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1. Introduction

British Airways is the flag carrier of the United Kingdom and a part of the International Airlines Group. IAG has a very dynamic, complex and competitive global aviation market. Organisational culture, which reflects common values, beliefs and attitudes, as outlined by Mullins and Christy (2016, p. 574) “how things are done around here”, plays a crucial role in shaping organisation processes such as decision making, design of the organisation, group behaviour, motivation and management controls. Organisational culture reflects common values, beliefs and attitudes. Mullins and Christy (2026, p.574) says “how things are done around here”. This heavily influences organisation processes such as decision making, design of the organisation, group behavior, motivation and management controls. Organisational culture is a strategic problem that affects the safety of any operation. The organisation functions in the context of a legacy airline.

This report will analyze how the culture of the British Airways organisation is so deep rooted within the company and how it impacts on the structure and decision-making process of the organisation. In order to establish the cultural paradigms in an airline, the report relies on two main theories in the field of culture; the Model of Organisational Culture and Cultural Types, which were proposed by Handy and Schein respectively. In addition, it examines how to use BA's culture to respond to external environmental factors like the pressing need to be more environmentally sustainable and the disruption to operations since the pandemic. The report delivers a critical evaluation of whether BA's culture is a constraint or a facilitator to effective organisation functioning, considers the influence of BA's culture on overall organisation functioning, and offers theory-based evidence-based suggestions for strengthening and improving the culture.

2. Theoretical Framework

Two broad academic frameworks are useful in deconstructing the complex culture of British Airways. Such as Schein's model of organisational culture and Handy's cultural types.

According to Schein(2010) there are three levels of interrelated organisational culture. First of all we have artifacts which refer to things that are seen. For example the surface level of culture such as the physical environment, dress code, technology etc. these behaviors that can be observed. Secondly the level of espoused values such as stated strategies, goals, philosophies and messages by the organisation. Last but not the least, the most important level and the true essence of the culture is the underlying assumptions, unconscious, unquestioned beliefs which underlie behavior.

3. Beyond this psychological perspective

Handy (1993) provides four cultural structures of organisations:

Handy's(1993) four cultural structures of organisations are power culture, role culture, task culture, and person culture. Power culture refers to a group of people who make all decisions. Role culture is based on hierarchical structure, procedure driven, and dependent on job descriptions. Task culture is project oriented, team based, flexible and centers around problem solving. And finally, person culture is individual oriented. The organisations purpose it to service the individual. These frameworks provide a firm lens to examine the manifestation and workings of culture in British Airways.

Organisational culture influences organisational structure and decision making. Chandler(1962) states "structure follows strategy". And culture determines how structure works in practice. In British airways, culture acts as a primary determinant of their organisation and decision making.

The company's overseas organisation is divided into several business units. These are short haul, long haul, cargo, engineering, other business units and central corporate functions. A culture that's centered around safety and compliances has a significant impact on the operational part of British airways. Safety is the most important thing in commercial aviation and it is a feature of culture and the fact that we must have a very controlled and hierarchical environment. The flight duties,

engineering and cabin crew are structured and hierarchical. The roles and responsibilities are clearly defined and chain of command is well established. This structure is a result of a culture which prioritizes predictability standardisation and risk avoidance.

The culture's safety compliance had an impact on the culture of decision making. In operational settings, there is no alternative to decision making. The pilots and engineers have to follow specific operating procedures and do not have any space for independent and unstructured decision making unless there is an exception and contrary to the given circumstances. Following the protocol is mandatory and variations are not allowed. This has managed to keep them safe but at the same time slowed down their agility in operation as minor technical issues arise such as the cultural script being to get the airplane down and then follow a checklist, ensuring safety first.

