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Introduction

Organisational culture is defined as the shared values, beliefs, and assumptions that govern how people behave in an organisation, often referred to as its “personality” or how “things are done around here”. (Mullins, 2023). For British Airways (BA), this culture is a critical driver of its strategic identity and operational resilience. Since its privatisation in 1987, BA has transitioned from a rigid, bureaucratic state-run utility to a customer-centric global leader (UK Essays, 2015). Today, BA’s culture is defined by its "BA Better World" sustainability agenda, a commitment to premium service, and a recent push toward digital transformation under the leadership of CEO Sean Doyle (British Airways, 2024). This report examines the dimensions of BA’s culture, exploring how it influences the company’s flat hierarchical structure and decision-making processes (Bouttell, 2025). Furthermore, it applies theoretical frameworks, such as Handy’s Typology and Schein’s Three Levels of Culture, to identify the specific cultural traits within the airline (Schein and Schein, 2016). Finally, the discussion evaluates the impact of culture on BA’s effective functioning and overall performance in a post-pandemic landscape (Doyle, 2024).

Organisational Culture of British Airways

The organisational culture of British Airways is a complex blend of heritage, professional excellence, and modern adaptability. Historically, BA was characterised by a "command and control" ethos inherited from its civil service and military-influenced roots (UK Essays, 2015). However, BA shifted from an “autocratic” and “process-driven” culture to one that prioritizes customer service and employee empowerment (the “Putting People First” initiative). However, the modern culture has been reshaped by a focus on service quality and inclusivity. Central to the current culture is the "BA Better World" framework, which integrates sustainability, diversity, and social responsibility into the daily working lives of its employees (British Airways, 2024). This framework ensures that employees are not merely focused on operational tasks but are aligned with a broader purpose of reducing environmental

impact and fostering an inclusive workplace where "inclusion starts with I" (IAG, 2023).

The culture is also marked by a strong sense of professional pride and "expert power," particularly among pilots and engineering staff (Handy, 1993). This subculture of technical excellence is balanced by a service-oriented culture among cabin crew and ground staff, who are trained through initiatives like "Putting People First" (Retail Town, 2025). Despite these positive elements, BA has faced cultural challenges, including industrial relations friction and a perceived disconnect between senior management and frontline staff during periods of cost-cutting (Johnson *et al.*, 2020). Recent efforts by leadership have focused on "colleague experience," investing £100 million in digital tools and workspace improvements to rebuild trust and morale (Doyle, 2024). This shift reflects a move toward a more "collaborative" and "supportive" culture, where feedback is encouraged through open-door policies and reverse mentoring programmes (Bouttell, 2025). Consequently, the culture is currently in a state of "transformational flux," moving away from legacy rigidity toward a more agile and empathetic environment.

How BA Culture Helps Shape Company Structure and Decision-Making Structure

BA uses a matrix organisational structure, where functional divisions work alongside project or operational teams. As shown in the matrix below, organisational culture directly influences this structural design and the way decisions are reached.

Historically, the airline's bureaucratic culture necessitated a tall, hierarchical structure with numerous layers of management (UK Essays, 2015). However, as the culture shifted toward agility and efficiency, the company transitioned to a flatter structure. This "delayering" was a cultural response to the need for faster communication and more empowered frontline decision-making (Mullins, 2023). By reducing the distance between the CEO and operational staff, BA has attempted to foster a culture of accountability where information flows more freely (Bouttell, 2025). In terms of decision-making, the culture of "safety first" is paramount. In flight operations, decision-making is governed by a "Just Culture," which encourages employees to report errors without fear of retribution, provided there was no gross negligence (IAG, 2023). This cultural trait shapes a decentralised decision-making process in the cockpit and on the ramp, where safety data informs every action (Retail Town, 2025). Conversely, strategic and financial decisions remain relatively

centralised within the IAG framework, reflecting a culture of high performance and achievement orientation (Hofstede, 2010). The "achievement culture" at BA drives managers to make decisions based on rigorous data and key performance indicators (KPIs). For instance, the recent £7 billion investment in transformation was a decision shaped by a culture that prioritises technological modernisation and customer experience as the primary levers for competitive advantage (Doyle, 2024). Furthermore, the inclusive culture has introduced "collaborative decision-making" through colleague network groups, which now provide input on corporate policies regarding accessibility and LGBTQ+ representation (British Airways, 2024).

