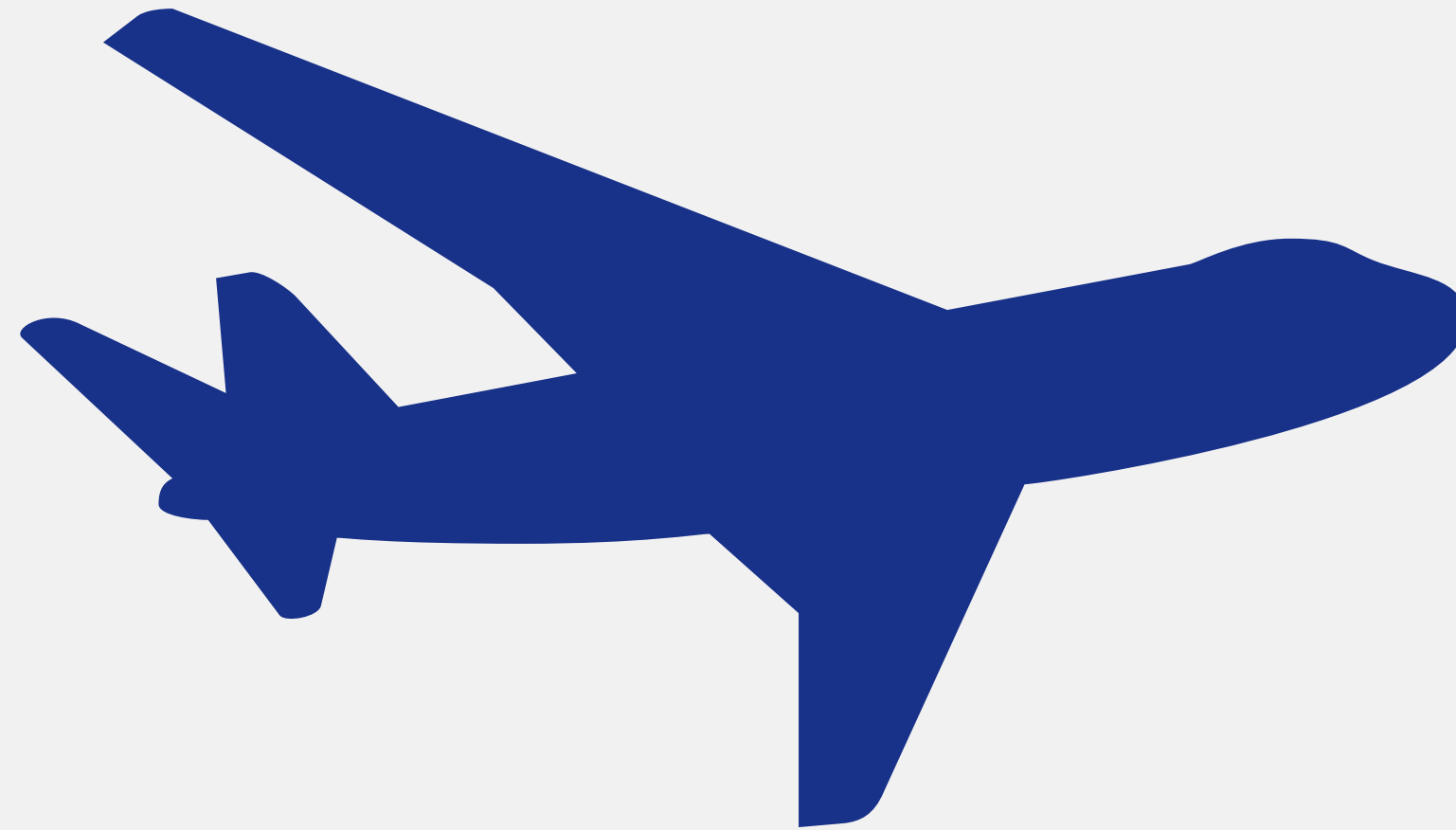


CRISIS COMMUNICATIONS:

SOUTHWEST AIRLINES 2022 CHRISTMAS MELTDOWN



EILEEN SCHURING, KENDALL SEDESTROM,
ANNIKA WIMPARI, MADDIE ZIMMERMAN
CAP 320



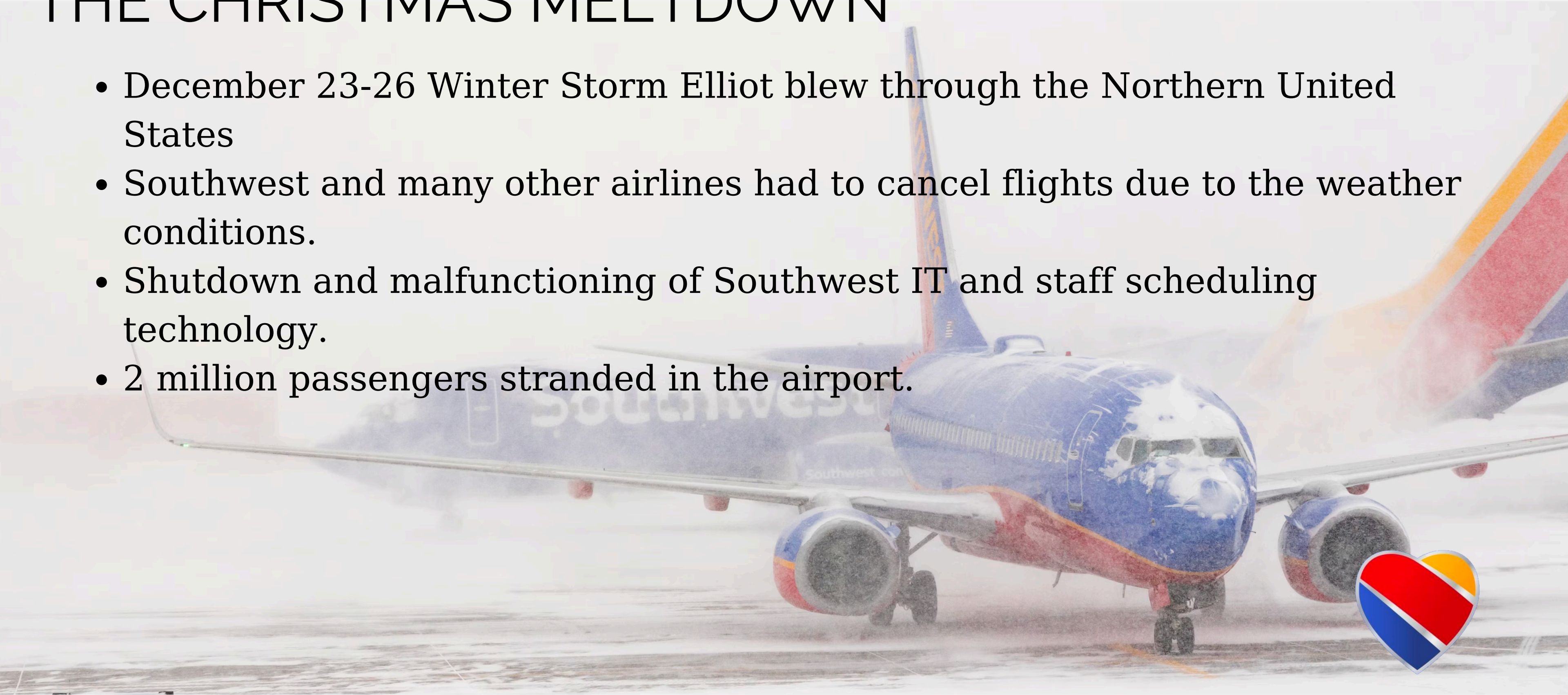
ABOUT SOUTHWEST AIRLINES

- Founded in 1971
- Known for their customer service, affordable prices, and reliability
- Services 120 airports across 11 different countries
- Employs 79,000 people



THE CHRISTMAS MELTDOWN

- December 23-26 Winter Storm Elliot blew through the Northern United States
- Southwest and many other airlines had to cancel flights due to the weather conditions.
- Shutdown and malfunctioning of Southwest IT and staff scheduling technology.
- 2 million passengers stranded in the airport.



