A review of the literature Success story and leadership sort of Southwest Airlines

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Abstract:
Research in success story of Airlines and therefore the main target leadership vogue has been gaining importance in recent years. This study examined the competitive fringe of Southwest Airlines and their leadership designs on, success, job satisfaction and structure commitment. several factors contributes within the success of this organization like customers cervices centers, locations they served, worth of carrier, trained pilots, sturdy culture, economical management of people, the role of human resource, and use of humor in numerous leadership designs for the success of organization. Of these factors have positive result within the success of southwest Airlines?

Indexing terms/Keywords:
Culture; human resource; employees; customer service; low price; humor; leadership; organization; success

INTRODUCTION

About the corporate:
In its forty second year of service, Dallas-based Southwest Airlines (NYSE: LUV) continues to differentiate itself from different carriers with exemplary client Service delivered by nearly forty six, 000 workers to quite one hundred million Customers every year among ninety six destinations in forty one states, the District of Columbia, the Commonwealth of Puerto Racketeer Influenced and Corrupt Organizations Act, and 5 near-international countries.

History:
Southwest Airlines was based by Rollin King and Herb Kelleher. Southwest Airlines was incorporated in Lone-Star State and commenced client Service on Gregorian calendar month eighteen, 1971, with 3 Boeing 737 craft serving 3 Lone-Star State cities - Houston, Dallas, and San Antonio and grew to become a significant airline in 1989 once it exceeded the billion-dollar revenue mark. Southwest topped the monthly domestic originating rider rankings for the primary time in could 2003. Southwest Airlines is currently America’s largest low-fare carrier, serving additional Customers domestically than the other airline with a singular combination of low fares with no annoying fees, friendly client Service delivered by outstanding individuals, safe and reliable operations, and a rare company Culture that extends into the communities we have a tendency to serve. Yearend monetary results for 2012 marked Southwest’s fortieth consecutive year of profit. On May 2, 2011, Southwest no herita
able Orlando-based Air Tran Airways and expects to finish the combination of the 2 airlines by the top of 2014.

Customer Support & Services Centres:
- Airlines client Representatives within the last twelve months. Southwest Airlines presently operates six clients Support and Services Centers in Albuquerque, Chicago, Houston, state capital, Phoenix, and San Antonio.
- Air Tran Airways presently operates one Reservation Center in Atlanta, Georgia.
- Southwest Airlines client Representatives book, on average, 31,154 reservations daily; 218,679 reservations weekly; and 00.9 million reservations monthly. some eleven.4 million reservations are reserved by Southwest Cities Served:
Southwest and Air Tran serve a combined ninety six destinations in forty one states, the District of Columbia, the Commonwealth of Puerto Racketeer Influenced and Corrupt Organizations Act, and 5 near-international countries.

Low price carrier:
When rival airlines were hemorrhage billions of bucks, Southwest was churning out consistent profits as a inexpensive carrier — even once fuel costs soared.

“Southwest had an awfully profound impact on the business,” says Henry M. Robert Crandall, World Health Organization light-emitting diode Yankee Airlines within the Eighties and ’90s. “They disproved the notion that customer’s most well-liked service to low costs. And to their credit, they need sustained that.”
Battered partially by Southwest’s growth, ancient airlines have restructured their operations over the last decade — usually through painful bankruptcy proceedings — and have narrowed the gap.

The best-paid pilots:

No longer the fiery start-up, Southwest currently has the best-paid pilots, mechanics and flight attendants within the business. Its unit labor price — what quantity it pays its workers to fly one seat for one mile — rose twenty two percent from 2002 to 2009, whereas constant live born thirty four percent at United, seven percent at Continental, twenty six percent at Delta and eleven percent at Yankee.

Since southwest usually flies shorter routes and schedules additional daily flights, pilots will fly one hour longer daily than at different airlines, he says. This potency becomes a vital element to the airline’s edge. Southwest doesn’t quite fly auto-pilot, however because it prepares for its fortieth birthday next year, it’s flush successfully.

“We work terribly exhausting for our company,” says Mr. Kuwitzky. “And we have a tendency to acknowledge that we have a tendency to succeed if our company is sure-fire.”

Growth:

Southwest continues to possess that impact once it enters a brand new aerodrome. When it began service to Baltimore-Washington International in 1993, fares born by seventy percent and rider traffic redoubled multiple.

The company started flying to Mile-High City in Jan 2006. It currently has 141 daily departures there, reflective the quickest growth in its network.

