

Written Testimony of
Captain Casey Murray
President
Southwest Airlines Pilots Association (SWAPA)

February 9, 2023

Before the
Committee on Commerce, Science, & Transportation
United States Senate

“Strengthening Airline Operations and Consumer Protections”



Located in Dallas, Texas, the Southwest Airlines Pilots Association (SWAPA) is a non-profit employee organization representing more than 10,200 professional pilots of Southwest Airlines. SWAPA works to provide a secure and rewarding career for Southwest Airlines pilots and their families by promoting aviation safety and advocating for the pilot profession, as well as negotiating and defending collective bargaining agreements.

Thank you for the opportunity to testify on behalf of the Southwest Airlines Pilots Association (“SWAPA”) about the Southwest Airlines (“SWA”) operational meltdown in December 2022.

I. General Overview

On a podcast on November 7, 2022, SWAPA President Captain Casey Murray said, “*I fear that we are one thunderstorm, one air traffic control event, one IT router failure away from a **complete meltdown**. Whether that’s Thanksgiving or **Christmas** or New Year, that’s the precarious situation we are in.*”ⁱ

Captain Murray and our Pilots have been sounding the alarm about SWA’s inadequate crew scheduling technology and outdated operational processes for years. Unfortunately, those warnings were summarily ignored. Our Pilots’ hearts were broken when those alarms proved accurate in December 2022.

SWAPA’s singular goal in participating in today’s hearing is to do our part to make sure a meltdown like this never happens again. This is *our* Company, our careers, and our families’ livelihoods. SWAPA pilots and the American public have a common goal; to ensure that Southwest remains healthy and has the tools to deliver a reliable travel experience to the flying public.

Pilots have a unique perspective on the Airline’s operation. First and foremost, Pilots are the final authority on safety. To conduct a safe flight, Pilots must interact with nearly every employee group from the frontline to the Airline’s nerve center in Dallas. From baggage handlers to customer service agents, flight attendants to fuelers, mechanics to managers, and dispatchers to schedulers, SWAPA Pilots saw the operation unravel from the inside out.

What SWAPA Pilots saw – and have known for years – is that SWA struggles to manage nearly any disruption, regardless of the cause. Our recent history – and the data shows – a pattern of increasingly disruptive operational failures, mis prioritization of resources, and hollow leveraging of our culture to cover up poor management decisions.

As we will detail in our data-driven testimony, there were three leading causes of the December 2022 meltdown:

- Failure to adequately prepare for Winter Storm Elliott
- Failure to modernize crew management processes & related I.T. systems
- Failure of Leadership & the Normalization of Drift

II. Background

Years in the Making/Lack of investment in crew management technology and processes

SWA’s latest meltdown is far from its first.ⁱⁱ Over the past 15 years, the Airline has experienced nearly a dozen smaller-scale breakdowns with increasing frequency and magnitude. In addition,

since 2014, SWAPA has warned the Company that technology and crew scheduling processes were failing.

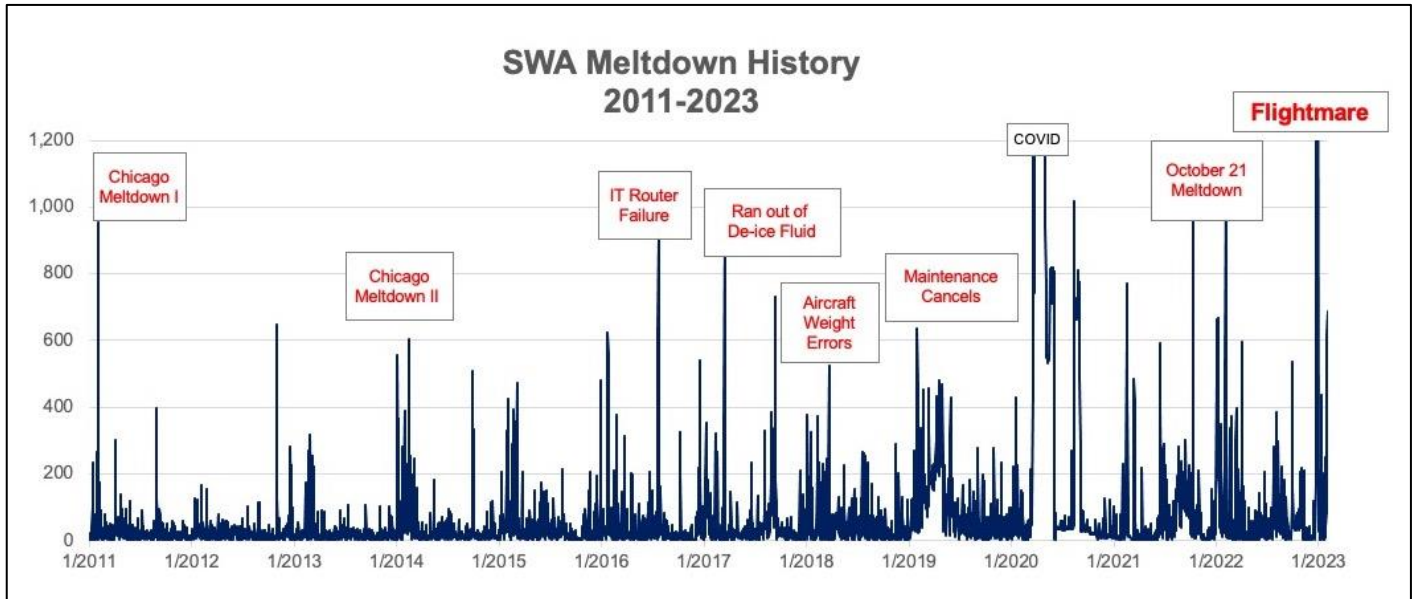


Figure 1. Southwest’s history of operational meltdowns

The December 2022 disaster was preceded by multiple meltdowns in Chicago, an I.T. failure in 2016, and a crew scheduling technology breakdown in October 2021. Since 2011, SWA has averaged one major operational failure every 18 months.