“I’ve seen multiple grown men break down crying when they realize there’s no way to get home in time. Girls in Christmas sweaters with tears streaming down their cheeks. Elderly women being shooed away from the gate, when they have nowhere else to go.” And the families with children have absolutely no chance; there are little kids sleeping on the floor in shifts. It feels like a refugee camp.”



PR Problem

- Broken trust with customers, employees, and stakeholders.
- Loss of future business.
- \$410 million in losses.
- Lots of bad press from the world's biggest news sources such as CNN, The New York Times, NPR, CNBC and many more.

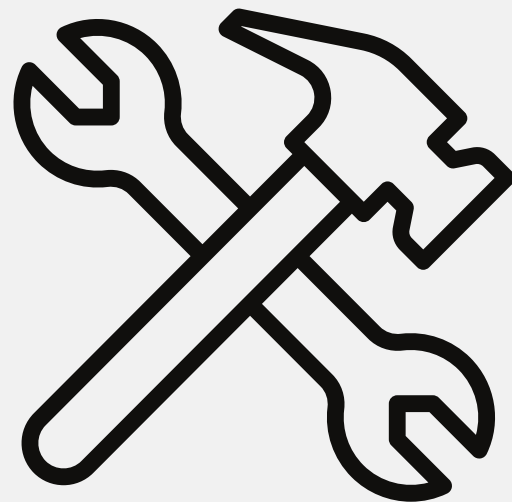
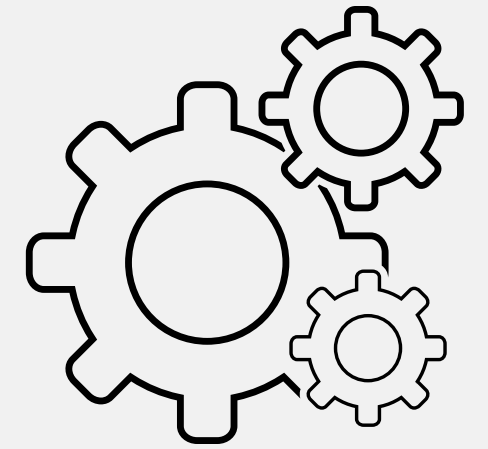
PR Opportunity

- Opportunity to rebuild company image and come back stronger in the future, especially for the holiday season.



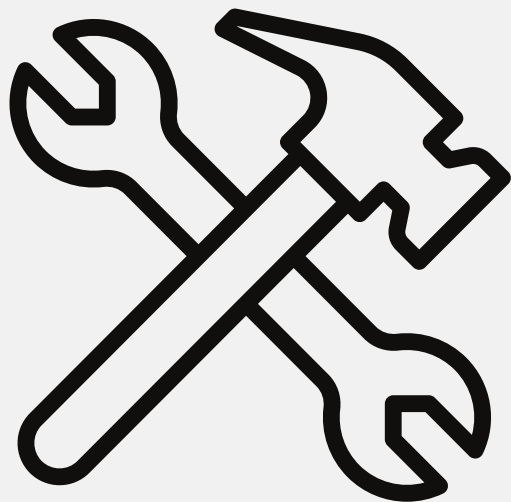
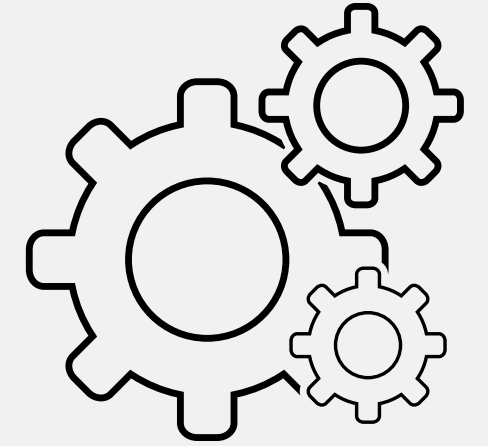
RESEARCH

- Conducted a full internal review
- Investigated with the Board of Directors and Consulting firm, Oliver Wyman
- Assessed playbook, procedures, tools, etc.



