
Southwest Airlines Take On Strategic Planning

Strategic planning must take many elements into account. Some of these elements are the company's mission, vision, values, goals, critical success factors, and differentiation strategies. Southwest Airlines approaches strategic planning from a very different point of view than other airlines. Where other airlines boost profits through extra fees and amenities, Southwest prefers to go with the quantity and affordability approach instead. Southwest Airlines has a transparent vision, mission, goal plan, and strategic implementations in accordance with their strategic planning.

The core strategy of Southwest Airlines is to get passengers to their destinations on time at the lowest rates possible while ensuring the customers enjoy themselves to ensure customer loyalty (Heskett & Sasser, 2013). The differentiation strategy of the airline is that it focuses locally and on a smaller scale than other airlines. While other airlines focus their marketing and efforts globally, Southwest focuses on more local flights that are shorter routes. Furthermore, Southwest enjoys a laid-back atmosphere that is family friendly; whereas, other airlines offer luxury upgrades and more complimentary items such as full meals.

Some of the major challenges of strategic planning, especially for large, complex organizations like Southwest Airlines are finding a way to gain a competitive edge, finding the appropriate differentiation strategy, and ensuring the implementations through strategic planning do not burden the company, but rather boosts the productivity, loyalty, and profits. Finding which elements may be offered and others that must be dropped is a unique balancing act. Although Southwest offers the "Bags Fly Free" policy, they cannot cost effectively offer complimentary meals on their flights. Finding a unique balance in the strategic planning is very complicated and difficult at times.

Leaders must make the best decisions based on their knowledge, experience, and information given to them. Their decisions affect not only the company's profitability and long term health, but also the employees and customers of the organization. The price fluctuations of such items as petroleum for the airplanes causes the ticket prices to fluctuate for airlines as well. Leaders of large organizations have many considerations to consider in their strategic planning. Southwest has proven to perform their strategic planning well thus far.