

Southwest airlines principles of ethics

[Business](#), [Industries](#)



Southwest airlines is one of the famous and largest airlines in the world. This paper will analysis Southwest Airlines Leadership and management characteristics, their Ethics in management and leadership practices and Change and Innovative Strategies that they follow to become the top Airline of the world. Personal leadership and management characteristics, styles, and preferences. The secret behind southwest's success is their employees, and they give their employees due credit.

According to the Southwest website, Southwest Airline employs more than 33000 employees across the US, and still expanding. The President of the company started working as a secretary and eventually earned himself the post of the President. This speaks volumes of the kind of work environment it offers to its employees. The Southwest mission statement to employees is as follows: " We are committed to provide our Employees a stable work environment with equal opportunity for learning and personal growth.

Creativity and innovation are encouraged for improving the effectiveness of Southwest Airlines. Above all, Employees will be provided the same concern, respect, and caring attitude within the organization that they are expected to share externally with every Southwest Customer. "(Southwest Airlines Co, n. d.). Southwest's culture encourages teamwork when handling tasks. A concept of ' team delay' is prevalent in the organization. According to this concept, the employees are unable to blame each other for mistakes.

Instead, learning is encouraged and blame for the failure is taken by the whole team. According to Ron Ricks, Southwest actually invests in people instead of saving money just because we are cheap. Southwest pays its competitive wages and packages instead of trying to cut cost. This decision

turns cost saving in the long term(Gittell, 2001). Libby Sartain says Southwest spends more money to recruit and train than any other airline. The management takes its time in finding people which match their criteria.

Once the employee has been selected, he or she is trained according to the requirement. All this leads a turn over which is very low compared to other airlines in the industry. An executive puts it this way, “ We want people who are not looking for a job, but rather who are looking for a cause. If we are evenly matched with our competitors on everything else, we will win on customer service” (Gittell, 2001). This can be seen by the fact that in one region, United came into their competition and started to give Southwest a tough time.

After a few months, the management is said to have received more than a thousand passengers who had flown with United Airlines but thought that they wanted Southwest’s friendliness and service; and not the formality which other airlines showed before and during their flights(Southwest, n. d.) . Leadership The leader’s personality has a lot to do with the personality of the organization which he or she leads. There are very few airlines which had the luxury of having a continual visionary leadership like Southwest Airlines enjoyed.

Being led by Kelleher, Southwest developed a culture that they proudly flaunt today. According to their philosophy, their most influential leaders, after their founding leader Herb, are their frontline supervisors (Gittell, 2001). The management is investing more resources into internal recruitment and training their employees to take up the key roles of frontline supervisors. Unlike its competitors, Southwest Airline’s organizational

structure is not a flat one only based on individual performance being managed by lesser supervision.

Instead, Southwest has horizontal organizational structure which is built on cross-functional teams to avoid blame games and to facilitate the process of feedback and learning (Deal & Key, 1998) According to the management, it is important for Southwest to nurture our young employees. In times of recession when other airlines are reducing the number of employees, the management seeks to increase the number of supervisors to encourage, guide, and give structure to employees who will take control of the company in the future. The company has a ten-to-one employee-to-supervisor ratio (Gittell, 2001).

Ethics in management and leadership practices. To analyze the ethical side of Southwest Airlines, we need to see how ethics defines and what role does it play in the modern business environment. According to a definition, “ Ethics in business is simply the application of everyday moral or ethical norms to business” (De George, 2005). Today, ethics is perceived to be more related to the actions and behavior of individuals. When we talk about unethical practices, we are usually referring to the unethical practices of individuals.

We also talk about multinational corporations which practice child labor, pay abnormally less wages to the oppressed and poor workers in the developing world. According to De George, a lot of businesses and their leaders are influenced by the religious beliefs they hold and the principles of ethics that they have been taught since their childhood. They tend to apply the same

principles to their organization (De George, 2005). In the era of St. Aquinas, moneymaking and profit taking was considered an immoral action.

In the recent era, the perceptions have changed and it is considered perfectly normal and ethical to make money and earn profits (Lawrence & Weber, 2008). At southwest, the concept of making money is very much present, but not at the expense of stamping over someone else's rights, whether it is the employee, customer or supplier. The proof is the kind of working environment they provide to their employees and the kind of service they offer to their passengers. So, they are doing what is ethically sound as they maximize their shareholder's wealth.

But the question is, is business ethics only about doing what is right for the stakeholders? The answer is No. it is important for the companies to not only be ethical, but also socially responsible. According to the guidelines of Corporate Social Responsibility, an organization should be held accountable for its actions if it, in any way, harms the people, community or the environment around it. However, it also does not mean that the company should forgoe its original mission for existence and indulge itself in philanthropic activities.

