

Case Discussion

BA's simple route to business transformation¹

"There are no IT projects, only business projects." That was the mindset that enabled Paul Coby, CIO of British Airways, to transform the company's core business processes to respond to the challenge posed by cut-price airlines.

Speaking to the Triple i Convention, Coby said, "Baroque complexity was killing us: 72 selling classes, 15 types of passenger, 10 ways to pay. [There were] different sources of information, and therefore not always the same answers to questions.

"The airline industry had been based on not telling you what your choice was - but that was blown apart by Easyjet."

Believing IT can be an effective driver of business transformation, Coby said he re-engineered the customer systems and processes. He used four rules, which, he says, turned IT architecture into business strategy:

- Have a simple and compelling customer proposal
- Design processes for use by customers
- Do it right first time
- Have a single solution across all departments.

The proposal, agreed at the highest level, resulted in clear targets, including 100% e-ticketing, 50% self-service check in, 80% self-service customer transactions and 100% self-service executive club.

Results so far include elimination of many BA processes ("you can't have a drop-down menu with 60 choices," said Coby), a big increase in e-ticket sales since February 2004, and a substantial reduction in fares, which also made upselling, for example to first class, easier.

Questions

What were the drivers for the business transformation (internal/external, Business/IT)?

What do you think is affected by this transformation?

¹ ComputerWeekly.com, 27 September 2005,
<http://www.computerweekly.com/news/2240075278/BAs-simple-route-to-business-transformation>