In the commercial space, marketing and customer experience is changing and becoming more market driven and agile. It follows the pace of low cost airlines and more market oriented Middle Eastern airlines. Here, the structure is much more fluid. Decision making has become more of a decentralised function where middle management are able to react quickly to market trends, price changes and customer feedback. However, there can be a mismatch between the agile commercial units and the staunch operational units of the legacy airline culture of the bureaucracy. This cultural difference can lead to something called the “silo mentality” or the commercial offering such as a smooth change-over between flights during a delay. It may sound like it is happening as expected but isn't happening because of protocol or procedure of ground personnel and flight crews(Hooper, 2020). This will also help identify the prevailing culture at British airways. The model of Schein and culture types of Handy are used to analyse British Airways in order to reveal the dominant culture within the organisation.

Applying Schein’s Model:

The iconic aspects of the culture of BA are woven in and externalized: The uniforms are specially designed and controlled; the Union Jack tail fins are visible; the exclusive lounges at Heathrow Terminal 5 (including the Concorde Room); the extremely polished safety demonstration videos. These items convey a feeling of quality, Britishness and professionalism to the customers and the employees.

The historic motto of BA is its main espoused value; 'To fly, to serve'. This value is expressed in the company's strategic papers and also manifested in customer care, safety, diversity and inclusion and more recently the sustainability initiative 'BA Better World'. Its vision is clearly in line with the aim of connecting people and places and is responsible and sustainable.

Under the surface artifacts and explicit values lie the implicit assumptions that are at work in the culture of BA. The prevalent notion is that aviation is an inherently unsafe activity and safety is of paramount importance. There is also a tacit belief that the BA brand is a source of pride and prestige for the country and that staff members have a strong sense of brand identity which can also be accompanied by an 'us vs. them' attitude towards other airlines. Furthermore, there is a conviction that a sort of "rules of the game" and hierarchy is a prerequisite for the ever-regulated and competitive industry to survive.

Proper use of Handy's Cultural Types:

British Airways has a hybrid culture, however the culture is largely of a Role Culture in the operational and administrative aspects. A Role culture is one based on bureaucracy, hierarchy, rules and procedures as well as clear job descriptions (Handy, 1993). In the above mentioned areas, consistency and predictability are paramount and of life and death importance to the flight operation, ground handling and regulatory compliance. In a Role culture, it is not the individual who has the power, it's the position. The captain in the cockpit has absolute power, it's not him, it's the position.

Task Culture, however, is being promoted by BA in other domains, such as digital transformation, marketing and strategic project management. Task culture: Doing the job, teams are set up based on their capabilities and expertise to solve a problem or challenge (e.g. launching a new route, redesigning the customer application, installing a new baggage handling system). The cultural dualism enables BA to have a very high level of safety and security in its business core while striving to find a way of innovating and being competitive in its customer-facing fields. Make good use of culture to respond to external influences.

A new concept of 'Flight Shame' and the government's ambitious net zero targets pose a threat to the existing airline business model. BA's value of "serving" has enabled it to shift gears to a "BA Better World" sustainability strategy. By doing this, BA is trying to incorporate sustainability in

the company's story, making it more aligned with the expectations of the environment outside the company. The organisation has embarked on a major programme of Sustainable Aviation Fuel (SAF), fleet modernisation (which includes some of the most efficient aircraft on the market, including the Airbus A350 and Boeing 787) and carbon offsetting. This adaptation is inspired by a cultural assumption that long-term survival is guaranteed and that if they don't learn to adapt to the environment they will face regulatory and reputational downfall (IAG, 2024).

4. Leveraging Culture to Adapt to External Environmental Influences

British Airways' culture is not a static artefact but a dynamic resource which is mobilised by the organisation to meet changes in its external environment. With climate policy, "flight shame" sentiment and reputational risk from a high-carbon industry, BA has integrated sustainability into its cultural narrative, with the longstanding value of "to fly, to serve" as a stepping stone to its new "BA Better World" strategy. This enables the environmental responsibility to be seen as a continuation of BA's legacy of service, not a break.