Culture:

“Our culture is our biggest competitive strength,” says Mr. Van de Venn, the chief operational officer at Southwest airlines. “But we would like to grow it, not shield it.”

Producing property competitive advantage through the effective management of individuals:

CEO of south west argues the seven practices that area unit terribly necessary to attain competitive advantage.

1. Employment security
2. Selective hiring of latest personnel
3. Self managed team and decentralization of higher cognitive process because the basic principles of structure style
4. Relatively high compensation contingent on structure performance
5. Intensive coaching
6. Reduced standing distinctions and barriers as well as dress, language, workplace arrangements, and wage variations across levels.
7. Intensive sharing of economic and performance info throughout the organization.

The Role of Internal Communication and coaching:

Most studies on company disapproval and image have centered on the influence of external communication like advertising and PR. Less attention has been paid to the strategic role that internal communication and coaching will play.

Internal communication and coaching ought to be treated because the ‘first frontier’ within the battle for the customer: once it’s based on robust company values, internal communication and coaching will facilitate rework key workers like cabin crew into ‘walking embodiments’ of the core values, and key bit points into opportunities for fulfilling the complete promise.

HR’s role in building relationship networks:

The role of human resource professionals in nurturing relationships ought to be redefined and distended.

Relationships area unit the muse of structure capabilities that area unit a vital supply of sustained competitive advantage as a result of they make the most individual variations and area unit comparatively immobile since they're embedded inside a firm’s culture.

Southwest Airlines - living total quality during a service organization:

Southwest Airlines, whose workers see themselves not as associate degree airline with nice client service however as a good client service organization that happens to be associate degree airline.
Leadership vogue (The Use of Humor within the Workplace):

Humor may be a common part of human interaction and thus has a control on work teams and organizations. CEO of Southwest Airlines examined the links between leadership trend, the employment of humor, and 2 measures of performance. Results indicated that leadership vogue was qualified by the employment of humor in its relationship with individual and unit-level performance.

A sense of humor may be a characteristic often related to leadership and with a leader's ability to result modification in followers. Southwest Airlines attribute higher levels of worker commitment, cohesiveness, and performance to leaders' use of humor in their cultures. “Perhaps of all the communicative methods that leaders utilize, the employment of humor is most promising, however least understood”. Despite the very fact that learning humor “has the potential of providing vital insights into management and structure behavior”, comparatively very little analysis has examined the connections between the employment of humor and management, or leadership vogue. Humor is hypothesized to possess each direct and indirect effect on individual and unit performance. A number of the direct effects could occur as a result of the employment of humor enhances the emotive and psychological feature states of followers.

Consequently, we have a tendency to examine during this study however humor qualified the impact of leadership on performance by examination the employment of humor in 3 completely different leadership styles: transformational, contingent reward, and Laissez-faire.

Transformational leaders build confidence in followers, encouraging them to reframe the longer term and to question the tried and true, and training them to develop their full capabilities. A transformational leader's use of humor could signal to followers that they'll really handle what they see as out of management. Transformational leadership has been shown to possess a right away, positive relationship with performance.

Contingent reward leaders concentrate on establishing clear exchanges with their followers. Exchanges area unit usually supported articulating “explicit contracts” relating to what the leader expects from followers. In exchange for the leader's articulating a goal and providing rewards once the goal is achieved, follower's area unit expected to accommodate the leader's performance expectations. Contingent reward leaders sometimes focus on obtaining tasks done and pay less attention to understanding the human resource wants of their organizations. The meta-analytic results reviewed higher than recommend that contingent reward leadership ought to absolutely relate to individual and unit performance.

Prior analysis has joined Laissez-faire leadership with poor individual and unit performance. Laissez-faire leaders, Organization avoid taking a stand with their followers, area unit viewed as less effective. Since capitalistic leaders don't attend to the wants of their followers, their use of humor is also viewed as procrastinating and/or turning attention removed from the work that must be accomplished. Indeed, Laissez-faire leaders could use humor once desperate to avoid seizing troublesome conditions and/or choices.

Conclusion:
The success story of south west airlines depends upon their strong culture, skilled employees and efficient management. They are proving services by taking care of their employees as well as customers. Leadership style takes much important role in the success of any organization. The results recommend that by mistreatment humor, Laissez-faire leaders could be able to scale back the negative effects usually related to their lack of leadership, as well as a negative impact on performance. Maybe a number of the positive effects of humor quenched the consequences of the rejection behaviors related to Laissez-faire leadership. Indeed, humor could produce a climate that enables people to feel higher concerning the unit, although they're discontent with their leader.

References