Leveraging Digital Management for Workforce Retention and Leadership Optimization at Spirit Airlines

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Research Problem

Spirit Airlines faces a sudden leadership void and outdated workforce systems immediately after bankruptcy, which threaten employee retention, customer trust, and the airline's ability to sustain its ultra-low-cost model.

Research Questions

- How can Spirit Airlines combine transformational leadership and digital HR tools to retain employees and restore customer confidence during its post-bankruptcy turnaround?

Methodology (and sources of data)

- Literature review of academic and industry sources
- Analysis of Spirit Airlines internal data and industry benchmarks
- Interviews and surveys with production managers

Figure 2: *Spirit Airlines offers "Less Money, More Go". Travellers to "Catch the Spirit!".*

Organizational Background / Context

Founded in 1983 (as Charter One) and became Spirit Airlines in 1992; headquartered in Miramar, Florida.

Operates as an ultra-low-cost carrier (ULCC), offering basic fares with optional paid add-ons for baggage, seat selection, and more.

Fleet of over 200 Airbus aircraft, serving around 80+ destinations across the U.S., Latin America, and the Caribbean.

Business model focuses on low base fares, high ancillary revenue, and tight cost control to maintain profitability.

Current focus includes fleet modernisation, service improvements, and dealing with regulatory challenges from the planned JetBlue merger.

Literature Review Highlights

- Schlichting, P. A. (2023). Emotional intelligence and leadership influence on airline employees and customer experience.
- Siddiqui, N. N. (2024). Application of Herzberg's Two-Factor Theory in aviation workforce management.
- Kumaka, F. K. (2022). Digital transformation strategies for HR management in high-pressure service industries.
- Pisitkasem, A., et al. (2023). The role of digital tools in workforce retention and operational efficiency in airlines.
- Agnihotri, A., et al. (2025). Analysis of Spirit and Frontier Airlines' failed merger and cultural misalignment.
- Priya, et al. (2024). Future trends in the airline and hospitality industry focusing on wellness, culture, and digitalisation.
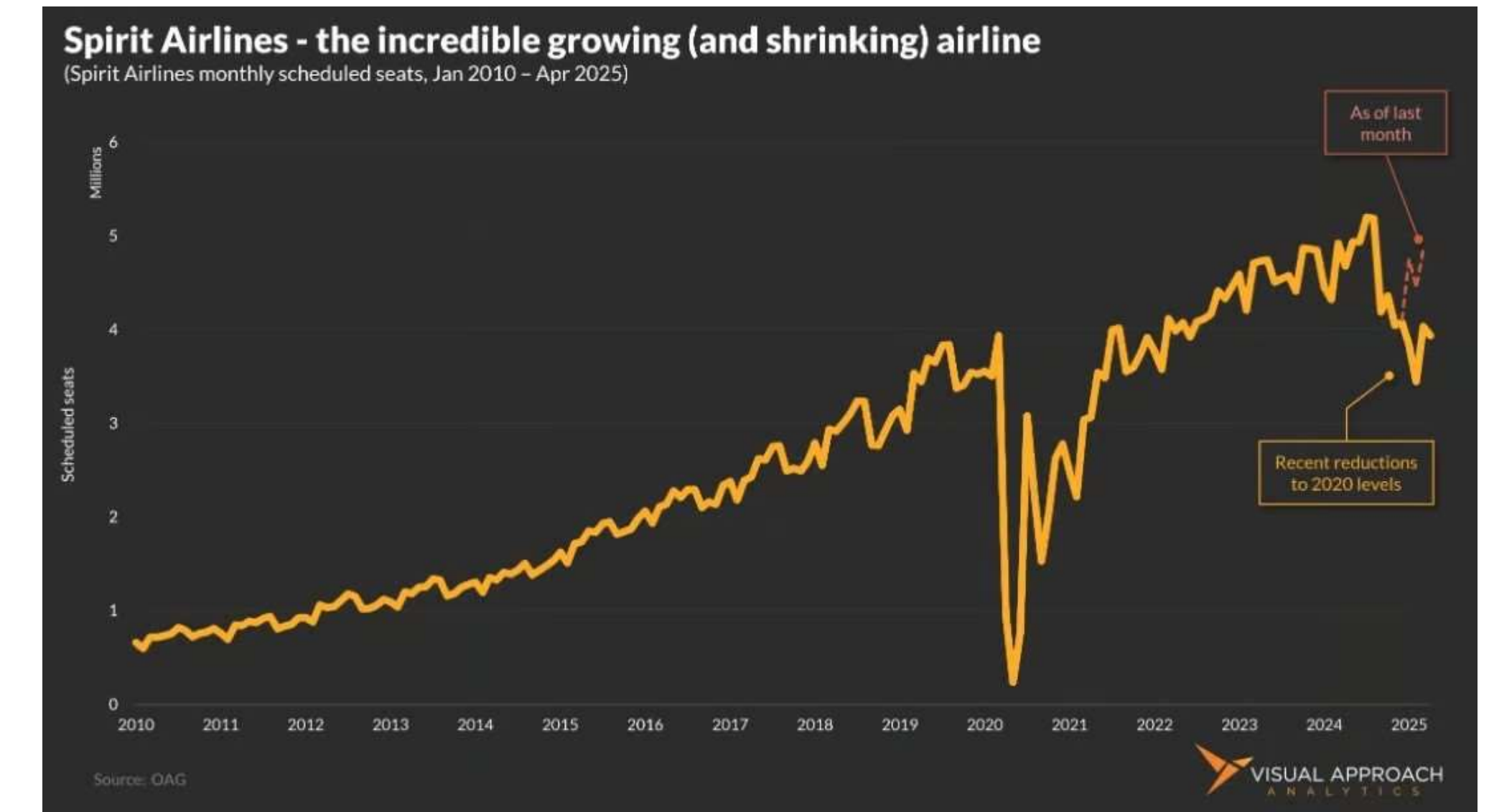- Wikipedia (2025). Spirit Airlines (basic organisational history and CEO transition reference).

