

'Happiest place to work' equals 38 straight profitable years

What result should you expect from achieving "great place to work" status? When I pose this question to business leaders, they very quickly respond with both soft results (improved morale) and more tangible, cost-saving metrics (improved productivity, lower turnover, decreased training costs). All of these are accurate. The most predictable and powerful result, however, can be measured by the impact of a more consistent customer experience. Time and again, companies recognized as great places to work prove that engaged employees lead to more consistent customer experience outcomes.

There might be no better example of the impact of being a great place to work than Southwest Airlines. I had my first Southwest experience five years ago and was pleasantly surprised by how friendly and enthusiastic its employees were. Not some of them; all of them.

It was a flight to Phoenix. As the last few passengers took their seats, the pilot spoke up with a welcome like none other. He thanked us for flying with Southwest and assured us we were in good hands. He introduced the co-pilot and each flight attendant, and set an expectation for great service. Twenty minutes after takeoff he encouraged passengers on the left side of the plane to look out the window to see Niagara Falls. A while later, over the Midwest, he said the turbulence spotter indicated some pretty choppy weather ahead and assured us it would last only a few minutes.

As we flew over Colorado, he pointed out some terrific mountains and a beautiful lake. We landed in Phoenix and as we taxied to the gate, the pilot spoke up once again: "Welcome to Phoenix. Thanks again for flying with us. Please do me a favor. Everyone look out the right side of the plane. Seriously, folks, I need you to look out the right windows." At this point, almost everyone on that side leaned to look out the window. "See the Delta flight over there?" The pilot continued. "Wave and show them what a full flight of happy passengers looks like!"

Now let's compare this type of experience to my recent—and not unexpected—



ON PERFORMANCE

Gregg Lederman

encounter with US Scare—I mean Air—ways. My experience with this airline has been quite consistently horrible. Where Southwest people act like they love (LUV) me as a prized customer, US Airways acts as if I am a piece of cargo they are obligated to ship from one location to another. And based on the routinely late and canceled flights I've experienced, I'm not sure how obligated they actually feel.

Three weeks ago, I was flying to Philadelphia and needed a bag tag. I approached the service desk, where a sole gate attendant stood staring into her computer screen. Here's our dialogue:

Me (overtly friendly): Hi, how are you today?

Gate attendant (grunting, no eye contact): Good.

Wow! What misery in action.

The plane arrived here about 40 minutes late. I was the last to board. The not-so-friendly gate attendant followed me on board to deliver paperwork to the flight attendant. I overheard the flight attendant kindly and jokingly remark, "Sorry we were late. Won't let it happen again!" The gate attendant's reply astonished me: "It doesn't matter to me. I only got 15 months left. For 25 years I've been..."

I was horrified! How many customers has she upset over the past 25 years? How many will she turn off or upset in the next 15 months? A hundred, or a thousand? What is the cost of this diminished experience to US Airways? I've repeatedly encountered this type of attitude with US Airways employees. Employee attitudes directly impact their behaviors. Those behaviors are what make for a great or not-so-great experience for me and you.

To make this particular US Airways ex-

perience even worse, the pilot did not address the passengers, saying only, "Flight attendants prepare for takeoff." It was a bumpy ride, but still not a word. Was his turbulence spotter broken or did he simply not care? How's that for confidence in a safe flight? Even after we landed, we heard nothing from the pilot—not even a "thank you for flying with US Airways." Seriously! Isn't that just the basics these days?

Southwest Airline CEO Gary Kelly recently said, "The folks at Disney proclaim each of their parks to be 'the happiest place on earth.' Southwest is 'the happiest place to work.'" Studies show fewer than half of Americans are happy at work (the most recent statistic I saw was 48 percent); this is a pretty outlandish claim. Where will Southwest find the happy people? In my book on brand integrity, I reported that a few years back Southwest had 225,895 applications for just 1,706 positions. With that kind of employment demand, Southwest doesn't have to hire like everyone else. They can select the happiest, best-fit, most easily trainable employees.

I am quite sure there are many customers who go out of their way to fly Southwest over other airlines. I'm willing to pay more for a ticket and drive out of my way to the airport. By contrast, I go to great lengths to avoid flying with US Airways (like recently driving more than six hours rather than flying to Boston because US Airways was my only flight option). Simply because I want a better experience—one that only a happy workforce can provide.

US Airways just doesn't seem to recognize that an unengaged workforce cannot create loyal customers.

Across 3,400 flights a day, Southwest has masterfully aligned and engaged its workforce. It recognizes that being a great place to work directly correlates to a positive customer experience—and a better bottom line. The results are clear: In 2010, Southwest celebrated its 38th consecutive year of profitability.

Where does your company fall on the great place to work spectrum? Are you a US Airways? Or are you more a Southwest, consistently and profitably delighting both

employees and customers?

Gregg Lederman, CEO of Brand Integrity Inc., is a professional speaker on the customer experience, leadership, and cul-

ture change. He is an adjunct professor at the Simon Graduate School of Business at the University of Rochester and is the author of "Achieve Brand Integrity: Ten

Truths You Must Know to Enhance Employee Performance and Increase Company Profits." Read more from him at www.gregglederman.com.