RECCOMENDED RESEARCH

- Research deeper into a specific area
- Research competitors and their response plans
- Conduct interviews or focus groups with those effected.

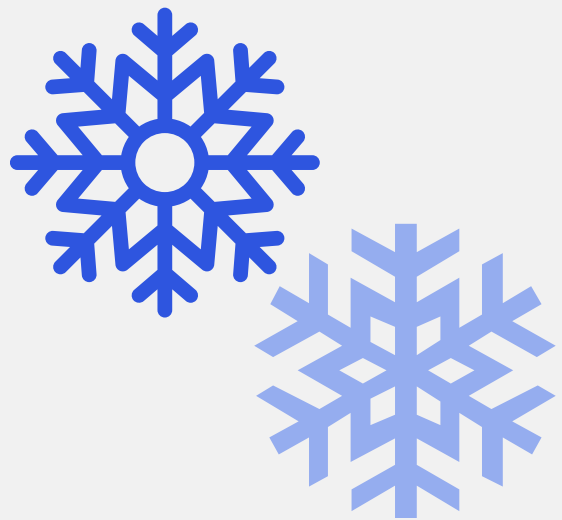


OBJECTIVES

#1: Improve Winter Operations

#2: Enhance Cross-Team Collaboration

#3: Accelerate Company's Operational Investment



RECCOMENDED OBJECTIVES



#1: Rebuild and Restore Consumer Trust

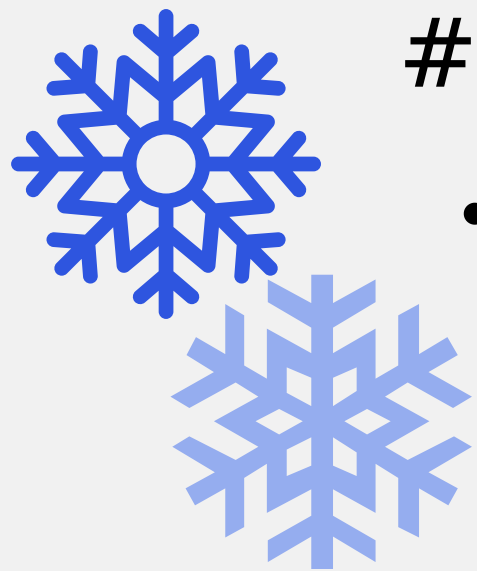
- Achieve a 35% improvement in consumer trust by the end of December 2023.

#2: Improve Operational Resilience

- Preventing disruptions, especially during peak travel periods, with a deadline set for the end of December 2023

#3: Enhance Communication Protocols

- Developing and implementing robust communication protocols by the end of December 2023



STRATEGIES

Strategies for Objective #1:

- Additional deicing pads and trucks and deicing fluid reserves
- Implement a ground equipment assessment
- More engine inlet plugs

Strategies for Objective #2:

- Implementing network planning & operation control
- Aircraft & crew recovery coordination
- Refreshing alert & decision support tool systems

Strategies for Objective #3:

- Crew optimization software update
- Crew notification enhancements
- Customer support system reliability, etc.