Cultural Element	Impact on Company Structure	Impact on Decision Making
Bureaucratic Culture	Historically created a tall, multi-layered hierarchical structure with strict lines of authority (UK Essays, 2015).	Decisions followed formal processes and required approval through multiple management levels.
Agility & Efficiency	Shifted to a flatter structure through delayering; reduced management layers and shortened distance between leadership and frontline teams (Mullins, 2023; Bouttell, 2025).	Enables faster communication, quicker responses to market changes, and empowers staff to make operational decisions locally.
Safety First / Just Culture	Maintains clear functional divisions (e.g. Flight Operations, Engineering) where safety standards are embedded in every role.	Decentralised decision-making in operational areas; staff can report errors openly and make real-time judgements without fear of unfair punishment (IAG, 2023; Retail Town, 2025).
Performance & Achievement	Structure aligns closely with IAG's central framework, with clear reporting lines for finance and strategy.	Strategic and financial decisions remain centralised; choices are data-driven and based on KPIs to deliver competitive advantage (Hofstede, 2010; Doyle, 2024).
Inclusive & Collaborative Culture	Introduces cross-functional groups and network structures that sit alongside formal hierarchy.	Decisions on policies (e.g. accessibility, diversity) include input from colleague networks, creating a collaborative

Cultural Element	Impact on Company Structure	Impact on Decision Making
		approach to policy development (British Airways, 2024).

Identification of Culture Types using Frameworks

British Airways displays a mix of Handy's (1993) four cultural types across different parts of its organisation, as outlined below:

tied to job roles and defined responsibilities (Mullins, 2023).

1. Role Culture

BA exhibits this culture due to strict regulatory and safety requirements, reflected in high formalisation and adherence to Standard Operating Procedures (SOPs).

Functional pillars such as Engineering and Flight Operations provide structural stability, with authority tied to job roles and defined responsibilities (Mullins, 2023).

2. Power Culture

At senior leadership level, the airline operates with this culture, where a small group of executives holds central authority and exerts significant influence over all key strategic decisions and organisational direction (Bouttell, 2025).

3. Task Culture:

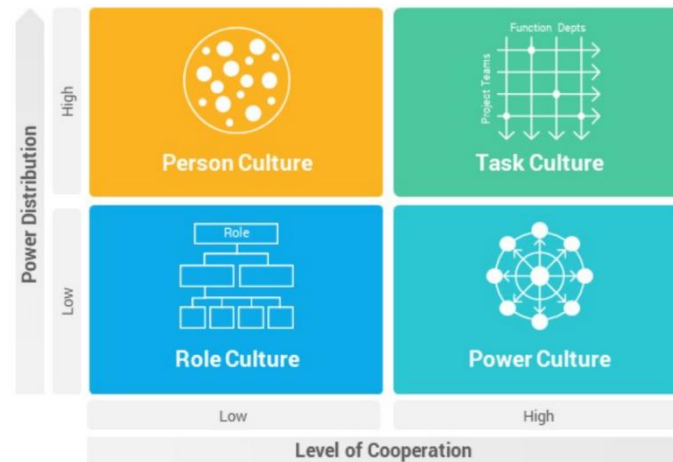
This has been increasingly adopted, particularly within digital transformation teams. Cross-functional groups work flexibly, prioritising project outcomes and problem-solving over rigid hierarchy or formal role boundaries (Doyle, 2024).

4. People Culture:

Elements of this culture appear in specialist areas such as pilot and technical engineering teams. Here, individual expertise, professional judgement and autonomy are highly valued, with the organisation structured to support these skilled individuals in delivering safe, high-quality operations (Mullins, 2023).

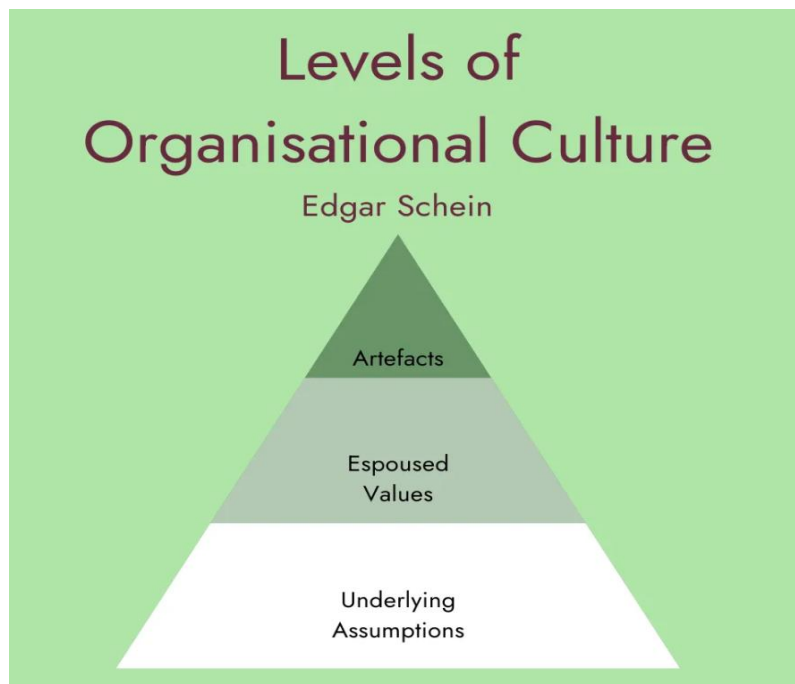
Charles Handy's Model of Organizational Culture

