



**TOPICS COVERED**  
// *Innovation & Relationships*

**Tim Erblich:** Now that Boeing has entered its second century, can you tell us about what the journey looks like from here?

**Dennis Muilenburg:** The journey looks incredibly exciting. Boeing is stronger, more innovative and more focused than ever in our mission to connect, protect, explore and inspire the world.

We operate in a marketplace that is large and growing. Across commercial airplanes, defense, space and security, and services, we forecast an approximately \$7.6 trillion market over the next 10 years. Across the company, we're building more efficient and capable commercial airplanes, delivering smart solutions to our military customers, creating new life cycle services solutions, and investing in things like automation, additive manufacturing and data analytics to improve productivity, drive first-time quality, eliminate rework and improve workplace safety. We're also innovating how we design, build and support our products and how we work together as a One Boeing team.

I have great confidence in our future because we have skilled employees around the world who do amazing work every day. It's through their collaboration, innovation and passion that we'll lead in our second century and achieve our aspiration to be the best in aerospace and an enduring global industrial champion.

**TE** How do ethics and compliance play a role in helping to get you there?

**DM** There's no question that a company's fundamental values directly affect its ability to achieve and sustain high performance. At Boeing, our work matters to passengers flying aboard our commercial airplanes, to astronauts operating at the edge of space, and to members of the armed forces who rely on our products and services to complete their missions safely.

Given the importance of our work and the excellence it demands, it's equally critical to feel proud of how we do it. That's why we consider our Boeing values of integrity, quality, safety, diversity and trust, among others, integral to the work we do.

As a constant reminder that there is no trade-off between what we do and how we do it, we placed our Enduring Values at the center of our company vision. To help us keep that focus, we also have year-round

**SECOND CENTURY**

Interview with Boeing's Dennis Muilenburg

Interview by: Tim Erblich

Founded in 1916, global aerospace giant Boeing is now in its second century as one of the most dynamic companies in the world. Ethisphere CEO Tim Erblich chatted about leadership, business ethics and customer relationships with Boeing Chairman, President and CEO Dennis Muilenburg.



reminders to discuss what it means to work ethically and compliantly, and we provide our teams with tools to help them perform that way. This includes the Boeing code of conduct, team meeting materials and our annual ethics training, where I personally lead a companywide discussion that incorporates real situations that highlight ethical dilemmas and outcomes.

**TE** With fierce competition from established players in your industry as well as new and nimble upstarts (SpaceX, Blue Origin, etc.), can you talk about how the history and longevity of Boeing help provide a competitive advantage when it comes to creating the right culture of integrity? For example, as a more mature company you've had many experiences over the years — good and bad — that startups likely haven't yet experienced.

**DM** No one wants to learn a lesson the hard way but missteps can be powerful motivators for change, and every challenge we face is an opportunity to improve. That applies to everything from delivering the next aerospace innovation to compliance.

Whether we're competing in one of our more traditional markets or working on new innovations in leading-edge areas, our values sustain us and remain our guideposts. Quite simply, when we get our values right, it enables our strategy for the future. If we don't, we can't succeed.

We also aren't content to rest on our past experiences. Our unceasing drive to improve fuels our focus on adopting ever new and better ways of working as a One Boeing team. By focusing on values and behaviors that have a positive and meaningful impact on our culture, we can strengthen the organization and help Boeing to reach even higher levels of performance.

**TE** One of the key themes from members of Ethisphere's community is the link between

values and performance. Do you agree with the correlation? How does Boeing approach this idea? And how do you and the other senior leaders of Boeing help support this idea?

**DM** We know there's a strong link between values and performance because we've seen the positive impact for our customers, as well as the negative impact to our business when we fail to live up to our values. I firmly believe our success depends on upholding them in our day-to-day decisions and operations.

Like all Boeing employees, our senior leaders are expected to have the courage to do the right thing and stay true to our values, even in uncertain or evolving times. It is exceptionally important that we lead with the utmost integrity and excellence. To make it easier for everyone, we recently unveiled our new Boeing Behaviors. Grounded in our Enduring Values, they describe the approach we take to our work as we strive to achieve our long-term goals. The Boeing Behaviors are intended to give all Boeing employees one simple, unifying set of expectations for how to work and interact with each other.

**TE** Customers and customer relationships are a critical part of any company's success. How do you make sure Boeing is advancing its customer and other stakeholder relationships in a way that's healthy and constructive, while ensuring that the relationships aren't too close or improper (such as COI, pay to play, etc.)?

**DM** In our business, customer relationships are very important. When customers buy our products and services they're making high-value, multi-decade commitments to work with us. If either side has a lapse in ethics or compliance, it can damage the partnership and negatively impact other stakeholder relationships, including with employees, shareholders, governments, suppliers and communities. It's necessary to have

open and honest conversations frequently so all parties have a common understanding of the high ethical expectations we have of each other.

We depend on our people to speak up if they see something in our dealings with stakeholders that isn't right. Employees have tools and training so they know what to look for and the full support of leadership when they raise an issue. We have walked away from business in the past if we felt there was an issue, and we're better for it because everyone understands the standards we expect.

I've never been disappointed when our people have done the right thing, regardless of the business outcome.

**Expert Biography**

**Dennis Muilenburg** is chairman of the board, president and chief executive officer of The Boeing Company. He oversees the strategic direction of the Chicago-based, \$93.4 billion aerospace company. Muilenburg became chairman of the board in March 2016, chief executive officer in July 2015 and president in December 2013. Until July 2015, Muilenburg served as vice chairman, president and chief operating officer of Boeing, where he supported the company's aerospace business operations and focused on specific growth enablers, including important global relationships, leadership initiatives and development program performance. Muilenburg, who joined Boeing in 1985, spent the first 15 years of his career in the Puget Sound region of Washington, where he held a number of program management and engineering positions in support of both the commercial airplanes and defense businesses.