RECOMMENDED STRATEGIES

- Establish Proactive Communication
 - Would oversee the implementation of a real-time communication system designed to quickly alert consumers about any potential problems.
- Conduct Operational Preparedness
 - Conduct drills and simulations to test its preparedness, collaborating with airport authorities and other stakeholders to create a coordinated response plan.
- Develop a Customer-Centric Approach
 - Develop a communication strategy centered around transparency, empathy, and accountability, by providing compensation and resolution options for affected customers.



TACTICS

Action Plan



Improve Winter Operations (Infrastructure, equipment and winter preparedness)

In cities where severe weather can inhibit our operations and aircraft throughput, we have made critical equipment and infrastructure available in ample supply.

- **Additional Deicing Trucks and Deicing Pads**
 - o Purchased additional trucks and added enclosed-cab trucks to use in extreme weather conditions
 - o Secured additional deicing pads in key locations like Denver and Chicago (Midway) to increase the volume of aircraft that can be deiced at any given time
- **Deicing Fluid Reserves**
 - o Conducted inventory of existing deicing fluid (glycol) capacity
 - o Increased glycol storage capacity by nearly 400,000 gallons at key airports to have sufficient levels of fluid available to support long-duration and back-to-back winter events



TACTICS

Tactics under Improving Winter Conditions objective:

- Purchased additional trucks
- Conducted inventory of existing deicing (glycol) capacity, purchased additional fuel support equipment for key stations where access to fuel may be limited in severe winter weather and as of October 1
- We've hired approximately 12,800 new Employees in 2023, and more than 60 Crew Schedulers



TACTICS

Tactics under Enhancing Cross-Team Collaboration Objective

- Implemented organizational changes to align Network Planning (the function that plans the flight/route network)
- Introducing a formalized Winter Ops Playbook for Leaders
- Created a common escalation language for alignment on throughput capacity at airport locations being affected by extreme weather



TACTICS

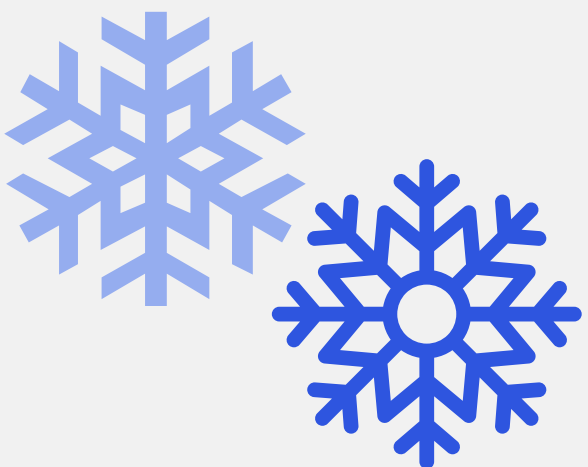
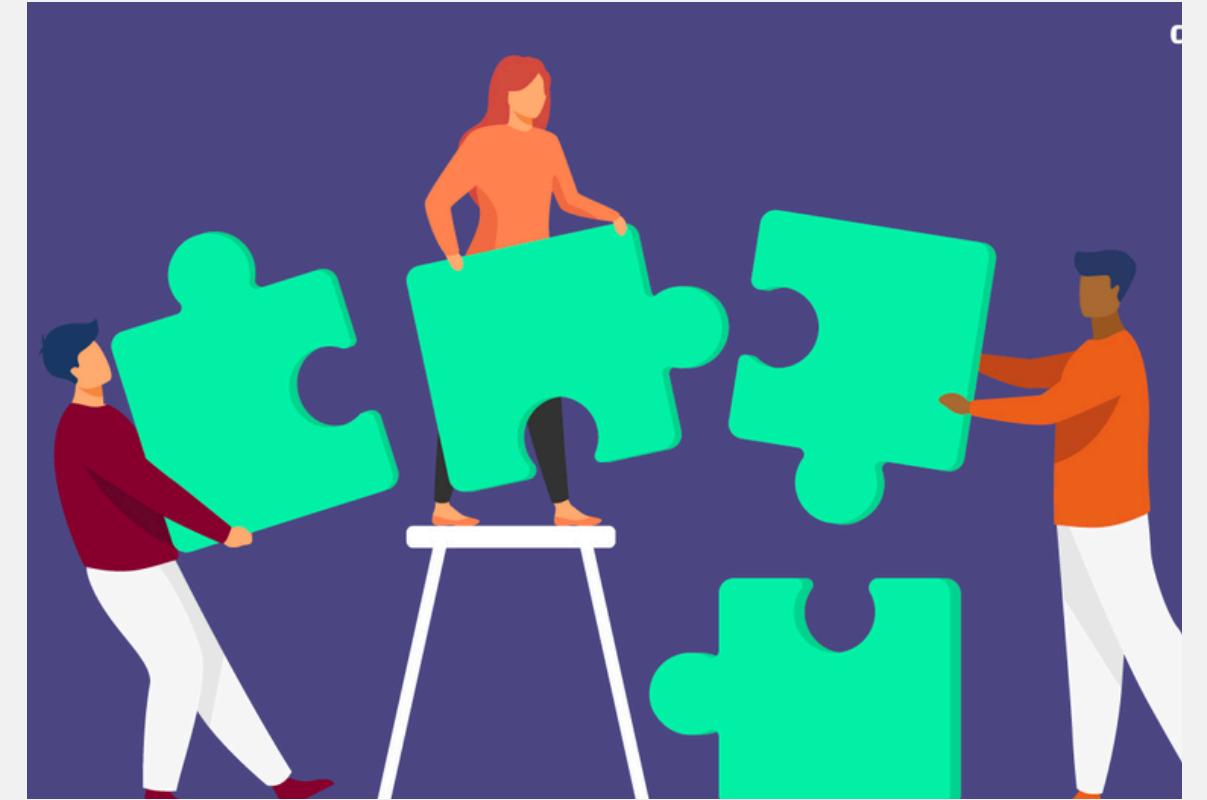
Tactics under Accelerating Other Operational Investments

