

Corporate values



JetBlue was founded in 1999 under the strategy to bring humanity back to air travel. The company's purpose was to offer high quality airline service at a low cost. This goal is achieved by the inexpensive, but distinctive flight experience JetBlue offers to their customers. From leather seats with greater leg room to friendly efficient employees, there are many things that make JetBlue unique. Yet, their success comes primarily from their cost structure and ability to hire people who fit their strong organizational culture.

With continuing plans of growth, the company is not only faced with the challenge to continue to hire and retain a workforce that fits their corporate culture, but also with the challenge of developing employees who will live the company's values. David Neeleman, the founder of JetBlue, had a clear vision and many specific ideas when he decided to start the airline. With a great understanding of the demand in the aviation industry, his goal was to offer low fare flights to the under-served market. The low cost would be enabled by highly efficient use of employees, technology and aircrafts.

In addition, Neeleman, always seeking to innovate, aimed to improve the passenger experience with technology and great personnel service. Due to his previous success with building an airline, Morris Air, he was able to fund his project quickly and to recruit an exceptional top management team composed of well established professionals in the industry. Also, the desire to build something new and unique in the aviation industry was the motivational force that got all these people together. There are many features that make JetBlue different from major competitors such as American Airlines and Southwest.

Some of the new and unique benefits customers find while flying with JetBlue are the comfort of greater leg room and leather seats, unlimited brand snacks, wireless on-board, 36 Direct TV channels, and 100 channels of XM radio. In addition, only JetBlue offers a customer bill of rights, created in 2007, which provides compensation to customers in case of experiencing an inconvenience such as misplaced bags or delays. Moreover, the friendly and dedicated service offered by crew members makes flying with JetBlue a wonderful experience.

This award winning customer service is a result of a workforce who operates under the five values that JetBlue represent. These values are safety, fun, passion, integrity, and caring. The value of safety is placed number one on their list. This value is reinforced by training employees about the importance of safety, and by having a Federal Aviation Administration-approved maintenance program. In the United States, the Federal Aviation Administration oversees many of the efforts concerning aviation safety. To pursue safety of flight, all aspects of maintenance are increasingly significant.

JetBlue makes sure all their maintenance and crew training programs are FAA-approved. Moreover, JetBlue not only trains their flight crew to respond to all types of abnormal and emergency situations, but they also sponsor the Red Cross and offer a "Preparing for the Unexpected" class for their crew. Fun and passion are also among their core values. Adam Nigel, the vice president of customer service, said "We're allowed to have fun, we're supposed to have fun, and that comes from the top" (Judd). He also

mentioned, " I hope an airplane ride is more like Disneyland and less like the dentist," (Judd).

JetBlue tries to establish a fun atmosphere by offering fashionable uniforms and having a stylish and cool workenvironment. For some organizations fun is not on the top of the list of priorities, and is also clearly contradictory with the value of safety. However, for JetBlue's employees, fun is directly derived from the value of passion. JetBlue strives to hire a workforce that is passionate about the aviation industry and about what JetBlue represents. If someone is passionate and excited about going to work every day, it is easier for them to have fun and to be happy resulting in a better service for the customer.

Integrity is also highly valued at JetBlue. The company is committed to conduct business in an ethical manner and to treat others with fairness, respect, and dignity free from discrimination. JetBlue has a code of ethics and a code of business conduct. In the code of conduct, there are topics related to situations with conflicts of interest, business presents, and confidentiality, among other things. The code of conduct is supported by specific policies and procedures communicated internally, for example, through the crewmember blue book.

In addition, the company encourages the report of unethical behavior and offers what they call a business integrity hotline for employees who want to remain anonymous while doing so. JetBlue also offers counseling to provide advice when employees are faced with a business ethics issue. The value that Ann Rhoades, head of human resources, believes to be the most important is caring. JetBlue cares about their customers, shareholders, and

employees. They operate under the basic assumption that treating one's employees the way you expect customers to be treated is the way to guarantee a great customer service.