A SWA meltdown in October 2021 closely resembles the one we are discussing today. A weather event—thunderstorms in Florida—left the Airline unable to manage its crew network, which caused significant disruptions.ⁱⁱⁱ That meltdown cost Southwest \$75M and resulted in over 2,200 canceled flights during a short holiday weekend simply because the crew scheduling processes were inadequate. That event should have been a wake-up call to the Company that I.T. and crew scheduling practice changes were long overdue.

During the COVID-19 pandemic, SWA added 18 new cities over 16 months to capture new market share while receiving over \$7 billion in government funding.^{iv} ^v But, as demand rebounded in 2021, the Airline’s network became increasingly fragile. SWAPA warned leadership in June 2021 that there was no margin for error.^{vi} It took over a year for Southwest to admit the network was spread too thin. “I do think the scale and the growth of the airline got ahead of the tools that we have,” Southwest CEO Bob Jordan told reporters in November 2022.^{vii} Mr. Jordan was correct, but it was far too late, and they had other priorities.

On December 7, 2022, Mr. Jordan revealed that SWA would be the first U.S. airline to reinstate a dividend after the pandemic – issuing \$430 million in dividends just 14 days before the meltdown. That amount would eventually represent nearly half of SWA’s estimated financial loss from the December meltdown.

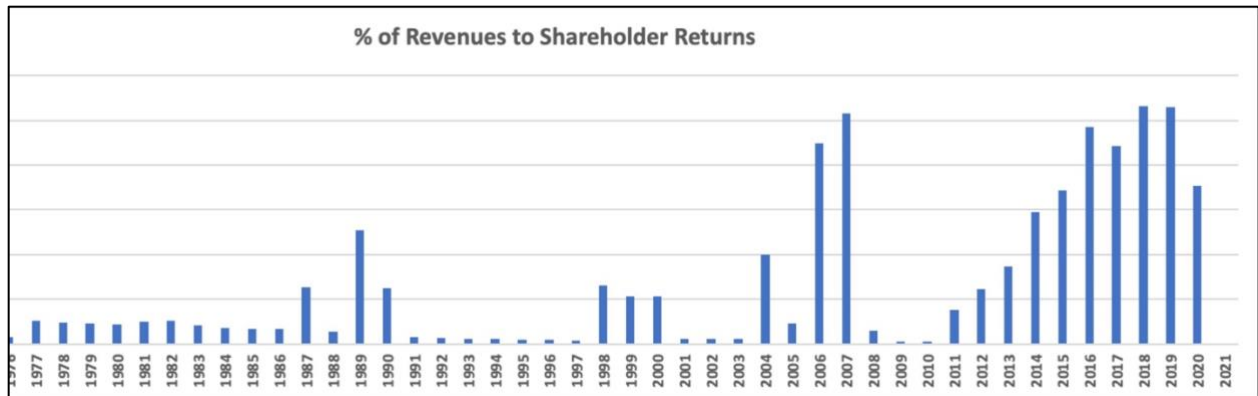


Figure 2. Percentage of Southwest Airlines Revenue to Shareholder Returns

SWA’s Tangled Crew and Aircraft Scheduling Systems

SWA’s failure to modernize its 1990s-era crew scheduling processes and technology was a causal factor in the meltdown.^{viii}

Southwest’s Flight Dispatch department processes delays and cancellations through a system known as the “Baker,” a homegrown program named for a late Southwest leader which optimizes changes to aircraft and passenger routings.^{ix} However, the “Baker” does not effectively account for crew requirements. Instead, Pilot and Flight Attendant crew scheduling changes are handled by a separate software tool that Southwest employees refer to as SkySolver.

SkySolver (officially called “Crew Optimization”) is a G.E. Aerospace crew scheduling tool used by multiple airlines. It is important to note that other airlines used this product during Winter Storm Elliott without issue. That is because SWA’s scheduling practices are outdated and its patchwork use of multiple technology systems lacks the capacity to provide crew solutions for massive, close-in flight cancellations.

III. Timeline of Events – The Southwest Flightmare

Tuesday, December 20: Overconfidence

On Tuesday, December 20, SWA management met with SWAPA at a regularly scheduled operations meeting. SWA noted that Chicago Midway airport might be fully closed, and Denver International would see some cancellations. The Airline believed there was ample time to process these cancellations and mitigate any irregular operations.

SWA admitted it did not have enough engine covers to protect aircraft engines from the elements before the storm.^x Managers did not issue guidance to run aircraft auxiliary power units overnight to keep aircraft from freezing. There was no system-wide guidance on cold-weather preparation of ground equipment like baggage loaders and push-back tugs. Extra schedulers were not on reserve. Overtime incentives were not offered in time.

Managers' overconfidence in their planning and a systemic failure to provide modern tools to employees doomed SWA's recovery before the first snowflake hit the ground.

Wednesday, December 21: The Initial Reaction

The Airline started Wednesday believing that no bases would be shut down. However, they announced that Denver and Chicago would continue to see some advance cancellations for the following days.

On Wednesday night, Denver's weather deteriorated. The airport experienced freezing whiteout conditions with heavy snow, quarter-mile visibility with winds gusting to 32 knots, and a temperature of -8 degrees Fahrenheit.

As a result, departures and arrivals were significantly delayed. The delays significantly strained Ground Operations and caused Pilot duty day and flight connection issues.

As the storm hit Denver's airport, SWA's Vice President of Ground Operations declared an operational emergency, forcing mandatory overtime and threatening ground personnel with insubordination and termination for not coming to work.^{xi} SWA management's draconian initial reaction to its poor planning reflects a deeper cultural failure.