- Implemented several upgrades to Crew Scheduling systems with more capabilities to manage irregular operations
- Enhanced electronic crew notification and acknowledgment system and upgraded crew phone system, upgraded customer communication tools and phone system capacity, strengthened alignment between recovery tools to improve efficiency of implementing solutions during extreme weather events



RECCOMENDED TACTICS

- Establish a Crisis Communication Team
- Implement a Multi-Channel Communication Plan
- Enhance Customer Support Services
- Regularly Review and Update Crisis Communication Protocols
- Engage in Post-Crisis Communication



EVALUATION

Action Plans: Improving Winter Operations

Updated as of October 24, 2023

	Completed	On track for Winter 2023
Deicing Trucks and Deicing Pads Increase	✓	
Deicing Fluid Reserves Assessment	✓	
Ground Equipment Assessment	✓	
New Weather Application	✓	
More Engine Covers and Heaters	✓	
Winter Staffing Level Checks	✓	

Enhancing Cross-Team Collaboration

	Completed	On track for Winter 2023
Network Planning and Network Operational Control (NOC) Organizational Alignment	✓	
Alerting and Decision-Support Tools Refresh	✓	
Aircraft and Crew Recovery Coordination	✓	

Accelerating Operational Investments

	Completed	On track for Winter 2023
Crew Optimization Software Upgrade	✓	
Crew Notification Enhancements	✓	
Customer Support & Services Phone System Stability	✓	
System Recovery Function Enhancements	✓	



RECOMMENDED EVALUATION

- Output

- proactively reach out to consumers and stakeholders in the aftermath of disruptions, seeking feedback on issue resolution, overall satisfaction, and areas for improvement within a week of the incident.

- Impact

- Track reviews on various platforms, encourage feedback on the organization's website, and monitor social media reviews to provide valuable data to gauge improvement in the company's image.

- Outcome

- Conduct annual check-ins with those who have experienced issues with Southwest Airlines.



THANK YOU!

ANY QUESTIONS?



