

# Bethune case study

Business



Gordon Bethink case study Manager skills. Motivation- Gordon Bethink ensured that each employee would receive a bonus for \$65 every month that Continental was in the top five in on-time performance and a \$100 bonus every month if they were in the top 3 for on-time performance.

Communication -Gordon made a toll free number for all the co-workers so that if they had a complaint or issue they could address it.

He also gave out his personal phone number and would usually return them. Treat Everyone Equal- Gordon always refers to the people he works with as his co-

Workers and nothing less. Goal Setting- Gordon set a goal to strive toward being a profitable company and he would do anything to do so. He changed payments for pilots from fuel savings to on- time performance which decreased flight time and on schedule stats. Leader Skills Open to change- Bethink was always open to change and took everyone's opinion into account. Conclusion Overall I think Gordon Bethink was a very good manager and had all the skills to do so.

He brought a failing company from the bottom to the top and to this day they are still a great success Done by: Dylan Continental Airlines Takes Off

Gordon Bethink: Leader, Manager, or Both? Read the following case study. In this page describe the qualities, skills, and abilities that make people good leaders and managers and give specific examples to show how Gordon Bethink demonstrates the leadership and management qualities, skills, and abilities that you discussed above. Based on the information in the case study,

explain whether you would want to work for Bethink or not. For years Continental Airlines was a company going nowhere.

The firm was “allowing in red ink and had perhaps the poorest reputation of any carrier in the airline industry.

For example, the company lost \$2. Billion in 1990 alone, and many business travelers routinely refused to fly Continental. The airline also went through two bankruptcies and a succession of ineffective senior leaders. Continentals pilots and rank-and-file workers endured layoffs, wage cuts, poor benefits, and broken promises from management, and were frequently embarrassed to tell people where they worked.

Out in late 1994, things began to change. The key to what would eventually become one of the biggest turnarounds in the history of the U. S. Equines was the hiring of a new CEO, Gordon Bethink. Bethink, a former fighter pilot in the U. S.

Navy and a chief engineer at Boeing, had a reputation for making tough but effective decisions. He was also known to be fair and open with employees. The board of directors told him to do whatever needed to be done to make Continental competitive again. Although Bethink knew that he needed to change many of the firm’s operations, he also knew that employee attitudes and morale were at the root of many of the company’s problems. One of the biggest was the legacy of his predecessors.

Employees at Continental had endured 10 Coos in 15 years. As a result, many employees had a deep-seated distrust of top managers. One thing he

noticed immediately was that the primary variable-pay component of how the firm paid its pilots was based on fuel-cost savings. This arrangement, in turn, caused them to fly at slower speeds and to be unwilling to increase air speed to make up for lost ground time. As soon as he changed this system to instead pay for on-time performance, Continental quickly moved from last in the industry in on-time performance to the middle of the industry.

Bethune calculated that this increase in performance was saving the firm millions of dollars, because when planes are late an airline must often pay for passengers' meals and hotel rooms and for rebooking them onto other airlines.

He divided the total savings by the number of employees and sent each a check for that amount \$65 per employee. Although not large, the checks demonstrated that Bethune was willing to share success with everyone. He announced that each employee would receive a check for \$65 every month that Continental was in the top five in on-time performance and a check for \$100 when they were in the top three. Bethune also wanted to improve communications throughout Continental. He set up a toll-free number for employees to call with complaints and problems.

And he created a committee to respond to every call within 48 hours. He also gave employees his personal phone number and returned most of these calls himself. Today, he is careful to refer to Continentals employees as his coworkers. Bethune also began to restore to employees wages that had been previously cut. As a result, Continentals employees responded in dramatic fashion.

Once the joke of the airline industry, Continental is now among the most profitable carriers in the world, and its reputation among business travelers has soared to near the top of the ratings.

But Bethink promises to not rest on his laurels. Indeed, he hints that he has number of new ideas to carry the airlines even further. Continental Airlines Gordon Bethink: Manager and Leader? Nat makes Gordon Bethink a manager? What makes him a leader? Use examples from the case study as proof of your ideas.

Thinking Analyze the characteristics of effective managers and leaders and provide relevant examples from case study Completes an excellent analysis of both management and leadership characteristics of Bethink Completes a considerable analysis of both management and leadership characteristics of Bethink Completes an adequate analysis of both management and leadership characteristics OR completes a considerable analysis of either management or leadership characteristics of Bethink Completes a weak analysis of both management and leadership characteristics OR completes an adequate analysis of either management or leadership characteristics of Bethink Knowledge Demonstrate knowledge of content (management, leadership, etc. ) Demonstrates thorough knowledge of content Demonstrates considerable knowledge of content Demonstrates adequate knowledge of content Demonstrates limited knowledge of content