After identifying and hiring friendly and team oriented people, JetBlue offers them a customized pay and benefit package that meets or exceeds the ones from competitors. Rhoades believes every individual has specific needs, and to give everyone what they need will increase employee satisfaction and avoid the creation of unions. JetBlue is against unions since they believe unionization of employees might result not only in slowdowns or stoppages but also in demands that might increase their operation expenses.

JetBlue's financial condition is what allows them to afford customized employee packages and to offer low fares for an extraordinary service. They manage to maintain low fares for many reasons. Their cost per available seat mile is the lowest in the industry, 6.33 cents, because JetBlue is very efficient at scheduling and operating their aircrafts. Also they save on distribution costs by using electronic tickets and being paperless overall. Moreover, using only two types of aircraft, the Airbus A320 and the EMBRAER 190, which are fairly new, reduces the cost of maintenance, inventory, and training.

There is also a high employee productivity that comes from flexible work hours and rules and the effective use of part-time employees. One of the biggest challenges for JetBlue from the beginning was how to effectively hire and retain a workforce that fits their organizational culture. To be successful at recruiting the right people, it is important for JetBlue to ask the

prospective employees specific interview questions about how they would translate the JetBlue values into behaviors.

The interviewer can ask the prospective employee to share a relevant previous work experience, or ask them how they would react when faced with a hypothetical situation planted by the interviewer. After being hired, JetBlue's employees attend an extensive orientation program to understand the company's culture and to learn how to deliver the JetBlue experience to customers. Another major challenge for JetBlue is how to develop employees that can emulate behavior based on the company's values. Ann Rhoades explains during an interview, " You can always lose your job if you don't support and live the JetBlue value" (Spoon).

This statement is extremely intimidating to a prospective employee, who might feel a lot of pressure before joining the company. The future employee may not be sure if he would be able to translate JetBlue's values into behaviors. How JetBlue prepares employees to live their values and how they measure this performance is a big issue. To overcome this fear and train employees better, JetBlue should in my opinion, during the orientation, give several examples of common practices and situations that current employees face everyday working at JetBlue.

It is very important that during this process, the HR staff clearly state what is the desired and undesired behavior based on the JetBlue value for each specific situation. For example, they can show a situation in which an extremely dissatisfied customer starts an argument with a JetBlue crew member and how this employee, based on the value of fun, tries to pacify the situation without changing his mood or the ways he goes about the rest

of the day. In addition, it is essential that leaders perform consistently with the company values to motivate employees and to influence their performance.

JetBlue is successful at doing this as the founder, David Neeleman, tries to live the company's values in his everyday life. He said, " I have to be an example and live my life in the business world the way people believe I should"(Benedict). Based on revenue passenger miles, JetBlue is ranked number seven as the largest passenger carrier. They continue to grow as they have planned to add 115 additional aircrafts before 2018. Each aircraft requires a great number of new employees.

It will always be a challenge for JetBlue to hire, retain and develop employees who fit the corporate culture and are committed to deliver the JetBlue experience. Moreover, to attract and retain these employees as well as the success of the company are strongly related to their ability to maintain low costs. Airlines are directly affected by the increase in price and availability of fuel. Availability of fuel cannot be predicted in any certain way. For instance, in case of an unexpected rise in the price of fuel, JetBlue's expenses and operating costs will be higher.

This uncertainty brings up the question if JetBlue is going to be able to maintain its current success when faced with something that makes them increase their expenses. How are they going to manage to attract employees, to keep offering them expensive customized packages, and to stay cost competitive at the same time? Employees are one of the main reasons JetBlue is so successful. All these years, JetBlue's workforce has

been able to deliver the unique and magnificent flight experience the company is known for.

They can't afford to not hire people that can't offer their JetBlue's values to customers. Overall, I believe JetBlue's unique corporate culture is what makes them so strong. As long as they continue to hire the right people and stay committed and consistent with their values and behaviors, the success of JetBlue will be sustained. Work Cited Benedict, Jeff. " JetBlue founder driven to live private, public life the Mormon way. " Deseret News. Warner Business Books Inc. , 2 dec 2006. Web. 26 Sep 2010. .

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