Handy's four types of organizational cultures



According to **Schein's** (2016) framework provides a deeper lens into BA's culture through three levels: Artefacts, Espoused Values, and Underlying Assumptions.

1. **Artefacts:** These are the visible signs, such as the iconic "Speedbird" logo, the Ozwald Boateng uniforms and the high-end lounges. (British Airways, 2024). These artefacts signal a culture of British heritage and premium service.
2. **Espoused Values:** These include the "BA Better World" sustainability goals and "World's Favourite Airline" service standards. (IAG, 2023). These values are communicated through internal newsletters and CEO town halls.
3. **Underlying Assumptions:** At the deepest level of belief that safety and British heritage are the core of their identity. (UK Essays, 2015). While this provides a strong sense of identity, it can also lead to resistance to change, as employees may hold an implicit belief that the airline's prestige exempts it from the harsh realities of low-cost competition (Johnson *et al.*, 2020).



How BA Has Leveraged Organisational Culture to Adapt to External Environmental Influences

British Airways' adaptation strategy is driven directly by changes in the external environment, analysed through the PESTEL framework: Political, Economic, Social, Technological, Environmental and Legal factors. The airline industry faces intense pressures including fluctuating fuel prices, regulatory changes, geopolitical volatility, technological disruption and shifting consumer expectations. Research indicates that the ability to harness organisational culture to respond proactively to these pressures is a key determinant of long-term competitive resilience (Johnson et al., 2017).

BA's history shows both successful and challenging attempts to use culture as a tool for change, as outlined below:

1. Cultural Transformation as a Competitive Tool

A landmark example of successful adaptation occurred in the 1980s. Under CEO Colin Marshall, BA launched the '*Putting People First*' programme, deliberately using cultural change to reposition the business. This initiative shifted the culture away from being bureaucratic and operationally focused, toward a service-oriented mindset. The transformation successfully rebuilt BA's reputation from an inefficient,

customer-indifferent carrier to a premium service brand, delivering sustained profitability throughout the late 1980s and 1990s (Colling, 1995). This demonstrates that when leadership aligns culture with market demands, organisations can significantly enhance their ability to adapt externally.

2. Environmental Adaptation: The “Green” Shift

In response to the global climate crisis, changing legislation and growing consumer concern, BA has embedded sustainability into its cultural values. As part of the International Airlines Group (IAG), the airline launched ‘*BA Better World*’, committing to net-zero carbon emissions by 2050 (British Airways, 2024). This cultural shift goes beyond simple compliance; sustainability is now integrated into daily operations, including investment in Sustainable Aviation Fuel (SAF) and fleet renewal with aircraft that are 20–40% more fuel-efficient. This reflects a move to make environmental responsibility a core organisational norm (IATA, 2022; BA, 2023).

3. Technological and Competitive Adaptation

Rising competition from Low-Cost Carriers (LCCs) and digital disruption has required significant cultural adjustment. To remain competitive, BA has introduced elements of a flexible ‘*Task Culture*’ within key departments. This supports its ongoing £7 billion transformation plan, designed to modernise IT infrastructure, streamline operations and enhance the digital customer experience (Quarterdeck, 2025).

However, progress has been mixed. Critics argue that BA’s legacy culture—characterised by bureaucracy, rigid processes and resistance to rapid change—has slowed its response compared to more agile, digital-first rivals. This suggests that while targeted cultural changes have been made, the organisation’s deeper cultural architecture still acts as a constraint in this area (McKinsey, 2020).