Thursday, December 22: The Operation Convulses

As dawn broke on Thursday, close-in cancellations started to increase rapidly, indicating the network was struggling to recover from the previous night's events.

When these close-in cancellations hit, scheduling had already built plans to deal with delays, crew duty limitations, and rest issues for the next day. However, these unexpected close-in cancellations meant they had to start over from scratch. *This started the chain of events causing internal technology and process failures that eventually collapsed the network.*

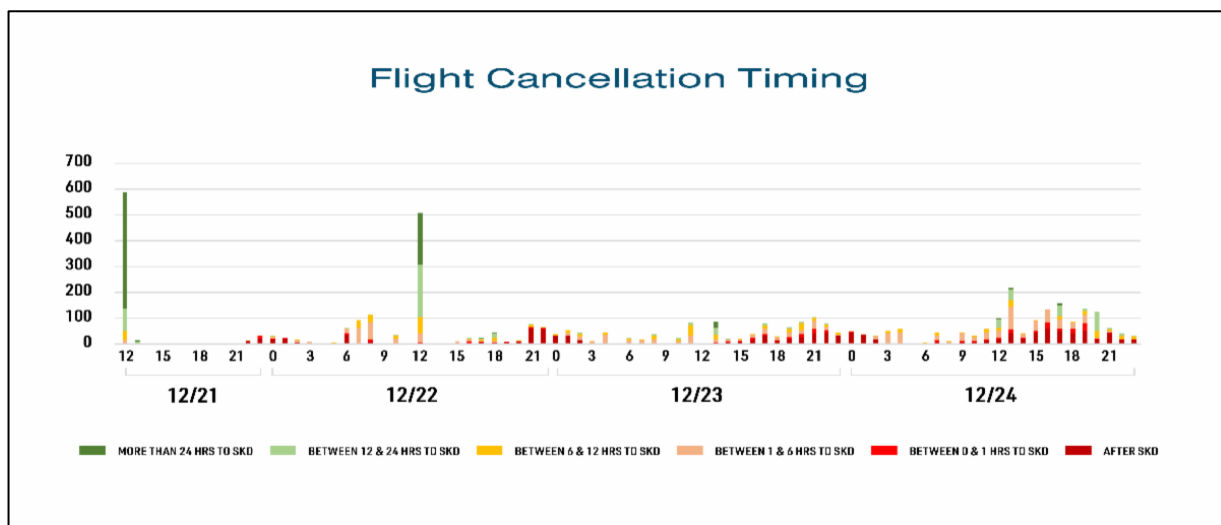


Figure 3. SWA Close-in cancellations. Note: The orange and red upticks late in the day are the close-in cancellations. SkySolver was never designed to look back.

Friday, December 23: User Error

Dispatch's Baker passenger and flight optimizer has minimal crew programming. As a result, Baker produced an ineffective recovery plan because it didn't align with crew availability. SkySolver runs independent pilot and flight attendant solutions that can contradict Baker's strategy, especially during a disruption.

Meanwhile, the Vice President of Flight Operations sent a memo on the 23rd detailing system-wide problems. The vice president blamed pilot sick calls, fatigue rates, and overtime flying participation in the memo. SWA managers initial response and communication blamed employees even while internal processes crumbled.

While managers blamed pilot staffing early on, SWA chose to use reserve pilots before overtime volunteers to save money. In addition, the Airline's managers failed to communicate effectively with each other and with the employees, showing they didn't even grasp the problem the airline faced.

SWA Flight Operations leadership finally announced they would award overtime premium flying before using reserves, but it was too little too late. Southwest had failed to incentivize overtime flying early enough to make a difference. Due to the severity of the breakdown, it might not have mattered anyhow.

Saturday, December 24 – December 25: Chaos

SWA Crew Scheduling was utterly overwhelmed and informed dispatch that they couldn't handle any further inquiries. The situation had become chaotic in the Network Operations Center.

The Airline could not track crews stuck at airports without hotels, and due to increasing cancellations, they could not recover crews into actual flying because the system had become so thin.

This breakdown in communication between the SWA Network Operation Center and Crew Scheduling resulted from institutional silos made worse by technology limitations.

As the Airline struggled to connect airplanes with crews, another glaring IT inadequacy became apparent: Southwest's crew hotel system could not handle large, short-notice reassignments.



Figure 4. SWA Dispatch message to Pilots

With the enormous number of close-in cancellations and reassignments, SWA's Crew Hotel Accommodation Team could not keep up with the number of short-notice requirements. As a result, stranded crews and passengers competed for hotels, quickly overwhelming the Airline's system to get crews rested and ready to fly.

Phone lines to scheduling were jammed, and crews spent hours on hold if they could get through at all. As a result, many crews had no hotels, just like their passengers. This led to more reassignments and uncovered flying, putting recovery farther out of reach.

Over 350 pilots had their assignments terminate somewhere other than their home base, leaving them on their own to get home. SWAPA estimates that over 1,000 Pilots were on duty for more than 15 hours during the meltdown, with many on continuous duty overnights awaiting schedule changes.

