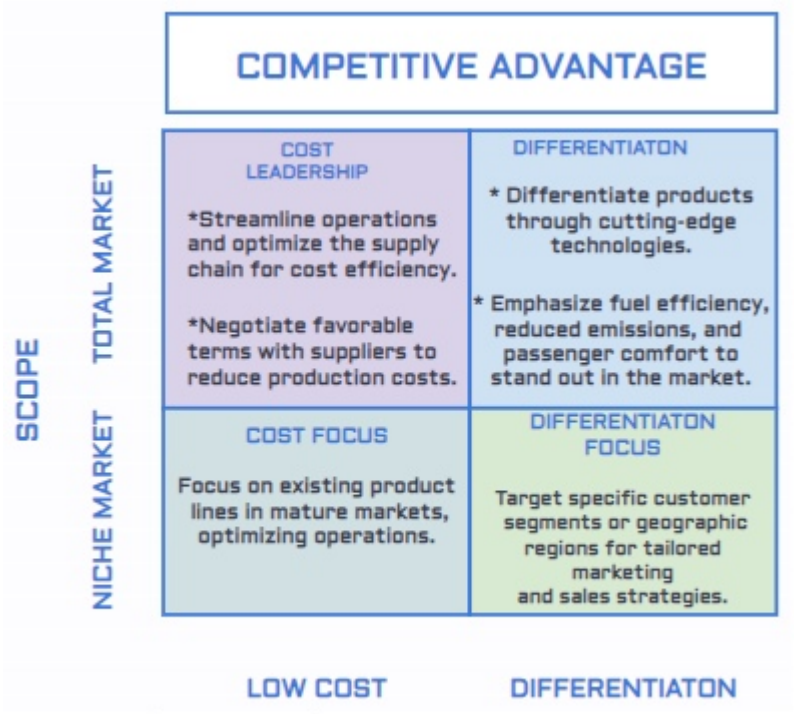


Fig. 8: PORTER'S GENERIC COMPETITIVE STRATEGY

STRATEGIC INVESTMENT IN DIGITAL TECHNOLOGIES

Erickson, 2023. Unleashing the Future: Boeing's Strategic Investments in Digital Technology. Available at: https://www.eclipseaviation.com/unleashing-the-future-boeings-strategic-investments-in-digital-technology/ (Accessed on 2nd December, 2023).

MY TAKE:

Developing Boeing's current product lines with advanced digital technologies can attract more sales as customers love the experience AI / technology brings to a product.


Unleashing the Future: Boeing's Strategic Investments in Digital Technology
What makes giant aircraft such as Boeing's fly so well? Why is it so important to keep a giant aircraft such as Boeing's in the sky, soaring with incredible precision and safety? How will drone ...

CONCLUSION

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Boeing's current challenges can become a forgotten watershed if it comprehensively position itself for near future success by incorporating the proposed strategies in this portfolio report. These strategies were designed with the aim to positively impact the company's future performance, restore confidence in the brand and enhance competitiveness in the global aerospace market. Ongoing adjustments, strong leadership and effective execution will be crucial for Boeing's successful recovery and sustained growth.

RECOMMENDATIONS

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The following recommendations are based on my analysis of Boeing's strengths, weaknesses, opportunities and threats with the aim of guiding the company towards sustained growth, resilience and competitiveness in the aerospace industry:

1. Strengthen safety protocols and crisis management strategies to rebuild trust and reputation.
2. Prioritize transparent and effective crisis communication.
3. Invest in employee development programs.
4. Establish robust monitoring mechanisms to stay abreast of industry trends and emerging opportunities.
5. Diversify the product portfolio strategically to offset market fluctuations.
6. Prioritize continuous innovation and sustainability in aircraft design to meet growing demand for sustainable aviation.
7. Form strategic alliances with international partners to enhance technological capabilities and expand market reach globally.
8. Implement lean measures to enhance operational efficiency and address weaknesses exposed by the 737 MAX crisis.

REFLECTION

REFLECTION

My Boeing learning journey has been a complex yet enlightening exploration into the aerospace industry, delving into the 737 MAX crisis, strategic analyses and recommendations. I felt like I was solving a business puzzle by helping a struggling entity rise to the top of the success ladder. Using the analysis tools in this report to understand Boeing's challenges and envision its future, made me feel more confident of my ability to replicate my developed analytical competency in the real business world.

This experience only emphasizes the human dimension of business decisions, illustrating that even corporate giants face trials, can adapt and evolve. I appreciate the opportunity to play a part in the global business environment with my analysis and I have now formed a deeper appreciation for the intricacies of strategy and growth.

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