Recommendations

- Hire a Transformational CEO: Appoint a leader experienced in crisis management and digital transformation, with a focus on transparent, employee-first leadership.
- Digitally Rebuild HR Systems: Implement AI-powered HR tools for performance management, scheduling, and feedback, enabling early identification of burnout and skill gaps.
- Focus on Internal Culture: Foster an inclusive, employee-centred culture with clear communication, professional growth opportunities, and revamped recognition systems.
- Rebrand Customer Experience: Transition to a proactive service model, offering personalised communication, quicker complaint resolution, and a simplified booking and refund process.
- Transparent Communication with Stakeholders: Provide regular updates to employees, investors, and the public about Spirit's vision, progress, and cultural change to rebuild trust.

Figure 1: *Operational graph for Spirit Airlines.*

Notable Aspect(s) of the Project

- Unique Challenge: Leadership changes, instability, and the slow pace of digitalisation impact employee morale and service quality, requiring strong leadership for recovery.
- Research Uniqueness: Digital HR tools can improve workforce management and reduce burnout, enhancing operational efficiency.
- Key Learnings: Employee well-being directly affects customer satisfaction, so improving internal culture is crucial.
- Future Consideration: Regaining customer trust involves consistent service improvements and transparent communication.
- Future success depends on embracing digital innovation and investing in leadership development.

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- Njagi, M. W., Kimani, M., & Nyambura, C. (2020). Effect of digital technologies on employee productivity: A study of Kenya Airways. African Journal of Human Resource Management, 6(1), 78–95.
- Pisitkasem, A., & Pairoj-Boriboon, T. (2023). Digital HR: The Digital Transformation in Human Resources Management in the Aviation Business. Social Science Asia, 9(3), 11-20.
- Schlichting, P. A. (2023). The Importance of Leadership Skills Training in the Airline Pilot Industry and the Effect on Customer Service: A Phenomenological and Self-Narrative Study (Doctoral dissertation, Northcentral University)