

## Innovation Research of Enterprise Human Resource Selection----The Selection of Southwest Airlines

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### Abstract

*Human resource selection is an important part of human resources management, only selected the right people that enhance the efficiency of the enterprise. Personnel selection is defined as through the scientific tools and means to identification and investigation the candidates of the recruitment, to distinguish their personality characteristics and skill level, predict their future job performance, and ultimately selected the people who the company needed and can fill the appropriate vacancies. Based on the example of the Northwest Airlines Company, this paper introduces Northwest Airlines' selection criteria, they are the Southwest way: fun-loving attitude, the Southwest way: a servant's heart, the Southwest way: warrior spirit. And then focuses on the selection process and method of the American southwest airlines, it chooses the appropriate method based on the culture of the company. According to this example, we will have a more profound understanding of the human resource selection.*

**Keywords:** Northwest Airlines, Selection, Innovation

### 1. The Introduction of Northwest Airlines

Such an airline company, it was selected as "America's Most Admired Companies" by Fortune magazine for ten consecutive years (1997-2006), for ten consecutive years (1997-2006) ranked Fortune magazine: "America's Best Companies" The top five. For seven consecutive years (2000-2006) by the American Business Ethics magazine named the "100 best Corporate Citizens". It is the most profitable airlines in the industry within 90 years of the 20 central, since 1973, it is more than thirty years in a row to maintain profitability; its sales grew the fastest in all of the major airlines, operating costs are minimum; five consecutive years (1992-1996) won the "Triple Crown" title awarded by the U.S. Department of Transportation; assessment of its credit rating by Standard & Poor's "A-". It is the originator of the "budget airline" classic business model of the civil aviation industry----- Southwest Airlines. Southwest Airlines was established in 1976, officially began operations June 18, 1971, the company is headquartered in Dallas, Texas, USA, and created by artificially Herb Kelleher. Enter twenty-first Century, American southwest airline accelerate the process of informatization. In 2000, the company full implementation informatization project named of "SWABIZ", through the project, the American southwest airline web site can be directly used for passenger booking and voyage to confirm the operation. In 2002, the company began phasing out the use of recyclable plastics have long term registration cards. In 2005, the company and the air transport association began to code sharing, which brings for the company nearly 5 millions of dollars in annual revenue. American southwest airline can achieve such great success, its unique operating characteristics and corporate cultures are inseparable.

### **1.1 " Airbus " -- a Unique Business Location and Business Strategy**

Southwest Airlines underwent successful differentiation strategy orientation from the venture. Southwest Airlines accurate the subdivision market, aimed at the market that no one shows any interest in the short-distance routes. Southwest Airlines only offer between medium-sized city and each big city's secondary airport in the United States, with short, cheap point-to-point air services, deliberately avoided big airport, and not flying distance. Its customers include business passengers, low income families and students. Southwest Airlines to position itself as the lowest fares airlines, its strategy is in any market environment, to maintain the lowest fares.

### **1.2 Single Model of the Airplane**

Southwest Airlines only Fleet by Boeing 737 aircraft. Southwest Airlines' single models for the company will bring a lot of benefits of low cost operating: first, save fuel cost. The Boeing 737 is relatively the most fuel-efficient models. Second, save procurement costs and depreciation costs. Third, save the cost of parts. Fourth, save labor cost.

### **1.3 Limited Customer Service**

Southwest Airlines has chosen to provide services, because not all people are its target customers. In the market segment, the company identified two groups of targeted customers, mainly travel at their own expense, the passengers and small business employees.

Southwest Airlines never sought to provide passengers the acme of perfection and comprehensive services, but according to the concept of "provide basic services for the passengers" to design service. First of all, Southwest Airlines aircraft do not have first-class cabin, this change can increase 15 seats of the economy class. The aircraft' seat increase not only improves the utilization rate of the space, but also indirectly reduce the company's operating costs. Secondly, Southwest Airlines not specified the seat for the passenger, instead of give different color of cards to the passengers according to their arriving time at the airport, passengers get to the plane and optional the seat according to their card color. This design not only reduces the production cost of the air ticket, but also improves the boarding efficiency, and makes the company's check-in time 2/3 shorter than other airlines, reduces the retention time of an airplane at the airport. At the same time, this kind of measures encourages passengers to arrive early at the airport, reducing the aircraft delay because of waiting for passengers.

