

EXECUTIVE MESSAGE

In the time ahead, each of you will attain a greater awareness of individual responsibility as it pertains to our end product—quality service. I plan for our company to be a people-oriented airline.

In my message to you last month, I treated two of four basic principles of operation which help assure a stable and profitable company position. They were 1) dealing with people and 2) the meaning and importance of commitments. This message will deal with 3) organizing to do the work and 4) the use of operating controls.

The sole purpose of the total organization ultimately is to provide an acceptable profit return to our stockholders while performing responsibly as good citizens in the many communities we serve. A proper organization has a lasting effect. I believe in and am establishing the organization with four primary elements. These include:

- 1) The President and his staff
- 2) Futures Activity
- 3) Operational Activity
- 4) Marketing

The President has the responsibility for merging diverse interests and for achieving the company's profit. The best way for the President to achieve his goals is for each of you to do what is best for your organization.

The Futures Activity literally is that. These are requirements due perhaps three to five years ahead to assure we have an advancing and thriving business in the years to come. Important to decisions which may be initiated is the recognition of lead time required to change and aggressively pursue the correct course of action.

Operating personnel need not work beyond operational limits, but rather to commitments as to cost, schedule and performance. To succeed, you need meet your own commitments.

One primary key to success is the requirement for marketing to sell at an acceptable margin over cost only what the Operational organization can do well. This requires us to identify clearly what our operational capacity really is so that we know what properly to sell. Then sell it— expertly and honestly.

Continuing in a positive direction, let me say that controls, too, can be treated more simply than is realized. Far too much control is attempted via laborious reporting systems. I believe that control of our organization for the most part is probably in spite of such type systems. It is important that each activity and its reporting system be examined closely in order to determine the best possible way for that function to meet its commitment. The key is not management reporting systems, but agreed-to commitments reduced to writing. These agreements are not necessarily for broad distribution, but should remain with the people making and receiving the commitments. These reporting systems, if in writing, should be as definitive as possible and cover as short a time period as practical. I believe in eye-to-eye commitments.

Should you become aware of a problem forcing you to fall short of meeting your commitment, you are obligated to immediately advise those persons to whom the commitment was made. Thus, strict honesty and timely advice will generally permit other options to be pursued so that the company can still make its goals and commitments.

A. L. FELDMAN
PRESIDENT

-Frontier News, Feb-Mar 1971

Feldman's second message to the employees