

## Delta Group 2 Case Study: Delta Airlines

### **Introduction of Firm**

Delta Airlines is one of the dominant airline companies in the United States. The company provides scheduled air transportation for passengers and freight. Delta originated as a crop dusting operation in Macon, Ga under the name of Huff Daland Dusters. After growing into the largest privately owned crop dusting organization in the south, the company branched into international mail delivery. C. E. Woolman, one of the original directors of Delta, purchased Huff Daland Dusters in 1928 and renamed the organization Delta Air Service. In 1941, Delta moved the company's headquarters to the current location and central hub in Atlanta, GA. Currently, Delta serves more than 160 million travelers globally (Delta, 2017).

### **Overview of the Firm Competitive Advantage**

Delta Air Lines has many competitive advantages over other airlines. Delta offers a broad range of flight connections with 13 hubs and operates over 5,000 flights daily. Delta's fleet of fuel-efficient airplanes allows for accommodation of smaller and larger transports of passengers and cargo. Another competitive advantage is human resource management. Delta believes valuing human resources increases productivity. Delta Airlines' personnel managers play a vital role in planning and implementing change within the company that allows customer satisfaction and loyalty. Delta benefits from high-quality employees that keep customer service as the top priority (Delta, 2017).

### **Problem Statement**

Delta Airlines flight attendants have a job with limited promotion opportunities, which leaves the inflight team to work on a seniority basis. Each trip has a different flight crew, so there are constant changes in the person that takes the lead based on the rank of the flight attendants.

Since leadership can change on each flight, the expectation of each trip is different since senior flight attendants take the lead and have the right to enforce their protocol for handling the flights. Airline staff is also only offered limited training opportunities and due to job function rarely changing, only offer a month of post hire training and when there are any major function or policy changes. Along with limited training, Delta has acquired several other airlines companies, bringing staff over from these organizations. Some flight staff still follow the rules from previous employers and have either not adapted to Delta policy or just choose to ignore the policies. Either way, this causes a disconnect between some of the flight attendants during flights (Maynard-Patrick, 2017).

### **Alternate Solutions**

#### **A.) Option 1**

An organization must invest both time and money into a well-thought-out training program. Staff want and need leadership to follow up with procedure and protocol, support and clarification that will strengthen the required skills identified needed to be productive, contributing members of a team. Additional education allows employees many opportunities to learn and practice the skills, techniques, and behaviors based on the relevant factors the organization wants employees to develop. Employees will become frustrated and unmotivated with the lack of skills and knowledge necessary to complete their responsibilities. An organization that provides continuous training and growth opportunities encourages employees by enhancing self-esteem, which enables the employees to experience feelings of power and control in one's jobs (Darlington, 2002). Training and mainstreaming the educating of Delta staff would set expectations and reduce conflict among stewards and stewardess during flights.

**i). Pros-**Training practices used by organizations may affect, direct or indirect on both employee motivation and organizational commitment, and attitudes. Organizational commitment

is the amount of motivation of employee and their involvement in a particular organization. Companies provide employees with the skills necessary to do one's job, companies offer training opportunities, to optimize workplace potential. Many companies, planning for the long-term, invest in the development of new skills for employees, giving staff the ability to handle issues in the future. This kind of training can lead to high levels of motivation and commitment to the employees. These employees' appreciation for the investment the organization is making in them, is shown in their efforts and their contentment in being a member of that team. Training, then, is expected to have a positive impact on motivation, employee commitment, and increasing the employee's overall satisfaction within the company (Sahinidis, 2008).

**ii.) Cons-**Educating staff takes time, and training that the company might not have the capital to invest. The advisors within an organization often underestimate the amount of effort required to educate and invest and motivate employees about what's going on - what the company is about and the values within the organization. An institution could spend time and money to educate an employee to determine the person does not care about the organization's belief system even after extensive education and training (D'Innocenzo, 2005).

## **B.) Option 2**

The key to employee empowerment is team building. Developing behaviors, skills, and processes for working together are essential within an organization. Team building involves assessment or diagnosis of the team's strengths and developmental needs. Next, is planned activities or interventions designed to address the team's needs and facilitation of those activities to achieve the desired result. Once a team is performing well together, the next step is empowerment which means the transfer of accountability and management functions to the team (Donovan, 1996). Team building could benefit the Delta staff and raise employee satisfaction.