### **1.4 Lean and Efficient Work Team**

Southwest Airlines think, simplifying process can accelerate the speed of operation and reduce the cost. Southwest Airlines has cancelled the inflexible work rules, allowing employees to finish on time, can transfer task and responsibility, need not to pay attention to rules within itself the to do, in case of need we can help each other. Southwest Airlines has some of the most productive employees in the business– but Southwest also has an impressive record on customer service and employee satisfaction. The airline delivers on basic customer expectations – about on-time arrivals, baggage delivery, ticketing and check-in – with a smile as well as a profit. The airline believes that customers deserve respect, dignity . . . and a little fun.

Surprisingly, though, customers do not come first at Southwest. That place is reserved for employees, in the belief that you treat your employees the way you want them to treat your customers. Employees are rewarded according to their teamwork, flexibility and willingness to go the extra mile to provide good customer service. These are not merely empty words. Superior performance ratings – and the recognition that goes with them – must be backed up with actual examples of this behavior in action. But the company is prepared to measure performance broadly, rather than through a narrow set of indicators.

## **2. The Selection Standard of Southwest Airlines**

American southwest airline is a company that provides equal opportunities for every employer. It has three criteria is in the choice of employees: the warrior spirit, interesting Luvng attitude and sense of service.

### **2.1 The Southwest Way: Warrior Spirit**

- Work Hard
- Desire to be the best
- Be courageous
- Display urgency
- Persevere

- Innovate

## **2.2 The Southwest Way: A Servant's Heart**

- Follow The Golden Rule
- Adhere to the Principles
- Treat others with respect
- Put others first
- Be egalitarian
- Demonstrate proactive
- Customer Service
- Embrace the SWA Family

## **2.3 The Southwest Way: Fun-Loving Attitude**

- Have FUN
- Don't take yourself too seriously
- Maintain perspective
- Celebrate successes
- Enjoy your work
- Be a passionate Team player

## **3. The Selection of American Southwest Airlines**

American southwest airline is one of the few profitable enterprises of the United States aviation industry. In 1993, Southwest Airlines out of 98000 applicants, interviewed 16000 people in order to recruit 2700 flight attendants; in 1994 in order to recruit 4000 employees out of 125000 applicants. Many companies have seen such a large selection as a burden! But the American southwest airlines think that the development of enterprises' long-term competitive advantage is the most important first step. The United States of America air industry per passenger plane landing handling and the average time was 45 minutes and 16 minutes of southwest company. One of the reasons is that the Southwest Airlines in detailed interviews made thorough understanding of applicants of personality, skills and job expectations thus ensuring after induction they can form a team with other employees, cooperate with each other, the active collaboration.

The United States southwest airlines last CEO James F Parker on how to choose the person that the company needs, he talked about three points. (1) Experience can be a burden. Have working experience in many cases is not necessary, in fact, this will bring negative effect. Every company has its own style. In Southwest Airlines, we have our own developed procedures which set of perfectly to do things, this do not like other companies. We hope we can often hear people have different opinions, to improve the working procedures. And don't need those who will sit and complain about our way of doing things. (2) Values are very important. I usually say: I hope you get fair treatment, but our company well not intends to become highest in industry of the treatment. If you want to earn as much money as possible in the shortest time. This job doesn't suit you; but if you have the hope of finding a long-term occupation, here you can make your own contribution, can make a career. Make yourself become a man of value, in which you can be you yourself well and enjoy work, finally, here you are engaged in the occupation and proud. If you like, here is where you want to go. When you leave the company, you may turn back and have a look my occupation. Think you get fair treatment and generous pay, at the same time, you will also think that you will enjoy the joy of work and make a career.(3) To get the employees you want. You may never know, for the one you really want to hire, a little thing will affect their decision. When I was a general counsel of Southwest Airlines', I participated in interview of a number of candidates; their applied range is very wide, from building repair worker to lawyer. Each interview is an interesting story. I think that although we are faced with a problem of lower starting salary, but we still have make a talented team that hardly worthy of belief, and get the employees we want.