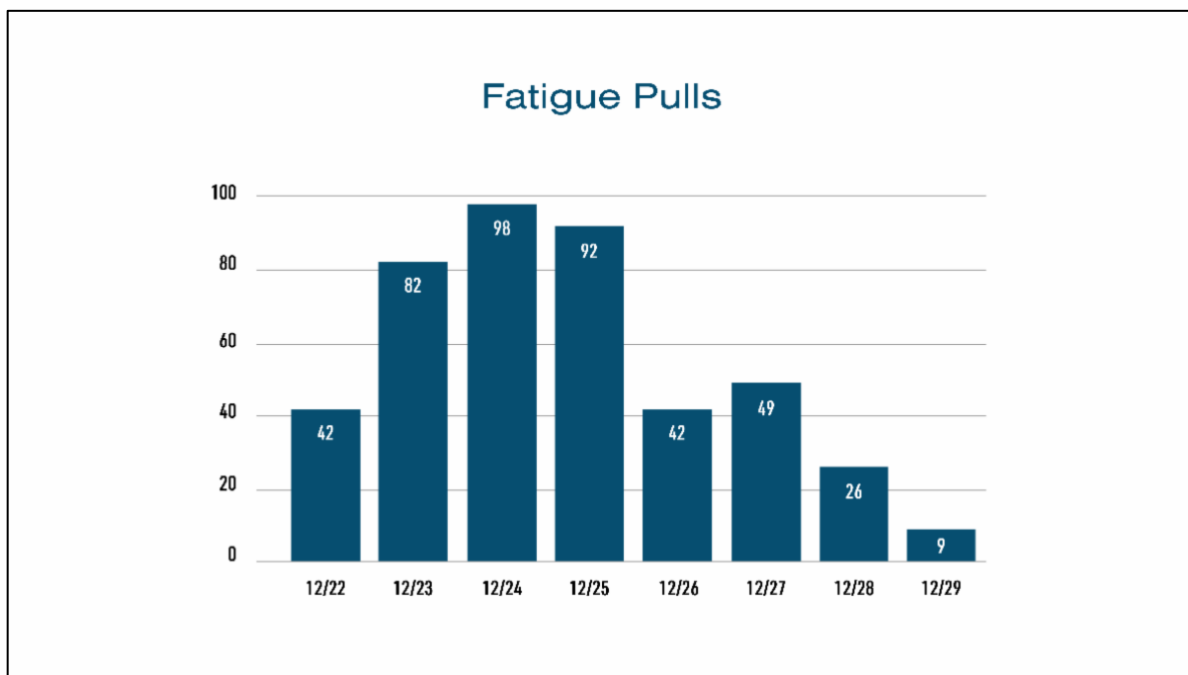


Figure 5. Over 1,000 SWA Pilots had duty days > 15 hours, resulting in increased fatigue calls.

Meanwhile, communication between scheduling and operations began to break down. For example, pilots reported that crew lists were inaccurate because the scheduling systems misassigned crewmembers or lost track of them outright.^{xii} As a result, tracking crewmembers became a manual process for scheduling, adding to call volume and hours-long hold times, making delays worse.

SWA began using position ferry flights to re-align crew and aircraft. These ferry flights operated empty – with no passengers. Many were operated on routes that had been canceled between the same cities, leaving stranded passengers to watch empty aircraft depart for their intended destination. During the meltdown, the Airline operated more than 500 empty flights.



Figure 6. Losing Track of Crew

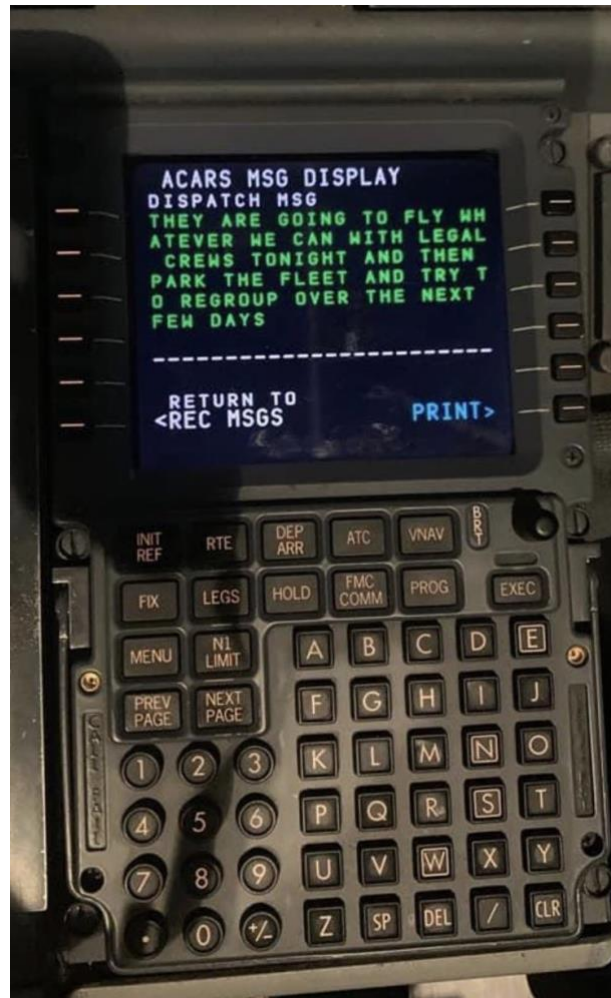


Figure 7. Cutting the network with an axe

POSITION FERRIES	FLIGHTS ON SAME ROUTE CANCELLED										TOTAL
DATE	0	1	2	3	4	5	6	8	9	15	TOTAL
12/22	24	3	2	1							30
12/23	13	10	16	6	2	1		1			49
12/24	13	35	15	8	3	1					75
12/25	9	23	28	11	7	3	2		1		84
12/26	4	4	7	11	5	2	5	2			40
12/27	4	15	20	12	13	2			1	1	68
12/28	7	12	14	17	1	6	1		2		60
12/29	42	20	24	7	9	4	3		2		111
											517

Figure 8. SWA operated 517 empty flights, many on canceled routes.

Monday, December 26: The Post-Christmas Hangover

SWA decided to reduce the entire network by more than 50 percent through Thursday, December 29, to “reset” the airline. Southwest chose to “cut with an axe” and cancel anything they considered “un-crewed” rather than force Dispatch to consider crew availability in their cancellation assessments.

This decision caused even more misconnections from crews to airplanes as it blew up the schedule for crews assigned to that aircraft flow. This created more deadhead duty (often later than originally scheduled), taking seats from passengers and reducing recovery effectiveness.