This adaptation draws on the same assumption that governs BA's safety culture: that long-term survival depends on proactive risk management. Just as operational risk is minimised through procedure and discipline, climate and regulatory risk is now framed in similar terms, channelling investment into Sustainable Aviation Fuel, fleet modernisation (A350, 787), and carbon offsetting. BA is extending an existing cultural logic – risk-averse, compliance-driven, forward-planning – into a new domain. Its emerging Task Culture in digital transformation and strategic projects gives it the flexibility to pursue these initiatives at pace, while its safety-critical Role Culture core remains undisturbed, allowing BA to respond to external pressure without destabilising its most valuable asset: its safety record.

5. PESTEL Analysis of British Airways' External Environment

A PESTEL framework helps contextualise the pressures BA's culture must respond to.

Political: BA is in a highly regulated sector, influenced by UK and EU aviation policy, slot allocation and traffic rights changes as a result of Brexit, and government taxes like Air Passenger Duty.

Economic: Volatility in fuel prices, exchange rates and economic cycles have a direct impact on both costs and demand. BA is now operating in an efficiency-focused decision-making environment, due to post-pandemic recovery, inflation and increasing interest rates.

Social: Digital convenience and personalised service have changed the customer culture, and “flight shame” and the increasing awareness of the environment have influenced the attitude towards air travel, especially among younger travellers.

Technological: Digital transformation, such as app-based check-in, AI-powered service and biometric boarding, is changing customer experience. IT reliability is crucial and as seen in the high-profile outages that hurt BA's reputation.

Environmental: Climate change and net-zero commitments are among the most important long-term pressures, and are now not just initiatives but strategic priorities for BA.

Legal: Employment law, union agreements, safety regulation (CAA, EASA) limit operational flexibility, and passenger rights, environmental reporting obligations affect policy and compliance overhead.

All of these indicate the reasons why BA's hybrid culture (a stable, compliance-driven Role Culture and an increasingly agile Task Culture) is appropriate for dealing with an external environment

that is turbulent. The PESTEL pressures support the overall thesis: culture is not an add-on to strategic adaptation, but is the mechanism by which external volatility is absorbed and turned into organisational response.

6. Culture as enabler:

The most significant function of culture is to be an enabler because of its firm foundation of safety culture. The fundamental concept of safety put into practice makes it possible to manage operational risks very carefully, thereby keeping the air carrier's operating license and avoiding catastrophic accidents, and ensuring it is trusted by the public. Furthermore, the brand culture and pride staff share about the BA uniform and heritage is a good enabler of customer service. If employees value the "To fly, to serve" concept, then there are benefits in terms of motivation and satisfaction, and ultimately in the quality of the customer experience, which will justify the selling price of the airline (Martins et al., 2021). The strong culture also provides employees with a sense of stability and identity in a notoriously volatile industry, almost as if it were a psychological anchor when times get tough.

7. Culture as a barrier

But culture has a legacy as well, it is a hierarchical way of thinking, and that is a big obstacle to be agile, innovative and provide good customer service. In a Role culture, the decision making may be slow, particularly if decisions have to be made between departments. In the case of significant operational issues, such as the massive IT outages or the baggage handling issues during the pandemic, the disjointed nature of BA's culture has hindered them from reacting quickly and effectively. Ground staff, cabin crew and customer service agents can find themselves in a different culture, with different subcultures and representation from different unions, and so, there can be poor communication and loss of customer satisfaction, which can then be recovered (Bousquet, 2022).

Also, the historical reputation of BA as a high quality, traditional carrier may prove to be a cultural barrier if it's in competition with agile, low-cost carriers. The sense of 'how it's always been done'

can prevent innovative change and can also create an 'un-willingness' to make necessary structural changes in an organisation, such as restructuring pay and conditions to maintain its financial competitiveness. Culture is one barrier that has been emphasised over recent years with industrial action and strikes, as there is a poor psychological contract between the airline and employees, due to lack of psychological safety. If a culture places too much emphasis on historical rights and privileges, and not enough on market realities, it's a huge obstacle to the proper functioning and financial wellbeing of the organisation.