**i.) Pros-**The results of successful team building are valuable to an organization. Team building can develop a trusting environment, establish a set of clear goals, encourage open communication, and requires interaction (Pollitt, 2012). Organizations relying on teams to generate the solutions required for sustained business success there has been a rise in research on how these teams should be composed to cultivate high performance. Team composition research is concerned with both the dispersion or demographic, cognitive, or personality diversity. The stronger the ability to communicate and how well team member cooperates with one another, team composition is believed to have a substantial impact on team performance (Kearney, 2009).

**ii.) Cons-**An organization may not be willing to put the research and money necessary to build a team. Self-directed team work is complex and requires the companies buy in. Key components are sound strategy, practical tools for assessing, developing and empowering teams, solid preparation for the individuals teaching the teaming, and time and patience (Donovan, 1996). Another obstacle to the team building is employees resistance to change. Research reveals that between 30% and 60% of change initiatives within organizations fail. Some researchers report even more negative results, showing rates of change as low as 80% to 90%. Change is complicated and often unpredictable. Even a well-planned corporate change strategy may have negative results. It is widely assumed that resistance to change impedes the development of successful change strategy (Bateh, 2013).

### **C.) Option 3**

Studies indicate that peer ratings influence upon standard performance evaluations. In many work situations, co-workers have more frequent contact with one another, especially, when the work processes require that individuals to interact as a team or when work procedures are

interdependent. Since co-workers often have greater opportunity to observe one another's performance peer evaluations are used for accountability among one's peers. Peer review can be utilized as a measurement tool for performance standard within an organization (Shore, 2015). Delta's employees could implement peer examines as a tool for countability among workers.

**i.) Pros-**Organizations interested in involving employees in the management process have found peer evaluation an attractive addition to company's performance appraisal system. Peer assessment concerning performance has increased employee performance, business involvement, help adopt a supervisory perspective, and enhances both the accuracy of performance ratings and the quality of the feedback. The peer rating system allows employees to be involved in the personnel decision making within the organization. Peer evaluations can provide accurate assessments in the area of performance and elicit greater behavioral changes than traditional supervisor ratings. The key to successful implementation of a peer review system is gaining the acceptance of the targeted employees (Fedor, 1989). According to a Forbes article, there are plenty of potential pitfalls with peer reviews, but companies can avoid them by giving the reviewers clear guidelines and by contrasting the employee's self-review with peer reviews. Therefore, an individual can compare self-perception with team perception (Broughton, 2016).

**ii.) Cons-**The pitfall of using peer assessment is employees manipulating the system or not being truthful. For example, employees giving positive review to a friend and negative review to less liked colleagues. Another challenge is the time and money needed to set-up and implement the peer review system. Determining the optimal assessment would take time and money to set-up (Baliga, 2001).

### **Decision and Support**

Based on the challenges Delta Airlines is facing which include constant leadership changes on each flight, limited training opportunities and integration of staff from acquired airlines, all three options play a vital role in improvement. The most important option that would help address all three issues would be to create a well-thought-out training program for all airline staff that provides an overview of Delta policy/procedure and includes teamwork and leadership skills. Ideally, this type of in-depth training would occur during a new employee's orientation and onboarding period with some training checkpoints throughout the first year. In Delta's current situation it would be recommended, once the training is created to provide to all current staff to assist in all employees learning the same information and tools. By Delta's leadership making a decision to create/implement an active training program, the pros outweigh the cons in this situation. "Any institution of higher learning or business whose goals are to survive and prosper in this present day diverse and regressed economy has found it imperative to invest in ongoing training and development to improve proficiencies in production as well as to acquire the greatest return in investment of human capital" (Sahinidis, 2008).

### **Action Plan**

The first step in any action plan is solidifying key leaders and stakeholders support of resources and time along with financial assistance. Creating a well-thought-out training program will not only take time and money but will also bring the right resources that may not be found within the organization to assist in creating a meaningful and fruitful training program. Once the right resources are determined, and the training is created, the implementation phase begins. Implementation would be completed by starting training with senior employees and then tiered down to new hires that are in orientation. The training will ensure that any new staff added to

the staff are on teams throughout the flights that have already been trained with the new and comprehensive Delta relevant information.

A contingency plan that would be in place in case the full training implementation could not occur would be an implementation of a condensed lead training peculiar to the senior staff members to assist in addressing the immediate problems Delta is facing.

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