### **3.1 Recruitment and Selection: Chose the Right People on the Bus**

Southwest Airlines has been stressed the staff 's sense of humor as a result of the enterprise culture, so, when recruit the staff, one of the most important criterion is the optimistic attitude to life, that is to say Southwest Airlines think highly of candidates' sense of humor. Southwest Airlines' personnel department vice president Libby Sating think, a sense of humor can offset the tense work and competitive pressures.

Comparatively speaking, job skills become less important. Because the life attitude is hard to change in a short-term, and job skills can be get through the training. Since the establishment of the company, Southwest Airlines has maintained the lowest in the industry employee turnover rate, the highest employee satisfaction, and since 1973 annual profit. Behind this is an important reason for Southwest Airlines in the staff recruitment is particularly valued the applicant and company culture to match, whether to have an optimistic attitude towards life, and not on whether it has a special skill. This is because a candidates which is not match the corporate culture or have a pessimistic attitude, will give the passengers or other colleagues negative effect, so as to destroying the original good atmosphere.

The company's selection procedures – which include a number of tests to ensure that new employees have the right attitude for the airline—heavily favor people who like others and are willing to work with others to get the job done. Southwest has no time for rigid job descriptions, functional hierarchies or a culture of blame. When a flight delay looms, everyone – from pilots to flight attendants and from customer-service agents to baggage handlers – pitches in to help to ensure that the aircraft leaves on time.

### 3.2 Unique Concept of “Attitude to Hire”

“We can teach you to deal with everything that you need in your work, but there is one thing that southwest airlines can't change, that is your inner life attitude.” For talent, Southwest Airlines has its unique “attitude to hire” concept: attitude goes first, skills can be training. Special industry background of enterprise can cause unique corporate culture, make Southwest Airlines have an unordinary recruiting subjects. When a reporter asked whether the master of business administration is needed, Southwest Airlines CEO herb Keiler says bluntly: “as long as I came to power, it cannot be. Our corporate culture originated from the heart, not from the brain. ”

Therefore, the enterprise culture has directly decided the needed of enterprise talent people. If the introduction of the staff whose values is not match the corporate culture of the company, these will not only waste the cost of enterprise recruitment, but also will lose a lot of mutual running-in time for both enterprises and employees.

Lifelong learning is part of the Southwest Airlines culture. Supervisors are expected to work with each employee on a career-development plan and suitable training.

The airline's “people department” has a key role in communicating brand values to the employees. It emphasizes the importance of employee brand image – the image that employees project to those around them. “Covenants” set out what is expected of employees, who are regularly made aware of the importance of good customer service –and of the impact that losing customers can have on the company as a whole. The company's advertising and public relations are directed towards employees as well as customers. The corporate newsletter, LUV Lines, is an important vehicle for celebrating outstanding employee performance.

Southwest Airlines is highly unionized, but a high level of trust exists between trade unions and management. The company also tries to build close and trusting relationships with its suppliers.

### 3.3 Characteristics of Advertisement

For the company's recruitment propaganda, Southwest Airlines is more to use this kind of carrier of advertisement. Southwest Airlines has an advertisement clearly convey their desire for the quality of the staff.<sup>[8]</sup> In the classroom, teacher scolded a child who painting the color of Tyrannosaurus Rex out of the frame line. The message it convey is: if you love “painting the color outside the liner” (meaning you desire to unlimited space for development, hope to create new styles at work, hope the tension and the high intensity of work), then, you may be the one that we are looking for.

According to this approach, the company's potential employees, those really interested in the culture of Southwest Airlines, feedback is quite staggering. They are used in a variety of ways that submit a cover letter by means of feedback to the southwest aviation enterprise culture's response: some drawn in crayon form, some with cereal boxes, some draw on the pizza.

