

Jetblue – start from scratch



**ASSIGN
BUSTER**

One of JetBlue's top priorities is its workforce. Managing this sector of the company is very essential in order for them to achieve their goals. Human resource management is responsible for how people are treated in organizations. It is accountable for bringing people into the organization, guiding them perform their work, compensating them for their labors, and solving problems that arise. There are seven management functions of a human resources (HR) department these are staffing, performance appraisals, compensation and benefits, training and development, employee and labor relations, safety and health, and human resource research.

Equal Employment Opportunity Laws Employment law is a broad area encompassing all areas of the employer/employee relationship except the negotiation process covered by labor law and collective bargaining.

Employment law is governed by thousands of federal and state statutes, administrative regulations, and judicial decisions. Some of the topics included in employment law include:

- Collective Bargaining
- Employment Discrimination
- Unemployment Compensation
- Pensions
- Workplace Safety
- Worker's Compensation (US Legal Definitions)

The hiring practices of JetBlue shows their compliance to the following equal employment opportunity laws: Title VII of the Civil Rights Act of 1964 (Title VII), which prohibits employment discrimination based on race, color, religion, sex, or national origin. Second the Equal Pay Act of 1963 (EPA), which protects men and women who perform substantially equal work in the same establishment from sex-based wage discrimination. Third is the Age Discrimination in Employment Act (ADEA) prohibited employers from discriminating against individuals who were 40 to 65 years old.

As the paper progresses, it can be determined how these laws impact the hiring practices of JetBlue. Recruitment Recruitment is the process of attracting individuals on a timely basis, in sufficient number, and with appropriate qualification, to apply for jobs with an organization. (Mondy, 2008, p. 126) Both the job description and the job specification are useful tools for the staffing process, someone or some event within the organization usually concludes a need to hire a new employee.

In large organizations, an employee requisition must be submitted to the HR department that specifies the job title, the department, and the date the employee is needed. From that point, the job description can be referenced for specific job associated qualifications to present more detail when advertising the position either internally, externally, or both the HR department should not only attract qualified applicants through job postings or other forms of advertising, but it also assists in selecting candidates' resumes and bringing those with the proper qualifications in for an interview.

The final decision in choosing the candidate will probably be the line manager's, assuming all Equal Employment Opportunity Commission (EEOC) requirements are met. Other continuing staffing responsibilities entail planning for new or changing positions and evaluating current job analyses and job descriptions to ensure that they accurately reflect the current position. Internal Recruitment

Human-resource planning is the first step in effective human-resource management as it involves forecasting the human-resource needs of the organization and planning certain useful and important steps that the

organization must take in order to meet those human resource needs that will contribute a high percentage for its overall success as human-resource planning should be connected to the organization's strategic objectives and mission. (Butensky and Harari, 1983)

Anne Rhoades, Executive Vice President for People of JetBlue, started her portion of the orientation program by describing the three things that she believed all employees had to do if they were to be successful with JetBlue:

1. They had to show up and be production
2. They had to be safe, which meant no alcohol or drugs
3. They had to be customer-oriented.

Anne Rhoades, also developed a customized human resource management approach that adapted jobs pay and benefit packages to distinct needs of different employee groups, but was deliberated to guarantee overall equity in treatment.

Some employee groups were concerned about current compensation while others worried about retirement. Employees will not receive the same package. In Rhoades' view, conventional HR departments often do what makes their lives easier, not what the employees necessarily want. The objective at JetBlue was to provide customized pay and benefit packages that met or exceeded the industry standard.

There are no probationary periods because benefits started from day one, which Rhoades found probationary period associated with unions because it is actually demeaning for the employees. Benefits for full time employees included medical benefits and personal time off relatively than the conventional holidays with double pay for those who worked on the holidays.

These customized employment packages gave JetBlue the ability to attract and keep good employees and became JetBlue Internal recruitment. Happy employees would tell others in the industry.

