

Walsh takes one of aviation industry's toughest jobs at IndiGo

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Six years after stepping down as IAG chief executive officer, Willie Walsh is returning to the frontlines of global aviation — taking one of the industry's most challenging roles at the helm of troubled Indian carrier IndiGo.

Walsh's first priority will be to stabilise India's biggest airline after a self-inflicted operations meltdown in December sent the carrier into crisis mode, wiped billions of dollars off its market value and eventually led to the departure of Pieter Elbers as CEO. Walsh will start in the role no later than August 3, IndiGo said on Tuesday.

In the 64-year-old pilot turned airline chief, IndiGo's parent company InterGlobe Aviation is getting a proven and ruthless cost-cutter, union-buster and skilled dealmaker who forged one of Europe's biggest airlines, while contending with a series of existential threats from the September 11 attacks, the global financial crisis and the Covid pandemic.

After spending the past five years as director-general of the International Air Transport Association, he returns to the executive ranks as the aviation industry contends with the fallout from the Iran war, which has sent jet fuel prices and fares surging and redrawn global aviation maps.

"Walsh brings everything required to the table — low-cost operations, hybrid and premium network airline — with proven results," said Kapil Kaul, CEO and director for Centre for Aviation in India. "IndiGo will be launching new long haul routes with A350s and this requires the highest strategic clarity" in terms of brand, product, service model and operational capabilities, he added.

Mass cancellations at the end of last year caused the no-frills airline's quarterly profit to plunge, sparked nationwide outrage and brought tighter regulatory oversight. The carrier was blamed for not sufficiently preparing for new pilot rest rules, which cascaded into massive chaos. IndiGo controls two-thirds of India's domestic market.

After joining Ireland's Aer Lingus as a



Willie Walsh.

17-year-old cadet pilot in 1979, he climbed through the ranks and took the top job shortly after the September 11 attacks in 2001. His radical restructuring of the Irish national carrier — including axing a third of the workforce — saved it from financial ruin.

His tough medicine subsequently won over the British Airways board who hired him to helm the UK national carrier as it faced its

own financial challenges. Walsh's ruthless streak saw him face down trade unions numerous times, successfully cutting jobs and eventually pushing through lower-cost contracts for pilots and cabin crews.

He then went on to create IAG SA, a merger of British Airways and Spain's Iberia, in 2011. From there, the company acquired a string of carriers and assets including Vueling, Aer Lingus and BMI to cement its leadership as Europe's most profitable airline group, despite facing stiff low-cost competition.

After stepping down in 2020, he joined Geneva-based IATA and lobbied on behalf of global airlines concerning environmental and manufacturing issues. IndiGo's scheduling blunder will draw some parallels to his time at IAG, when Spanish budget unit Vueling faced its own operational disaster with over-scheduling and a lack of pilots.

IndiGo was blamed for not sufficiently preparing for updated pilot flying hour rules, which led to the cockpit shortages. The aviation regulator issued a show-cause notice to Elbers for "significant lapses" in planning

and said he had failed in his duty to ensure reliable operations.

The carrier was fined, and Elbers, who led the airline for five years, was cautioned by the regulator in January.

IndiGo is preparing to expand its long-haul operations, and Walsh's first test will be exorcising the ghost of that crisis while positioning the carrier as a global competitor. IndiGo also has the biggest backlog of new aircraft orders, with close to 1,000 to be delivered in the next 10 years or so.

IndiGo last week announced the appointment of Alope Singh, the former CEO of budget carrier Air India Express, as chief strategy officer.

While the low-cost carrier has been very successful over the last 20 years, the next decade will see its fleet grow to as many as 1,000 aircraft, with 100-plus wide bodied planes, up from the current 400-plus planes, according to Kaul.

"That will require a complete reset," he said. "With the induction of Willie Walsh, the reset has begun."