SWA could not even promote some deadheading pilots to work the same flight they were deadheading on, which would have saved flights from cancellation. *Very few canceled flights didn't have a Captain and a First Officer assigned at cancellation.*

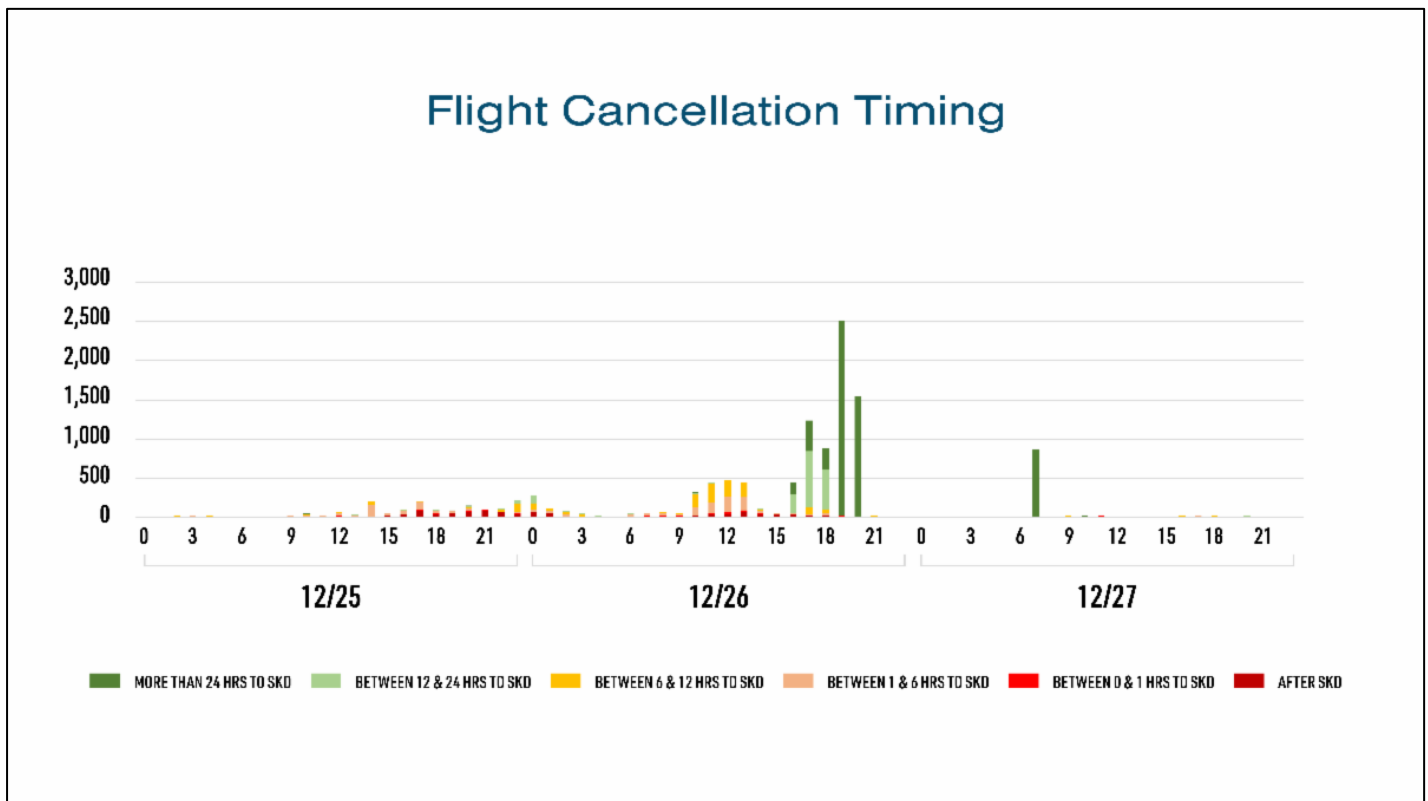


Figure 9. SWA Cancellations, Dec 25-27. Note: The decision to effectively shut down the airline on December 26.

Tuesday, December 27: The Ugly Truth About SWA's Operational Processes

SWA COO Andrew Watterson released a message the night of the 26th, stating that Crew Scheduling was forced to manually route crews with pencil and paper because of technology limitations.

Mr. Watterson said, “We had aircraft that were available, *but the process of matching those Crew Members with the aircraft could not be handled by our technology*. In our desired state, we have a solver that would be able to do that very quickly and accurately. *Our system today cannot do that.*”^{xiii} **This is the first time Southwest leaders acknowledged an underlying technology issue.**

***Note: In an interview with Axios on February 2, 2023, CEO Bob Jordan stated: “I think the biggest misconception right away was that it was a technology issue. We tried to be really clear that while **the technology got overwhelmed**, it is not what caused this.”*

*“It was a weather event that turned into a crew and aircraft routing network event, that then **pushed the technology to a point that it couldn’t help us** because it was having to solve problems that were already in the past — **but it wasn’t a technology event.**”^{xiv}*

The number of Pilots not operating flights spiked, given the large number of cancellations versus how many Pilots were scheduled to fly. Deadheading Pilots ranged between 1,000 to more than 2,500 daily, refuting any notion that there weren’t enough pilots available.