### 3.4 Pay Attention to Employee Referral

Southwest Airlines encourage the work atmosphere of the family style. So the staff recommended personnel are the main source of employees of Southwest airlines. When they hire people, any employee referral relatives, friends, have priority right of interview. At present, among Southwest Airlines employees, there are about 1000 couples. Keiler thinks, this healthy “nepotism” “contributes to the enhancement the company culture in the rarest family atmosphere.

The use of staff recommend recruitment can not only by individual network service in the Southwest Airlines recruitment job recruitment information, improve the information's coverage range and spreading, but also can obtain a candidate information through the internal employee more effective, improve recruitment efficiency and recruitment outcome.

### **3.5 Unique Way to Interview**

In the interview segments, the interviewer will suggest those wearing a black suit, black shoes, black socks pilots change the Bermuda shorts and some light clothes. Although many have different values of the interviewer turn on one's heel, through this way southwest airlines can choose the employees correspond to the company values. "I don't want our employees lose his vitality." Company president Keiler said, "if there is anyone who would not to be lively, he can go to another company." Southwest Airlines is not only having a sense of humor, it actually reflects a kind of management thought.

In order to meet the "filled with love, care and active atmosphere of the family" of the corporate culture, Southwest Airlines will require candidates to do three minutes self-introduction speech. However, it is not the moment a candidate performs of the speech, but their performance out the stage: Southwest Airlines hope to find the person who truly concern for others, have the team concept. So, whether or not the candidate was concentrate to listen to others' speech, whether to give the speaker a support or not, will become the most important factor in the employment.

The first round is a collective interview, every job applicants are required to stand up and talk on their most embarrassing moments. These prospective employees are evaluated by the flight attendant, ground station controller, managers, or even customers. Southwest Airlines let customer participate in the recruitment interview based on two thoughts: the customer has the best ability to judge who will become excellent flight attendant; customer have the ability to training the potential to become the steward attendant that the customers wanted.

Then in-depth personal interviews on the interviewer through the first round, in this interview, hiring managers will try to find candidates whether have certain psychological quality, these specific psychological qualities are found by the Southwest Airlines by studying the successful and the unsuccessful crew.

The new employee will go through a one year trial period, during this period of time management and new employees both have enough time to judge whether they are really suitable for the company. Southwest Airlines encouragement supervision and management staff make full use of this one year probation or evaluation period, to make those staff that not fit in the company fired. But the interestingly part is that Southwest Airlines has seldom had to lay off some workers. Because before these employees were told, they already know that they seem to be misfits with environment surrounding them and take the initiative to leave.

There are about 90000 people to offer letter to the southwest airlines in the United States each year, the final admission ratios is approximately 4%. Southwest Airlines is committed to recruiting the staff that what they want mostly with affinity, positive sense of humor of the enterprises culture, candidates for the employee must pass a personality test, positive mood, optimistic spirit, team spirit, communication skills, self-confidence and ability assessment, to test whether they have the desired potential that Southwest Airlines needed, and ensure that the final admission of the employees match the enterprise culture.

## **4. HR Management Strategies of Northwest Airlines Company**

Southwest Airlines has two basic concepts, they are low cost and high quality customer service, the two are inseparable from the enterprise to realize the function of people, so the southwest aviation to carry out a strategic human resource management. Human resource strategy matches the strategic. The combination of the two, promote the objectives of the organization to achieve better and create a special, positive corporate culture.

### **4.1 Special Enterprise Culture**

The core spirit of Southwest Airlines " employees first, customers second " is people-oriented, namely to achieve the value of staff as a fundamental, but doesn't mean that it is without reason. To accommodate, conniving, shield employees, but refers to the building of enterprise culture always reflect the value of staff, through the realization of the value of staff to improve customer service level, the realization of customer value, thus improving the company ultimate goal.

In the America scholar Gittel's writings "Southwest Airlines case -- using the power of relationships to achieve outstanding performance ", the author found the unique corporate culture of Southwest Airlines through the comparison of Southwest Airlines and the other airlines of United States. He profiles it as target sharing, knowledge sharing and mutual respect.