An example of this can be seen in the internal recruitment of pilots, because JetBlue covers the cost of the seven weeks of pilot training for qualification on the A320 Airbus at a cost of roughly \$30,000, by word of mouth this traveled to other pilots in the industry, and they would apply for the position at JetBlue (Gittle & O'Rielly 2001) External Recruitment In the beginning David Neeleman, the founder of JetBlue, recruited his management team from the veterans of the industry who were looking for a chance to start from scratch and "do it right".

His record of success in the industry and the funding he had, able Neeleman to recruit some of the industry's top management talent, namely Ann Rhoades, JetBlue executive vice president of human resources. Most of their job vacancies are filled by recruiting people from outside the company or those workers from another firm or organization, people who have never worked before, or people who are unemployed. The reservation agents were recruited from ads in the Salt Lake City Newspaper. From the ad in the Salt Lake City Newspaper JetBlue has a waiting list of 2,500 interested applicants.

In order to attract potential employees outside the company, the customized employment packages Personnel Selection In an interview with a mechanic, he was asked to think of a time that "integrity" was an issue in his previous employment, he answered as a junior mechanic that he got a plum job at

major airline, he was pressured to confirm an aircraft for an international flight, even though it was not in complete compliance. He then declined to "sign-off" on the airplane and the flight was delayed, which caused annoyance to the management.

The mechanic was afterward let go and that reflects the displeasure of his superiors, but he was hired by JetBlue despite of the story, because he was able to prove that he manifested the value of integrity. At another interview scenario, wherein a pilot was asked to talk about a time he or she had a customer request which is in conflict with the policies of the company and what actions he/she had taken, but with an answer that reflects arrogance, the potential hiring of the pilot was refused, mainly because JetBlue is not only looking for skills but a great deal for character and attitude.

Performance Appraisal Another function of the human resource management comes in when a talented employee is brought into an organization and it is creating an environment that will motivate and reward commendable performance. One way to evaluate performance is through a formal review on a periodic basis, generally annually, known as a performance appraisal or performance evaluation. Line managers are usually the ones who conduct the appraisals because line managers are in daily contact with the employees and can best measure performance.

Other evaluators of the employee's performance can include subordinates, peers, group, and self, or a combination of one or more (Mondy and Noe, 2008 p. 250). To influence employees' performance, they should be aware of how and why the company exists and to know the company's aspirations.

The employees should show-up and be productive, they had to be safe, meaning they should not be under the influence of neither alcohol nor drugs and they should also be customer-related and as the company grow, they should have more formal trainings and development processes for the employees.

Employee attitudes are the final factor that determines productivity and may well have the strongest effect on the productivity of the organization.

Because employees are the means by which the organization's goals are attained, they compel a company's success or failure. Employees' abilities and motivation are as important as their educational levels. To some degree, workers' efficiency is also accustomed by their political, social, personal, and religious beliefs, factors which can be deepened either positively or negatively by management practices and policies.

360-Degree Feedback. Methods of performance appraisal that involves evaluation input from multiple levels within the firm as well as external sources. Multiple raters makes the process more legally defensible. (Mondy, 2008, p. 253) Moving away from traditional feedback system where only a single manager or supervisor evaluates an individual based on their overall perspective of performance, and instead seeks input on specific competencies from several people who have a working relationship with the individual being assessed; JetBlue makes use of the 360-degree feedback evaluation as a performance appraisal method.

This method provides objective, well-rounded views, expressed by a number of colleagues, Increases involvement of people at all levels of the

organization, direct reports and peers, rather than managers/supervisors are better to judge some skills, such as leadership, increases understanding of the behaviors required to improve both individual and organizational effectiveness, individuals can better manage their own performance and careers, evaluators are able to respond confidentially and anonymously, feedback can provide organizational value, allowing the company to identify needs and set goals for organizational development and internal training. JetBlue being sensitive to communication within the firm, adopts the 360-degree feedback evaluation, the management ensures having 'one-on-one' conversations at least once a quarter in their 20 locations. The supervisor is considered to be an important component of communicating with the front-line, from this view, JetBlue formed the Tiger Teams which would initiate communication to solve problems that are raised in any area of the company. They referred their employees as "crew member" and the supervisors as "coaches" being sensitive to the power of language.