8. The impact on organisational performance and recommendations

Organisational culture has a multi-faceted impact on British Airways' performance. To the credit of the brand and safety cultures, they have a direct impact on BA's financial results and keep it as one of the world's top premium airlines. A strong culture enhances the brand equity to enable BA to achieve higher yields than those of low cost competitors. In addition, a common safety culture also can help reduce the risk for catastrophic operational problems, which can result in significant financial and reputation damages to a company.

However, the disadvantages of the culture (silo mentality and the old break-and-share culture) impact on customer satisfaction figures and results. Culture's walls are often impervious to disruption management, resulting in slower compensation to customers, poor communication and missed revenue. Moreover, a culture that has been traditionally defined by the lack of employee engagement can result in increased absenteeism, reduced productivity and expensive industrial disputes, which can impact profit margins and brand reputation (CIPD, 2023).

The following are some theory-informed evidence-based recommendations for mitigating negative impacts and using culture to ensure future success:

Recommendation 1: Establish an Agile, Cross-Functional Task Culture for Disruption Management.

The key objectives of the role culture need to be extended to the customer facing and operational recovery scenario and actively break down silos and create a collaborative culture. During disruption it may be helpful to have cross functional teams (a Task culture approach) with members from ground operations, cabin crew, IT and customer service to help speed up and harmonies the decision-making process of the BA. This is aligned with the Competing Values Framework (CVF) of Cameron and Quinn (2011) that suggests the culture is changing to seek 'Adhocracy' flexible, customer-focused and quick decision-making for specific locations in the area of customer recovery.

Recommendation 2: Enhance engagement and psychological safety of employees

Overcoming silo mentalities and cultures, and creating a more inclusive and participative culture within the industrial sphere is necessary for BA to be successful. The first place to start is by restoring and building psychological safety, and that means allowing anyone from the top to the bottom to share their concerns and suggestions for how to improve without fear of repercussions. The regular and open communication processes and the representation in strategic decision-making processes can restore the psychological contract. Changing the culture from a hierarchical to a more collaborative relationship will help to minimize the risk of industrial action and enhance overall operational efficiency (ACAS, 2021).

Recommendation 3: Embed Sustainability in the Basic Underlying Assumptions

An espoused value is 'BA Better World' and sustainability must be assumed to be the prerogative of all employees, and not just the one that is stated in the corporate messages. It can be achieved by incorporating sustainability in the assessment and the day-to-day working of all employees. For example, pilots to be encouraged and rewarded to make flight path optimizations for fuel efficiency and cabin crew to be able to lead cabin waste reduction initiatives. When the daily artefacts and

routines are tied to this espoused value, then the real meaning of sustainability can be realized in the culture at BA, instead of perceived as “greenwashing” (KPMG, 2022).

9. Conclusion

To summaries, the concept of organisational culture is complex, with a powerful influence on the structure, decision making and performance of British Airways. It is evident in the Schein's and Handy's cultures that the BA culture is a hybrid culture: Operational culture (Role culture), which is important for safety; and Commercial/Strategic culture (Task culture), which is newly developing. This cultural divide enables BA to be extremely safe, and to create an outstanding brand, but it also presents challenges for agility, innovation and seamless service in the face of disruption, when culture and legacy bureaucratic structures get in the way.

The aviation industry has a lot of external challenges currently such as sustainability, digitalization and economic uncertainty, and the culture within BA should evolve to meet these challenges. The organisational culture changes that British Airways can institute to make it a long-term and sustainable performer are: to become cross-functional, to improve the sense of psychological safety and introduce sustainability as an assumption of the culture. The airline's aim of combining its iconic heritage with the need for modern agility will be a defining factor in its future prosperity on the global aviation sector.

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