

Southwest Airlines on Recruiting and Retaining

By Tracy Tripp

HR professionals the world over know that their toughest job is recruiting and retaining top-notch employees for their companies. With unemployment at its current rate, expanding businesses search for qualified workers like big-game hunters stalking the most elusive prey. All the while, their biggest trophies are in danger of being poached. What's an HR Hemingway to do?

The answer: Use great bait

And while the smell of fresh meat may not be the best way to entice hungry workers, other big, beefy benefits can certainly attract and satisfy. Perks are critical - even highly competitive salaries are being rejected in favor of offers with tastier benefits packages, proving the adage that man cannot live on bread alone.

Southwest Airlines employs nearly 30,000 individuals. According to Ed Stewart, Director of Public Relations, the single biggest perk employees receive - and which Southwest is in a unique position to offer - is free airfare. Simple, but very effective.

For people with families at the four corners of the earth - i.e. retired parents in Florida, grown children off at UCLA and NYU - these free flights allow frequent reunions (and vacations!) without breaking the bank.

Profit Sharing grows in popularity

The second perk that Stewart cites as most effective and valuable is profit sharing. In December 1990, Southwest employed around 8,600 workers. Today, the airline maintains nearly 30,000 employees. The budget explosion needed to simply cover the new payroll boggles the mind.

Such expansion provides huge benefits for Southwest workers, and shows very few signs of slowing down. Taken together with competitive salary and insurance benefits, these perks make the airline extremely attractive to potential new employees. So much so, in fact, that recruitment might be better termed "admission." Southwest receives a minimum of 100,000 job applicants per year and consistently has the lowest turnover rate of any airline. "People leaving is virtually nonexistent," says Stewart.

Not coincidentally, Southwest ranked 2nd in Fortune's 100 Best Companies to work for, behind Container Store (which employs only 1200+ people).

Other alluring perks are simple

On top of offering alluring perks like profit sharing and free flights to applicants, Southwest rewards its current employees for excellent performance, maintaining loyalty, job satisfaction, and personal motivation.

The airline's corporate headquarters is situated just outside downtown Dallas, where 80 degrees is a mighty cool day. Casual Fridays were company practice when Stewart came on board. In response to the remarkably low absenteeism and almost complete lack of tardiness on staff, Southwest decided to reward its workers by abolishing the office dress code.

Apparently not worrying about what to wear in the morning gave people even more incentive to go to work - Southwest has the lowest absenteeism and tardiness rates of any business in the area. And no one at Southwest is sweating it a bit.

Now, says Stewart, "if you're in the office in a suit, you're visiting."

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