

MANAGEMENT

Airline Industry's Top-Ranked Woman Keeps Southwest's Small-Fry Spirit Alive

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Time after time, academics and competitors have analyzed the employee-motivation techniques of Southwest Airlines. But many didn't fully understand the secret behind its productive work force.

Maybe they didn't look carefully enough at Colleen C. Barrett.

Ms. Barrett, the No. 2 executive at Southwest and the highest-ranking woman in the airline industry, is keeper of the airline's corporate culture. Though the airline has doubled in size in the past four years, now topping 20,000 employees, the 51-year-old Ms. Barrett has devised ways to preserve Southwest's underdog standing and can-do spirit. Her trademark: simple gestures.



Colleen C. Barrett

"People come in, and I start talking about birthday cards. Then they look at me like, 'Please lady, get a life,'" says Ms. Barrett, executive vice president-customer. "The secret is so simple, no one believes it."

It's one thing to make employees feel

valued and coax them to do what's right for customers. Institutionalizing that across a coast-to-coast airline is another thing altogether.

Long before "empowerment" became a management buzz word, Ms. Barrett was giving employees freedom from centralized policies. She constantly reinforces the company's message that employees should be treated like customers and continually celebrates workers who go above and beyond the call of duty. And when she sensed the carrier was outgrowing its personality-kid-among-the-impersonal-giants image, she created a "culture committee" of employees charged with preserving Southwest's spirit.

Ms. Barrett's boss, Southwest Chairman and Chief Executive Herbert D. Kelleher, is well-known even outside the industry for his fun-loving ways. Ms. Barrett herself stays out of the limelight but is no less important for that, according to observers. "She's critical" to the success of Southwest, says Kevin Freiberg, president of the San Diego Consulting Group, which has worked with Southwest for 12 years. He adds: "If Kelleher is the brains of the business, she is the heart."

Mark Boyer, a Phoenix-based pilot for Southwest, says of Ms. Barrett: "I love and adore Herb Kelleher, but when it comes to the daily preservation of who we are, she's the one."

A native of Bellows Falls, Vt., Ms.

Barrett considered becoming a nun when she was young, or a singer. Instead, she started out as Mr. Kelleher's legal secretary at a San Antonio law firm in 1967. In 1971, the year Southwest began flying, she left the firm to work for the airline in Dallas. Mr. Kelleher, who had done legal work for Southwest, came to the company full time not long after. (More than 20 years later, the Kelleher family home is still in San Antonio; Mr. Kelleher, 64, also has a residence in Dallas.)

Ms. Barrett started out at Southwest as a lobbyist. Eventually, she became an executive overseeing 10 divisions, from marketing to human resources. A de facto chief of staff, she executes policies, oversees hiring and firing, helps set the agenda, even keeps the chief executive's schedule.

Outgoing but soft-spoken, the white-haired Ms. Barrett often invites Southwest colleagues to picnics at her home. A smoker, she likes to swim and loves music but finds little time for herself. "My idea of a heavenly afternoon is to play some music, get in a bubble bath and read a book," she says. The last time she did that? "I don't know," she sighs.

Ms. Barrett says job applicants are sometimes misled by Southwest's zany reputation, fueled by the chain-smoking, bourbon-drinking Mr. Kelleher. "People get this image—fun, different, party place,

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Barrett Tends to Southwest's Spirit

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Herb's half nuts," she explains. "We have to remind them first and foremost, you have to work."

Divorced and the mother of a grown son, Ms. Barrett is described by employees as maternal but tough. She doesn't deny the description. "When you've got a probationary employee, and you can tell in your gut that that person has the wrong attitude, then fire them on the spot," she says. "Every time I go against my gut, I regret it."

She says her biggest challenge has been to preserve a small-company work ethic as the airline has expanded on both coasts, becoming the largest carrier in California. Finding young, industrious workers who fit in with Southwest's culture is so difficult that instead of interviewing 20 people for one position, as was the average number in the past, the eighth-largest airline has recently been interviewing 50.

When Southwest was having problems with workers at its Los Angeles

International Airport station recently, Ms. Barrett swung the culture committee into action, dispatching employees to fill in for local supervisors so the supervisors could address morale and efficiency problems. Now the station is considered one of the most efficient, according to Mr. Freiberg.

"She's like the Energizer bunny for Southwest," says a former marketing vice president, Don Valentine.

To Ms. Barrett, building loyalty breeds better performance. Southwest employees are well-paid compared with counterparts at other airlines. Celebrations are an important part of work, from spontaneous "fun sessions" to Christmas parties beginning in September to a lavish annual awards banquet, where the individual's contribution to the whole is glorified.

At the same time, employees work like crazy between festivities. With that formula, the airline has avoided bureaucracy and mediocrity that infect other companies when they outgrow their entrepreneurial roots.

Inside Southwest, Ms. Barrett and Mr. Kelleher are almost seen as one, even signing greeting cards to employees, "Herb and Colleen."

"They've worked together so many years, it's like Herb's one side of the brain and she's the other," Mr. Valentine says.

Yet the two are very different. Ms. Barrett keeps to a strict schedule, while Mr. Kelleher will chat with strangers for hours, if left untended. Mr. Kelleher is seen as a brilliant strategist; Ms. Barrett as a skillful administrator. Even Ms. Barrett says she would be the one to tell someone they were not performing far ahead of Mr. Kelleher.

"I don't believe in wasting time," she says. "That's another big difference we have, by the way."

Ms. Barrett says she can't imagine retirement. "If I was a billionaire, I'd work," she says. "I intend to die in my chair."