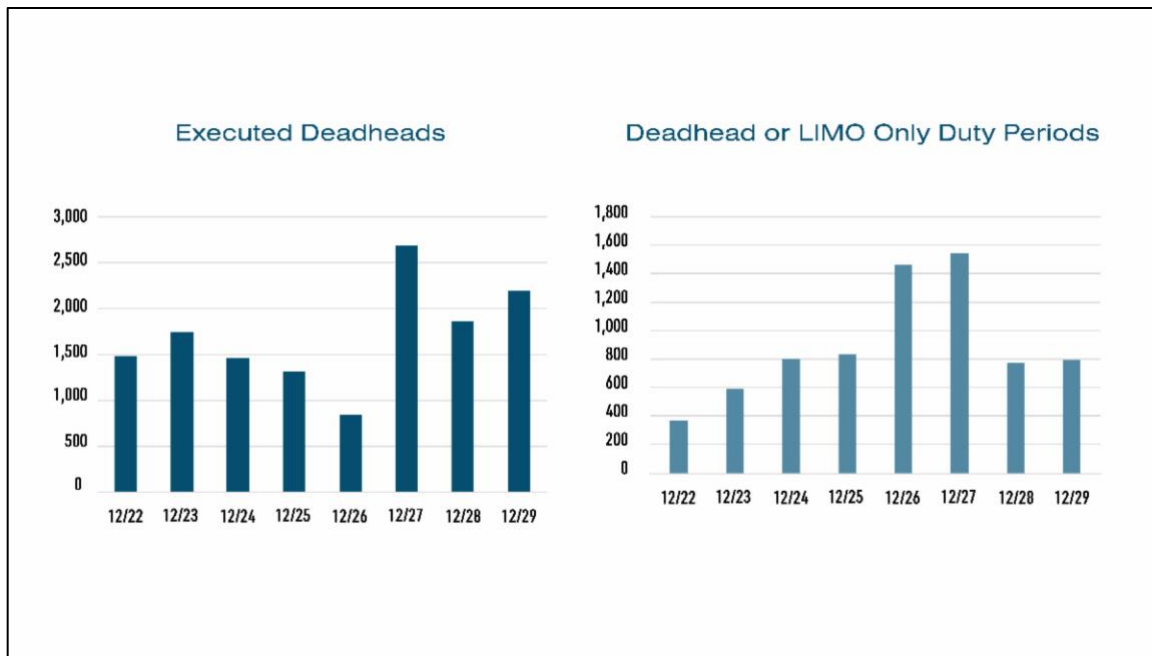


Figure 10: SWA deadheaded thousands of pilots around the country due to inefficient processes.

All legalities will use estimated and actual times, if available. For best results, print in Landscape.

Trip Fleet: Class: Y Trip Type: Trip Status:	Time Away From Base: 10043	Trip Remarks: transportation reimbursement authorized
--------------------------------------------------------------	-----------------------------------	-----------------------------------------------------------------

Herb Time		<- Click to toggle. -> Estimated										Totals						
Date	Flight	Depart	Arrive	Eq	Block	Intl	MT	Ground	Wrk Codes	Block	FDP	Duty	Credit	Overfly	M/D/H	Prem		
		Rpt 1445																
22 Dec	DM 395	DAL 1646	LGB 1959	700	0			35					410					
22 Dec	DM 395	LGB 2034	OAK 2145	700	0			1759					140					
		Rls 2215																
												0	0	730	555 D		555	825

Projected Duty Values: 0 730

OAK:1605 ** Hotel Information Not Available. Contact Crew Scheduling. **

Contact Time:		CA:	FO:	ACCL/LPA:										CA:	FO:				
		Rpt 1420																	
23 Dec	DM 776	OAK 1544	SAN 1710	700	0			124					160						
23 Dec	DM 045	SAN 1834	SJC 2029	700	0			53					212		52				
23 Dec	DM 3347	SJC 2122	PHX 2258	700	0			42					200						
23 Dec		FDP PHX 2340	PHX 2340		0			1911					0 F						
		Rls 0010																	
												0	920	950	1365 G		52	1365	1365

Projected Duty Values: 920 950

PHX:1610 ** Hotel Information Not Available. Contact Crew Scheduling. **

Contact Time:		CA:	FO:	ACCL/LPA:										CA:	FO:				
		Rpt 1620																	
24 Dec	DM 597	PHX 1851	DEN 2039	7T8	0			212					200						
24 Dec	DM 383	DEN 2251	PHX 0032	7T8	0			100					220						
25 Dec		LIMO PHX 0132	PHX 0132		0			1513					0 F						
		Rls 0132																	
												0	0	912	681 D			681	681

Projected Duty Values: 0 912

PHX:1513 ** Hotel Information Not Available. Contact Crew Scheduling. **

Contact Time:		CA:	FO:	ACCL/LPA:										CA:	FO:			
		Rpt 1645																
RON		LIMO PHX 1645	PHX 0137		0			1456					0 F					
25 Dec	DM LIMO		Rls 0137															
												0	0	852	0 F		0	0

Projected Duty Values: 0 852

PHX:1323 ** Hotel Information Not Available. Contact Crew Scheduling. **

Contact Time:		CA:	FO:	ACCL/LPA:										CA:	FO:			
		Rpt 1500																
RON		DM 493 PHX 1633	DAL 1858	800	0			0 Cancelled					280					
26 Dec			Rls 1928															
												0	0	428	500 M		500	500

Projected Duty Values: 0 428

Originally trip DPMX dated 12/22/2022

Total: 0 920 3952 3322 T 52 3322 3371
Carry Out: 0 0

Figure 11. The red box with code “DM” indicates non-flying “deadhead” duty. This pilot spent five days at work assigned to deadhead-only assignments before he was left in Phoenix -- 1,000 miles from his assigned base. There are hundreds more examples just like this. Also, note in the remarks that the pilot had to pay for their transportation to/from the hotels.

The Pilots were there; the airline couldn't use them efficiently. This Crew Scheduling inefficiency must change if the airline is to offer reliable customer service in the future.