CSR can have different manifestations. " In one way or another, the crux of it is to integrate the public interest into the corporation's mission. " Southwest has been trying to do the same (Pfeffer, 2004). Corporate citizenship programs have known to follow economic investments instead of leading them. Organizations are beginning to realize that social investments can lead to significant economic benefits in the long term (Business Civic

Leadership Center, 2007). The goal here is to focus on the company as a whole instead of focusing on just profits.

Such social investments may not yield direct tangible benefits, but it definitely helps in improving the reputation and enhancing customer loyalty which is exactly what Southwest has achieved. This achievement has helped them keep ahead of their competitors and earn higher profits. Intelligent decision making, exemplary relationships with employees, communities they are serving and all other stakeholders has guided them into a very successful organization. This is evident in the fact that it is the only organization to have posted profits for the past 34 years (Southwest Airlines Co, n. d.).

Change and Innovative Strategies Southwest's biggest competitive advantage is to maintain low operating costs. Other factors which help them keep the costs under check are single aircraft model, a very efficient point to point structure and extremely hardworking, creative and dedicated employees. It is interesting to note that the airline's fleet of aircraft comprises of only Boeing 737s. The advantage is that they are able to reduce training costs and inventory costs. Southwest also does not serve any meals during the flight as part of their strategy to have low operating costs (Southwest Airlines Co, n.

d.). All this was new to the airline industry. Instead of preparing for the change, they were the change themselves. Whichever market they entered, they induced change in the market, whether in the form of demographics, prices or standards. Southwest does not even have pre assigned seats for the passengers or electronic entertainment on its planes. Instead, their entertainment package is the highly energetic and active flight crew which is

full of wit and humor to amuse the passengers during the flight. Southwest also brought up a concept of paying its crew on trip basis to cut costs in difficult times.

This made sure that if the flight wasn't flying, the crew did not have to be paid. It also motivated the crew to fly more. Another innovative idea was to use "second tier" airports (e. g. Baltimore and not D. C. , or flying to Manchester N. H. and Providence, R. I. instead of choosing Boston). Due to this concept of point-to-point flights, pilots and crewmembers had the luxury of spending the night at their home which convinced them to earn less than what other pilots and crew members earned at larger airlines.

Southwest Airlines' business model is based on a set of beliefs which are: people intend to get from one place to another as quickly as possible, and second that aircrafts will not make money if they remain standing in the hangars. The walls of the company headquarters just off Love Field in Dallas, TX are covered with more than ten thousand picture frames containing photos of employees(Southwest Airlines Co, n. d.). In the past, commercial airlines provided formal business services which were highly inspired by the military. Many of the commercial pilots were trained by the Air force.

The use of titles such as Captain and Navigator also complement this belief. Not only this, but the uniforms used by the flight crew members also remind us of military uniforms used in the past. In such business environment, you would expect a much more serious attitude from the employees. Use of wit and humor in such an environment was unthinkable. But southwest completely changed this concept by adding humor to not only their own work environment, but also the environment which the passengers experience. As

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part of a research, a socio linguist conducted a survey based on the humorous and joking behavior of the Southwest flight crew.

The questions that were asked are as follows: Q1. Does the client travel via Southwest Airlines often? Has the client noticed this type of informal speech used by employees of the airline? Q2. Does the behavior seem out of place to the client? The results of the survey are as follows 44. 4% of the female did not notice the joking mentioned, though half of those who did not notice did find a friendlier environment. Only 10% of the males did not experience the informal behavior. Source: Plested, V. A. (2009). A joking matter: sociolinguistics at work within Southwest Airlines.

In actual words, 64 percent of the males and 44 percent of the females (four out of nine) used the terms 'comfortable', 'comforting', 'relaxed', or 'casual' to describe the joking language usage. 11% female and 27% females used the term 'different'. 80% who noticed the language use found it amusing. All participants reported that the joking never "went too far" or offended them. Only one participant described the behavior as "out of place." Conclusion Southwest airlines major competitors include AMR Corp. , JetBlue and Continental Airlines.

However the company has climbed a long way up on the ladder of success and has effectively been able to cope with the competition. Its strategy is a source of inspiration for all the low cost airlines as it has done a good job in the airline industry. References Business Civic Leadership Center. (2007). Global Corporate Citizenship: Corporate Citizenship in Emerging Markets. Retrieved on July 25, 2009 from <http://www.uschamber.com/bclc/resources/0709emergingmarketsreport.htm> De George, R. T. <https://assignbuster.com/southwest-airlines-principles-of-ethics/>

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