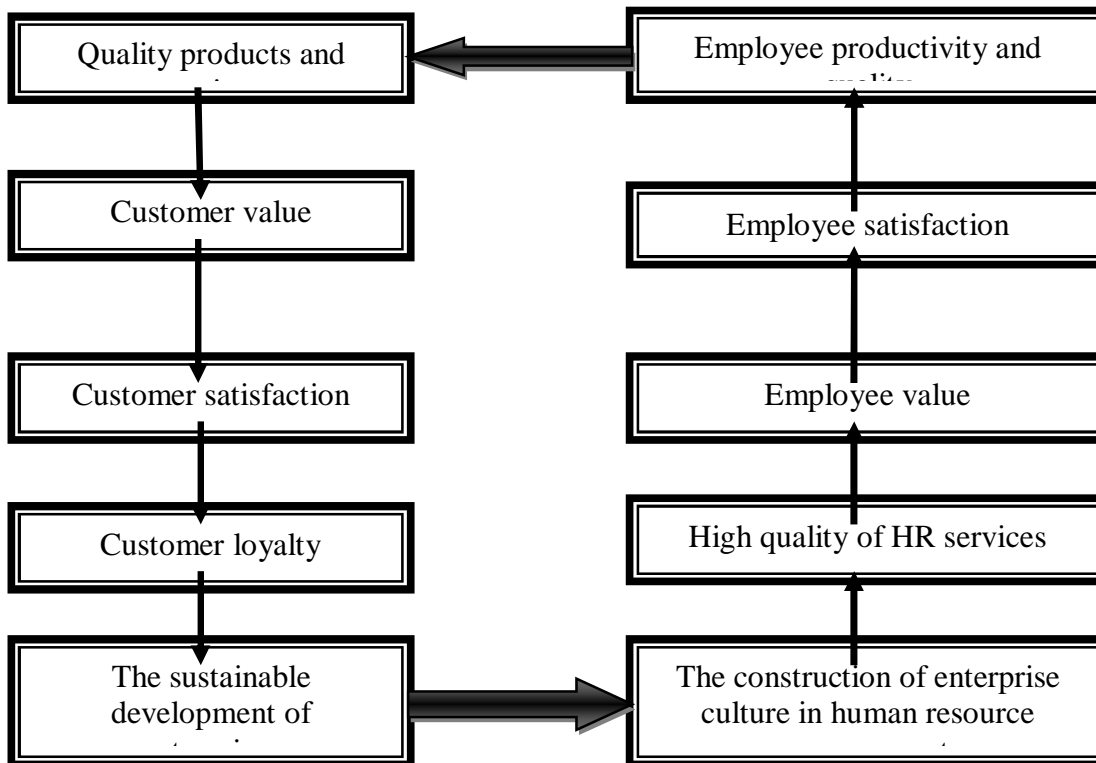
At Southwest Airlines, every field manager, supervisor and the employee think that their main goal is to provide safe, timely service and make customer satisfaction. The goal seems to be shared, and they could also explain why these target important. When discussing the time demand, almost everyone will say: " our plane is expensive, they stay on the ground may not make money." Even the outsiders also admitted that Southwest Airlines employee shared the same goal. A pilot of Southwest Airlines said: "when you fly the plane arrived at the gate, saw that everyone was ready to put to work, that will make you feel great."

Southwest Airlines employees are doing well in knowledge sharing. They not only know the whole working process, but also know the link between their work and other functional departments work. When asked to explain what they are doing and why to do so, their answer commonly referred to the entire work process. A pilot is explained the advantages of Southwest Airlines in the knowledge sharing like this: everyone is known exactly what to do; each department have a good relationship with other departments. There are no great secret, each sector is equally important, including the bathroom. Everyone knows what the others are doing.

In the civil aviation industry, many companies have severe position limits, pilots in the hierarchy of the highest, and the ramp staff at the bottom of the hierarchy system. However, Southwest Airlines staffs are accustomed to highly respect each other. Employees in other departments as referring colleagues when the attitude of respect, they communicate with each other as pleasant, and these are irrelevant weather his colleague's work is cleaning the toilet or aircraft.