JetBlue is able to unite its people as a team, wherein everyone communicates and participates to solve a problem, instead of blaming someone and not doing anything at all, from this point, JetBlue will be able to assess which employees are proactive and receptive when it comes to problem solving, they can measure the employees' aptitude in order to determine who deserves appraisal on their work performance. Financial Compensation Financial compensation for employees can be determined by having high consideration to the following factors: productivity associated with employee performance, employees' flexibility in responding to company's internal and external changes, and the level of their

organizational competencies and on their perceived value at a particular given time. These three factors can be effective use in the performance appraisal as these set the criteria in evaluating the employees.

Compensation can be a catch-22 because an employee's performance can be subjective by compensation and benefits, and vice versa.

In the ideal circumstances, employees feel they are paid what they are worth, are rewarded with sufficient benefits, and receive some intrinsic satisfaction. Compensation should be legal and ethical, adequate, motivating, fair and equitable, cost-effective, and able to grant employment security (Mondy, 2008, p 314). Discretionary Employee Benefits The law requires some benefits, but organizations voluntarily provide numerous other benefits such as: Paid Vacation There are no U. S. laws that require employers to offer vacation pay. Whether an employer offers vacation time off with or without pay is strictly voluntary for employers, but many offer it as a benefit to attract and keep employees.

If employers do offer vacation pay, the terms regarding an employee's rights to it is governed by the individual employer's policies or employment contracts. Some states have laws requiring an employer to offer any accrued vacation pay when employment ends. However, failure to follow an employer's guidelines regarding termination of employment, such as giving notice, may deny the employee's right to accrued vacation pay. (us legal definition) Sick Pay and personal days Sick leave and personal days are a form of employment benefit in the form of paid time off for illness or to deal with a personal/private matter. Since nearly everyone occasionally needs

such time off, all businesses should have a clear policy established regarding sick leave and personal days.

A sick day is fairly self-explanatory and can be used for everything from a common cold to a more serious illness that could require hospitalization or even surgery. Personal days can cover things like the illness of a child, a death in the family, jury duty, military obligations, or religious holidays. Most companies also allow vacation time for employees in addition to their set amount of sick leave and personal days. (US legal definition) Educational Assistance Educational Assistance is employment benefit in form of reimbursement of Educational courses tuition and/or books that are completed with a grade of " C" or above. (Mondy, 2008, p 326)

JetBlue Discretionary Benefits. JetBlue offers different compensations; along with it are the benefits which include medical coverage, holiday pays, pay for extra working hours without any limitation from any company probations. For JetBlue to craft an esprit de corps that was fun for crew members and customers. This means staying focused on people and keeping the company union free. Anne Rhoades agreed, highlighting that a team environment depends on not having big distinctions between the line and management and work rules. The most important element in managing the company's human resource is caring. JetBlue wants to care about their people from end to end. It is real and not just pretending. It does not mean there need to stay forever, and it does not mean to give equal training to all.

The workforce is the organization's greatest assets; without them, everyday business functions such as managing cash flow, making business

transactions, communicating through all forms of media, and dealing with customers could not be completed. The employees and the potential they possess drive an organization. Today's organizations are constantly changing. Organizational change impacts not only the business but also its employees. In order to maximize organizational efficiency, human potential individuals' capabilities, time, and talents must be managed. Human resource management works to ensure that employees are able to meet the organization's goals. JetBlue makes use of a very unique way of managing their human resource. They are indeed unconventional and exceptional in hiring and compensating employees.

It is evident enough to conclude that their human resource management is indeed effective and efficient because within less than 10 years of existing in the airline industry, they were able to make a name, because of their success and they are able to have sustained growth along the years all because of having a productive environment for their well-motivated employees. It is also clearly evident that JetBlue is socially responsible when it comes to hiring people, because they are able to provide equal employment opportunities for diverse groups of employees, ranging from those who want short term to long term employment, from students, to graduates and to those who are working home-based who may want to have extra income for their households, JetBlue offers excellent compensations and benefits.