IV. By the Numbers

- 16,700 – Southwest Airlines canceled flights during the meltdown
- ~2,000,000 – Passengers stranded
- > 10,000 – # of inefficient “deadhead flights” where Pilots sat in the back instead of flying
- > 350 – Pilots who had their assignments terminate somewhere other than their base, leaving them on their own to get home
- 1,000 – Pilots who were on duty for more than 15 hours during the meltdown
- 517 - Ferry Flights, empty aircraft leaving passengers stranded
- 1,000 – 2,500 – how many SWA Pilots were “deadheaded” each day of the meltdown
- \$8,800,000 – Amount of stock options announced on February 3, 2023, for seven SWA executives
- \$820,000,000 – Estimated financial costs of the SWA meltdown^{xv}
- \$430,000,000 – SWA shareholder dividends announced on December 7, 2022^{xvi}
- \$13,000,000,000 – SWA stock buybacks since 2010^{xvii}
- Unknown – the amount of profit-sharing compensation SWA employees lost due to poor management decisions

V. Leadership & Collaboration

SWAPA hopes that Southwest’s new leadership team will collaborate with us. Our pilots want nothing more than to work together to return Southwest Airlines to success.

Mr. Jordan and Mr. Watterson inherited a massive, complex operation held together by duct tape and baling wire. It will take time to tear down and rebuild. But it can happen if Southwest’s new leaders re-dedicate to Herb Kelleher’s leadership principles.

To start, SWA employees need to trust their leadership again. Herb famously said, “Your employees come first. And if you treat your employees right, guess what? Your customers come back, and that makes your shareholders happy. Start with employees and the rest follows from that.”

However, rewarding SWA executives who oversaw the meltdown with more stock options – after employees are set to miss out on significant compensation from lost profit sharing – is not a promising sign for “Living the Southwest Way.”^{xviii} On Friday, February 3, 2023, the Airline announced \$8.8M in stock options for seven senior executives, including Gary Kelly, Bob Jordan, and Andrew Watterson.^{xix}

Mr. Jordan must make clear that SWA employees are valued by making them financially whole and giving them the tools, they need to do their jobs. Sending Pilots and Flight Attendants around the country on airplane rides for four days instead of taking passengers home is a blatant waste of resources.

It’s also not enough to tell someone you love them after ignoring their concerns for over a decade. Mr. Jordan must show all of us – customers, employees, and regulators – through actions, not words, that SWA is serious about change.

There are some positive signs. SWAPA commends Mr. Jordan and his team for the expeditious way they managed the return of tens of thousands of articles of lost luggage and their willingness to refund and reimburse customers for every reasonable expense related to their travel nightmare.

It is also encouraging that SWA is currently conducting another postmortem with the aviation consulting firm Oliver Wyman. But our Pilots are right to demand that SWAPA Subject Matter Experts be invited to participate in a meaningful way. A one-hour debrief with the SWAPA President will not be enough. If the airline is genuinely committed to finding solutions, it must utilize and collaborate with its frontline experts to find solutions.

SWAPA stands ready and willing to work with SWA leaders to solve these fixable problems.

VI. What Congress Can Do

To be clear – no legislative or regulatory solution is necessary to solve this problem. Furthermore, SWA's point-to-point business model is not to blame. Passengers enjoy the convenience that a point-to-point network provides, eliminating the need to fly to a connecting city to reach their destination. In addition, the point-to-point network is a unique offering that gives Southwest Airlines a competitive advantage - when well-managed.

The December meltdown resulted from poor planning, systemic under-investment in crew scheduling technology and processes, and a failure to collaborate with frontline employees. To that end, SWAPA respectfully asks Congress to recommend the following fixes to prevent future meltdowns:

1. **Fix Dates.** SWA should provide Congress with a firm timeline for when crew scheduling technology and associated crew management processes will be fixed.
2. **Postmortem.** SWAPA Subject Matter Experts should be invited to participate in the Company's postmortem meaningfully. In addition, the Company should tell Congress why they've failed to implement the recommendations of past postmortems.
3. **Employee Collaboration.** Congress should ask SWA to include frontline labor groups in implementing realistic and effective contingency plans, including full-scale simulations and exercises.
4. **Full Accounting.** The Airline should provide Congress with a precise plan on how SWA plans to invest the \$1 billion in IT upgrades it claims to be developing and how those plans will effectively mitigate potential future meltdowns.

The American people deserve a safe, reliable air transportation system. In aviation, admitting mistakes and learning from them is the single most effective method for producing meaningful change that benefits consumers, businesses, and employees. By learning from SWA's mistakes, the commercial aviation industry can do its part to minimize future disruptions and provide safe, efficient air service for American consumers.

VII. Conclusion

By now, it should be clear what conditions led our country's most stable and profitable airline – SWA – to a historic meltdown like holiday travelers suffered in December of 2022. But, like most disasters, it didn't happen overnight. Warning signs were ignored. Poor performance was condoned. Excuses were made. Processes atrophied. Core values were forgotten.

The phrase “Normalization of Drift” was coined after studying the Space Shuttle Challenger disaster. It describes common underlying conditions within an organization preceding a preventable catastrophic event. These management pitfalls include ignored warning signs, condoned poor performance, repeated excuses, atrophied processes, and forgotten core values. Normalized drift was the root cause of the SWA meltdown.

Much has been made of the Airline's shortcomings in I.T. and technology, and while that is a causal factor in this mess, that explanation alone misses the underlying issue. The conditions were set years ago when SWA's leaders allowed Drift Normalization. As a result, the Airline got away from an employee-centered culture that empowered and listened to frontline workers. SWA leaders failed to provide employees the necessary tools to do their job.

We hope that SWAPA's data-driven testimony provides value to the Airline industry, the Committee, and the public. We all want to understand how this happened and what must be done - together - to ensure it never happens again.

SWAPA thanks Chair Cantwell, Ranking Member Cruz, Chair Duckworth, and all the Committee Members for the opportunity to testify on this critical issue.