These goal sharing, knowledge management, mutual respect contributed directly to the Southwest Airlines staff teamwork, the southwest high efficiency become possible. At Southwest Airlines, whatever it is, employees are actively involved in the work. It is by virtue of hard work and initiative of the staff, the company only has great labor productivity advantage.

In addition, the staff first is the basic concept of Southwest airlines. As the business management of enterprise value chain is shown (Figure 5-1), employee satisfaction will bring customer satisfaction. At Southwest Airlines, every employee is respected. All the staff just call name, with the relationship between people and easy-going equality. Staff may at any time to call the senior executives to exchange views; staff dressed casually, no class difference, to create a common work equal atmosphere. In addition, the company encourages employees to thinking like an entrepreneur. Employees not only satisfied to complete the task, but also actively for the company's long-term development suggestions. Senior supervisor listen to employee opinion is southwest of a convention. The company regulations, if the staff makes a proposal, relevant departments must make clear whether it is feasible, and respond in a timely manner. If the company did not adopt this proposal, it must be explained to employees clearly, given sufficient reason to refuse.



Southwest Airlines' corporate culture prominent features include a pleasant working atmosphere. Southwest Airlines committed to providing passengers with pleasant flying experience, have also for the staff to create such working environment. When you walk into the Southwest Airlines moment, you will be surprised to find that, everyone here light up with pleasure. The wall is like a family album, plastered all the employees to shine with happiness. While the employees really happy, to celebrate the birthday of the boss, employees to raise \$60000 for a full-page advertisement in newspaper thanks to Kelleher: "to a friend, and not a boss."

#### 4.2 The Staff Recruitment That Adapt to The Company's Values

In order to ensure that the employees can be suitable for the company, the company attached particular importance to hiring and selection. In order to investigate whether or not the candidate with the company respected the spirit of the enterprise, ensure that employees can really suitable for future work, in the interview of flight attendants, the company will invite passengers involved in, and colleagues presided over the recruitment is also a major feature. In order to achieve a happy work of philosophy, the company's employ principles are recruited the people with a sense of humor and know how to find the happy; and company pay special attention to the staff of the positive work attitude and team spirit. The company thinks, human nature is difficult to change, because of technical can training, but the work attitude is very difficult to change. Therefore, the people in accordance with company's values will be hired.

#### 4.3 The Salary Distribution System Echoes of Low Cost

The wage rates of Southwest Airlines employees are lower than other companies. The company's flight attendants earn \$18 per hour; Continental Airlines' earn \$20, American Airlines for \$23. But the company carries out profit sharing plan, employees are encouraged as owners rather than the employees at work, encourage sharing value within the scope of the company. Since its establishment in 1973, the company implementation of profit sharing plan, it is the first company of the aviation industries. In addition, the monthly salary deductions form purchase discount stock, let all people share the success and risk of the enterprise. Through this program, the Southwest Airlines employees owned 12% stake of the company, the pilot has a great preference in the stock option. In addition, the company provides a range of employee benefits, such as medical insurance, dental and vision insurance, endowment insurance, disability insurance, pension benefits and care, mental health aid. The philosophy of this series of welfare programs is that Southwest Airlines will always put the interests of employees in the first place; the enterprise will try our best to take good care of the most important assets of enterprises.

The salary is not high or even lower than the market average level, the company not only quite easily solves the incentive problem, and more important is to ensure the company's low cost advantage.

#### 4.4 Incentive Salary System Based on Group Performance

The reason Southwest Airlines can maintain the shortest turnaround time and happy passengers is that every course consisting of multiple function team. They know most of the customer of the route and can make some small changes to adapt its regulars who may have some special problems. To this end, the company's employs performance evaluation and incentive mechanism based on a team make the pay and performance closely. Reward system performance as a team unit, as a result of each team understand the evaluation way of performance, stimulated members help each other, to encourage members to collaborate. For example, the pilot would help boarding, because in the help of the team to achieve the goal also increased his income at the same time.

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