



jetBlue

*Government, the Airline Industry
and the Flying Public:
A New Way of Doing Business*

NEXTOR Conference



A new business model?

- *Some believe that JetBlue success is attributable to:*
 - *JetBlue does not pay for aircraft*
 - *JetBlue does not pay for maintenance*
 - *Pay and benefits at JetBlue are extremely low*
- *Others say it is based on:*
 - *LiveTV*
 - *High Percentage of Internet sales*



JETBLUE

***PEOPLE,
LEADERSHIP,
And
THE FUTURE***



JetBlue Values

- *Replaces traditional Mission Statement*
- *Recruit to the Values*
- *Value-based Decision Making*
 - *Allows guidelines to replace hard policies*
 - *Gives crewmember responsibility for thinking about their decision*
 - *Make the best decision given the circumstances*



JetBlue Values

- *SAFETY*
- *CARING*
- *INTEGRITY*
 - *FUN*
- *PASSION*



JetBlue Values

- *No “employees”, all Crewmembers*
 - *Regardless of discipline: i.e. Finance Crew, Reservations Crew, etc.*
- *No “passengers”, all Customers*
 - *Internal and External*
- *No “vendors”, all Business Partners*
 - *Including airports, government agencies*
- *No “Human Resources”, People Department*
- *Controlled growth*



Education

- *Training consolidated in JetBlue University*
- *Collaboration with NYU for all instructor certification in adult education*
- *Cross-discipline education for crewmembers*
- *Strong Business education for all crewmembers*
 - *Need to understand metrics, RASM, CASM, yield, etc.*
- *Company Resource Management (CRM)*
 - *Across all disciplines*



Principles of Leadership

- *Result of 2001 “Speak Up Survey”*
- *Keep the company small as we grow*
- *All supervisors and above including Captains*
- *Performance feedback to pilots other than technical flight information*
- *All leaders on the same page*



Principles of Leadership

- *TREAT YOUR PEOPLE RIGHT*
 - *DO THE RIGHT THING*
- *COMMUNICATE WITH YOUR TEAM*
- *ENCOURAGE INITIATIVE AND INNOVATION*
- *INSPIRE GREATNESS IN OTHERS*



Collaboration

- *Seeking best industry practices*
 - *Approx 1000 reservations agents (all working at home)*
 - *Internet sales only on our website – we have responsibility for our customers*
- *Working with FAA, NTSB and other agencies*
 - *Using low altitudes to upstate New York and Vermont*
 - *Offshore routes around Washington Center airspace*
 - *Equipping the aircraft with extra safety equipment*



Productivity

- *Base plus Premium compensation for pilots and flight attendants*
- *Preferential Bidding for flight crewmembers*
 - *Average 83.5 hr credit month pilots fly 70 hard hours*
- *Aircraft average over 14 hours per day*
- *Pilot laptops eliminate paper manuals, bid packages, weight/balance planning/performance*



Communications

- *Crewmember communication highest priority among senior officers*
 - *Attend orientations and recurrent training sessions*
 - *Teaching in Principles of Leadership classes*
- *Each officer has responsibility for one city*
 - *The Leadership Connection (TLC)*
- *Communication sessions based on “Three P’s”*
 - *People, Performance, Prosperity*



A New Way of Doing Business?

- *JetBlue is faced with many of the same challenges as other airlines*
 - *Capacity constraints, fuel, security*
- *Preparations for the Embraer E-190*
- *Success in handling these is based on Customer Satisfaction – internal and external*
- *It is a “different” way of doing business in this industry*



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