SWAPA would like to recognize all the Members of the Committee who supported the Payroll Support Program. Without that critical support, many Southwest Pilots may have lost their jobs during the pandemic, making recovery even more difficult and labored. We also sincerely thank the Committee's professional and member office staff for their efforts.

ⁱ <https://podcasts.apple.com/us/podcast/12-7-casey-murray-looking-ahead/id1477870151?i=1000586096818> (7:57 mark in recording)

ⁱⁱ (<https://vimeo.com/786112460>)

ⁱⁱⁱ <https://news.yahoo.com/southwest-lost-75-million-four-164233757.html>

^{iv} <https://simpleflying.com/southwest-18-destinations-added/>

^v <https://apnews.com/article/health-airlines-business-coronavirus-2c32ee9d8c8389ca73608718e931ecc9>

^{vi} [SWAPA Leadership Update, “Margin”, Captain Casey Murray, June 21, 2021](#)

^{vii} <https://apnews.com/article/>

^{viii} <https://apnews.com/article/>

^{ix} <https://theaircurrent.com/airlines/southwest-airlines-anatomy-it-meltdown/>

^x <https://www.nytimes.com/2023/01/13/business/southwest-airlines-bob-jordan.html>

^{xi} https://www.washingtonpost.com/business/southwests-biggest-mistake-was-forgetting-its-own-culture/2022/12/30/a3bef52a-8883-11ed-b5ac-411280b122ef_story.html

^{xii} <https://www.latimes.com/california/story/2022-12-27/my-daughters-southwest-airlines-fiasco>

^{xiii} <https://www.wfaa.com/article/travel/internal-southwest-airlines-message-mass-cancellations-ceo-bob-jordan-coo-andrew-watterson/287-6d8b0665-ea67-4237-98bc-7bd90d44bdc4>

^{xiv} <https://www.axios.com/2023/02/02/southwest-airlines-flight-bob-jordan>

^{xv} <https://www.forbes.com/sites/suzannerowankelleher/2023/01/09/southwest-meltdown-cost-825-million/?sh=6fc82883466d>

^{xvi} <https://www.cnbc.com/2022/12/07/southwest-reinstates-dividend-after-three-years-as-travel-rebounds.html> - :~:text=Southwest is the first major, ahead of an investor presentation.

^{xvii} <https://www.latimes.com/business/story/2023-01-03/the-guilty-party-escaping-blame-for-the-southwest-meltdown-is-its-board-of-directors>

^{xviii} <https://www.southwestairlinesinvestorrelations.com/financials/sec-filings>

^{xvii} <https://www.prnewswire.com/news-releases/southwest-airlines-releases-one-of-a-kind-leadership-book-leading-with-heart-living--working-the-southwest-way-celebrating-more-than-50-years-of-putting-people-first-301566969.html>



June 21, 2021

Margin

Casey Murray PRESIDENT

We, as Pilots, create margin, and by that I mean we continually mitigate risk throughout our day, thereby contributing to our airline's highest goal — safety. The more margin we have, the more room we have to mitigate risk. Every choice we make either adds or subtracts margin. More fuel onboard provides us with additional options and more margin. Deviating to put more distance between us and weather creates more options, and again, more margin. Enough rest puts us in better physical condition with better cognitive function, which again creates margin.

When the Company decided to expand ETOPS flying and push the operation closer to 2018-2019 levels of flying, management made a conscious decision to reduce our margin. They either knew or should have known that with the challenges created by accelerated training requirements for ETOPS, along with the requalification of ExTO returns, our schedule would be operating on the razor's edge. They also knew that SWAPA Pilots would rise to the challenge and cover their network and staffing shortcomings just as we always have.

They were right. Our Pilots have gone above and beyond expectations in recent weeks. But when the decision was made to roll into the June schedule with all but zero margin, that same decision begat what is currently happening. An airline inherently competes in a dynamic environment, so it is imperative to build in and maintain at least a minimum level of margin in the operation. Once again, money decisions won out over margin. Throw in a decade of conscious decisions not to invest in infrastructure and IT and it's no surprise what could — and ultimately did — happen.

The results have been disastrous. And we are now once again left to pick up the pieces. Management repeats the same mistakes and failures time and time again and our Pilots, as well as our passengers, pay for them. Some recent examples include: IT failures; hours on the phone to get a third, fourth, and fifth reroute; more wasted time on the phone to get a hotel room; calls interrupting rest to see how fast a Pilot can get back to the airport; and the inability to find food at the airport or hotel.

I believe that the greatest mistake our corporate leaders can make is failing to provide our employees with the tools necessary to be successful in our jobs. The problems we are seeing are not isolated to our workgroup. We see it happening to nearly all frontline employees.

I'm sure that this past week's debacle will ultimately be attributed solely to an IT failure. It will be written off as another once-in-a-lifetime event, just like the Midway meltdown, the 2016 router failure, and dozens of other events. But each of these affected us more severely than our peers because we don't have the infrastructure to maneuver with zero margin, yet we are responsible for making up for the shortcomings in the operation.

A month ago, I wrote an article for the [June RP](#) entitled "[Insanity](#)." Even I couldn't imagine how prescient it would be. Day in and day out, our crews are under immense strain from external pressures, as well as those that aren't adequately addressed by leadership. Displacements, mandatory masks, lack of available food, countless delays, and frequent JAs all lead to the same place — an even further reduction of our margins.

SWAPA is in constant contact with Flight Operations, from Scheduling to Planning to leadership. We are fighting to support you, and I want to repeat that we are here for you 24/7/365.

If the Company fails to supply you with margin, please, please do your primary job and create it where you can. Make sure you have adequate fuel. Make sure you and your crew are fed. Make sure you have a hotel room. If you can't get through to Scheduling, SWAPA will ensure you will be reimbursed. Make sure you're adequately rested and that you are making the best decisions for yourself, your crew, your passengers, and Southwest Airlines. Where there is no margin, it is your job to create your own.