4. Social Adaptation and Crisis Resilience

Major external shocks, such as the COVID-19 pandemic, have tested BA’s operational and cultural flexibility. The crisis forced rapid changes to labour relations, staffing models and service delivery. Although the airline has faced challenges including industrial action, its gradual shift toward decentralised decision-making at an operational level has improved its ability to respond quickly during periods of fluctuating travel demand. This cultural move toward empowering frontline teams has been vital in building resilience during times of uncertainty.

Organisational Culture and Effective Functioning of BA

The effective functioning of British Airways is heavily dependent on a culture that balances safety, service, and efficiency. A positive organisational culture acts as the "social glue" that coordinates the efforts of over 30,000 employees across diverse geographic locations (Kotter, 2012). When the culture is healthy, it facilitates seamless coordination between ground handlers, gate agents, and flight crews, ensuring "operational excellence" (Retail Town, 2025). For example, a culture of "teamwork and collaboration" is essential during the high-pressure "turnaround" window at Heathrow (Bouttell, 2025).

However, effective functioning can be hindered if there is a "cultural lag." In recent years, BA has struggled with technical outages, which some analysts attribute to a culture that prioritised short-term cost-efficiency over long-term technical resilience (Johnson *et al.*, 2020). A culture that is too focused on "achievement orientation" (Hofstede, 2010) at the expense of "people orientation" can lead to burnout and high turnover. Recognizing this, the current leadership is attempting to pivot the culture toward "digital enablement" and "employee wellbeing" (Doyle, 2024). By investing in training and modernising digital tools, BA is aligning its culture with the functional needs of a 21st-century airline (IAG, 2023). Effective functioning also requires "discretionary effort" from staff; a supportive culture encourages crew to go "above and beyond" for passengers, which is the cornerstone of BA's premium brand promise (Mullins, 2023).

Evaluation of the Importance of Culture on Performance

The importance of organisational culture on BA's performance is significant, as it directly impacts financial results, customer loyalty, and brand equity (Kotter, 2012). Research consistently shows that companies with strong, adaptive cultures outperform their peers (Johnson *et al.*, 2020). In BA's case, the culture of "service differentiation" allows it to command a price premium over low-cost carriers (Retail Town, 2025). If the culture fails to deliver on the "premium" promise, the business model collapses; thus, the culture is the primary guardian of the brand's financial value (Doyle, 2024).

Furthermore, culture is a key determinant of "organisational resilience" (Mullins, 2023). During the COVID-19 pandemic, BA's performance was sustained by a

culture that could pivot rapidly to cargo-only flights and implement rigorous new safety protocols (IAG, 2023). However, a "negative" cultural sentiment can act as a drag on performance. Low morale often translates to poor customer service, which in turn leads to lower Net Promoter Scores (NPS) and lost revenue (Bouttell, 2025). The "BA Better World" culture is also increasingly important for performance in the eyes of investors and regulators (British Airways, 2024). As Environmental, Social, and Governance (ESG) criteria become central to investment decisions, BA's ability to embed a "sustainability culture" is vital for its long-term capital access (IAG, 2023). In summary, while strategy tells BA where to go, culture determines whether it has the internal energy to get there (Kotter, 2012).

Conclusion

In conclusion, the organisational culture of British Airways is a multifaceted entity that serves as both a strategic asset and a management challenge. British Airways remains a hybrid of traditional heritage and modern agility. While its core remains anchored in safety and professionalism, its survival depends on its ongoing cultural shift toward sustainability and digital innovation.

From its transition from a state-owned hierarchy to a modern, sustainability-focused airline, BA has used culture to navigate industrial shifts and global crises (UK Essays, 2015). While the company maintains a strong "Role Culture" for safety and a "Task Culture" for innovation (Handy, 1993), the underlying tension between heritage and modernisation remains (Johnson *et al.*, 2020). The analysis has shown that culture is the primary architect of BA's flat structure and its decentralised operational decision-making (Bouttell, 2025). Moreover, the evaluation highlights that BA's financial and operational performance is inextricably linked to the health of its internal culture (Kotter, 2012). To remain competitive, BA must continue to move toward a more inclusive, digitally empowered, and employee-centric environment to improve customer recovery during flight delays, implement more "Collaborative

Leadership” models (Sean Doyle’s approach) to bridge the gap between management and unions, reducing the risk of industrial disputes. (Doyle, 2024). By aligning its "espoused values" with the "lived experience" of its staff, British Airways can ensure that its culture continues to support its journey toward a "Better World" (British Airways, 2024).

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