

Case Study: American Airlines

By William Keenan Jr.



Sue Gordon has been with American Airlines for over 20 years. Starting as a flight attendant and working her way through a variety of roles, she spent a lot of time on the front lines of marketing, involved in customer communications, advertising, product development and employee communications. She has also worked in IT and had a hand in launching American's first employee portal in 2000-2001. She even did a stint in American's HR department, helping get a Human Resource Communications group off the ground. Most recently she has managed the company's Corporate Communications department.

As a result of that vast and varied experience, Gordon has not only gotten to know American Airlines and the American Way very well, she also understands very clearly how the company's internal communications and branding efforts work to promote employee engagement and employee retention, while at the same time contributing to a more positive customer experience. In other words, she's seen it all - what works and what doesn't.

"It's been kind of a meandering 20 years," says Gordon, "but every experience has built upon the last and has helped give me a very solid understanding, not only of communications fundamentals, but also of our employees and how they interact with our customers - how all of our different functions come together to create the products and services we offer."

A KEY LEVER

One of Gordon's - and American's - primary efforts in this regard is to engage employees in building and improving the customer experience. "Our customer experience efforts are a key employee involvement lever for us," Gordon explains. "From 2001 to today, our industry has essentially been in turmoil. But we found the most traction by involving employees in the business. This is where we've seen the greatest process improvements and the greatest cost savings. It's where we get our best ideas and the greatest amount of buy-in, by involving our employees from soup to nuts in the process."

For example, American introduced blogging on its employee portal as part of its mission to involve employees in the company's efforts to improve the customer experience. The blogs are written by managers and frontline employees, Gordon says, adding, "we've focused them almost exclusively around our customer experience efforts. We spend a lot of time on our blogs talking about the enhancements that various employees have come up with and how they're implemented, as well as gathering whatever other ideas employees have about how we can either improve on those efforts or get new ideas to improve other aspects of the customer experience."

She notes that one of the great things the blogs have generated is a feeling of company-wide participation - "our management team and executives also join the conversation to weigh in on a particular topic."

And to make sure that management is listening and attentive to what's going on in the blogs, Gordon's group creates a summary for each of the weekly blog topics and shares those with experts in each of the relevant departments, "so they understand what's being suggested most frequently and what trends we're seeing, so they have an inventory of the different ideas they can either add to initiatives that are under consideration or evaluate for future use."

PEOPLE IN THE PROCESS

American is involving its employees in an ongoing conversation about other aspects of the business as well. "[The airline industry] has been a very tough environment," says Gordon, "and a big question for us is, how do we communicate with employees in that environment - in particular, how do we continue that constant stream of communication when things aren't going so well? It's no secret that American - like other airlines - has made capacity cuts, and we've laid off employees. So we're working to realign the airline and our employees with the current economic realities. It's really more than a mission statement. We know our employees have to buy into that process."

And what better way to get employee buy-in than by making them an integral part of the process? "We understand that our employees have to work together to implement change - and that we really need their buy-in," says Gordon.

One example of this philosophy in action is American's Maintenance & Engineering (M&E) organization. Gordon explains: "Essentially, each of our M&E locations has something like a Town Hall meeting. It's difficult to describe, but we put up a whiteboard and people gather together to share their ideas and their challenges. We talk about our objectives and how we're meeting those objectives - and it really flows into every aspect of our M&E organization, because employees are informed, they understand our objectives, they understand how we're doing, where we're meeting or exceeding our objectives, and where we're falling short."

At the same time, Gordon says, the management team can see where employees may be lacking the tools they need to be able to achieve those objectives, where there are other resource challenges, or where the organization might be bumping up against other ideas and opportunities it's not taking full advantage of.

And this isn't an isolated case. "We have a joint leadership team out in our airports and in our reservation offices whose job it is to go out and facilitate employee involvement," says Gordon. "They're working with our local union leaders, local management team leaders and many of our frontline employees to identify local issues and problems that need to be addressed. They then create task teams to develop and implement solutions for those issues and problems."

SURVIVAL TO SUCCESS

The challenges American and other airlines have faced in the last decade still remain, of course, but Gordon suggests that, "We're moving from a survival decade to what we see as a success decade. Obviously, we still have a highly competitive industry, an extremely regulated workplace and a very unionized workplace - so how do you take all of those factors and get employees' support in helping fight to survive and win?"

Gordon says it all comes back around to getting employee buy-in, and that means a heavy emphasis on internal communications. "It's about engaging and creating employee advocates," she says, "and empowering our employees - particularly when it comes to communication - to help make a difference, both in terms of the service we're delivering and how we're satisfying our customers."

Another example of how employees got involved in helping improve American's business comes out of St. Louis: "We had a lot of older ground equipment there that was basically on its last legs," Gordon notes, "but we didn't have the resources to be able to go out and buy new equipment. We also had a circumstance where we had laid off a number of employees."

A no-win situation? Not if you have a motivated and committed workforce. Gordon says the employees in St. Louis came up with a solution: "Their idea essentially was, 'Give us a handful of resources that we can allocate toward this project and we'll take whatever steps are necessary to rebuild this equipment.' And that's what they did."

They even moved on to refurbishing equipment for other stations that were in similar positions, and eventually American was able to recall employees who had been laid off because they created such a successful model.

"It was just a matter of giving them the latitude to take their ideas and put them into action," says Gordon, "instead of just sitting around and complaining about how we had really old equipment that doesn't work and we didn't have any money."

A MOVING TARGET

Gordon is the first to admit that maintaining a high level of employee involvement and commitment isn't easy in an industry as volatile as this one. "The airline industry offers constant challenges - fuel prices, competitor pricing, the weather - there are so many factors that keep it in flux," she says. But that keeps it exciting, too. "It forces shifts in our corporate thinking - in our targets and priorities - that require constant reengagement with our employees."

To support and reinforce its efforts to involve employees on its many business fronts, American has also launched numerous initiatives designed to enhance engagement. Some examples:

- The FuelSmart fuel conservation program. This program, which American launched a number of years ago, has been a huge success. "And most of that success comes from employee suggestions

- and different employee groups working together in light of the dramatic effect that fuel prices can have on the airline industry," says Gordon.
- The "green" movement. "The green movement has been very important for a lot of people globally, and our employees are no different," Gordon notes. "They're a subset of that population, and they care about the environment. So we work with employees to bring in that environmental focus so that it's not just about what we can do to save money, but also how we can do the right thing for our environment."
 - Breast cancer awareness. "We've done tremendous things with Susan G. Koman and breast cancer awareness," Gordon says. "They're a big partner for American, and many of our employees feel very strongly about these and other causes."
 - Military veterans. "A large percentage of our employee population is veterans or people who come from military families," explains Gordon, "so we also have a focus on veterans' causes."

TIES THAT BIND

And that, in the final analysis, is what makes engagement work for a huge, widely-dispersed company like American. Creating those small "communities" of employees that can put a face on a giant, faceless corporation. And maybe even a soul.

"We have a very big focus at American on our common causes," says Gordon. "These are the ties that bind us, so we look at how we can go out and support these causes, and get our employees involved in that process, so we're not seen as just a corporate façade, but as real people - regardless of whether we're management employees or frontline employees. To show that we care about the same things and we want to work towards supporting those causes together."