

# The University of Western Ontario

Management and Organizational Studies 406G:  
AIRLINE OPERATION AND MANAGEMENT

January - April 2008

Instructor: Brian Morris

Class Sessions: Fridays 8:30 a.m. - 11:30 a.m.; Social Science Centre, Room 3010

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Textbook: *Air Transportation B A Management Perspective*  
5<sup>th</sup> edition, Alexander T. Wells (ISBN 0534393845 - Reference Text)

## COURSE DESCRIPTION, PHILOSOPHY AND OBJECTIVES

Students will participate in discussions and class presentations, focussing on the functional elements of an airline from creation of organization charts to problem solving operational issues. Students will gain an understanding of the importance and contribution of each division within the corporate structure. Additionally, the course will provide the students with an understanding of the organizational elements within the division and how each contributes to the airline structure. Students will be encouraged to problem solve real life, real time, business management issues and challenges, individually and as a class through student presentations and class discussions. Emphasis will be placed on the necessary management skills and competencies required for an individual to function effectively within the airline environment. Students will be dealing with realistic scenarios as well as theoretical perspectives as a result of in-depth analysis of existing airlines. Students will be exposed to regulatory and political influences and the impact these elements have on the day-to-day management of an airline with in Canada as well as other countries. The differences between the various levels of air carrier operation and corresponding management elements and structure will also be examined. This course relies on lectures, class presentations by students, guest speakers and assigned readings. The learning process is greatly enhanced by class participation and involvement.

## EVALUATION

Students will be evaluated based on:

1) Oral Business Case Exercise	15%
2) Written Essay.....	30%
3) Class Participation .....	15%
4) Final Examination.....	40%

## **Business Case Exercise**

Students working in teams will function as managers within a specific airline department, for the purpose of a business case exercise. Students will choose, or be assigned to a specific department of the “airline”. The instructor on a first come first serve basis will approve department choices with predetermined dates attached to each presentation. All students will present during the semester as well as be expected to participate in active discussions on the presentations and input from the other groups.

**ORAL PRESENTATION & PARTICIPATION (15%):** The presentation will require research, the development of an outline, and an oral presentation to the class followed by moderation of a class discussion on key aspects of the presentation. Each presentation will incorporate specific information criteria, as well as information researched and selected by the student groups. Discussion questions should accompany the outline to assist participants in preparations for class discussion. If there is any question about the focus of the presentations, the instructor should be consulted.

Presentation outlines, detailing points to be covered during the presentation, will be made available to the instructor no later than the Friday preceding the presentation. (Note: the outline should be a maximum of 3 typed pages). Presenters will summarize cogently and highlight precisely the main elements of their papers. Presentations will be made with the understanding that all students already have become familiar to some extent with the issues. Written guidelines for both the oral presentation and the essay will be distributed in class.

Presentations should be well rehearsed prior to making a class briefing. To a large extent, a successful presentation hinges on the questions the presenters are able to raise and the grasp by all participants of the material that is highlighted in the presentations. The questions raised and the highlights of the papers then can be explored in the ensuing discussions. Hence the importance of presenters being well prepared and the other class participants being familiar with the gist of what is to be presented.

Presentations on each topic will have a maximum time allotment of 25 minutes, not including class discussion.

**WRITTEN ESSAY (30%):** The written version of each group's plan will be handed in no later than April 1, 2008. This time will allow for any changes that the individual groups may wish to make in their paper following the presentation, considering class discussion or further consultation with the course instructor. The papers in their final form will have footnotes/endnotes and bibliography, as required, and be a credible fourth-year quality essay. While factual, detailed research is critical to gain an understanding of the topic, there is an expectation that the essay will demonstrate the student's original perspective when completing the evaluation phase of the project, complete with recommendations where appropriate. All papers should be well organized, properly documented and written clearly. The length of the paper should be appropriate to the topic and can include charts, graphs or other appropriate examples.

Instructor is available for consultation and assistance!

**NOTE: A late penalty of 10% deduction per day will apply to the written essay.**

**CLASS PARTICIPATION (15%):** Students will be responsible to come to class prepared to participate. Participation will be demonstrated and assessed through active involvement and quality contribution to class discussion. In order to benefit from the complexity of information, which will be available through class discussion attendance is critical. Additionally many classes will have a guest speaker and on those occasions, the opportunity for learning and understanding will be as a result of the level of class preparation and participation exhibited by the student. This is a clear indication of the importance of a student's commitment to attend scheduled classes as well as individual initiative to gain information as sources are presented.

The sharing of ideas and perspectives is an integral part of learning in this course.

**FINAL EXAMINATION (40%):** The exam is designed to demonstrate students' comprehension of material and concepts presented in class, including material shared by guest speakers and student presentations. It will require the student to apply the knowledge and insights they have gained, and to problem solve airline management challenges as well as present information regarding the principals of all aspects of airline management. (2 hours short essay).

Scheduled during the April exam period



Jan 25

In -Flight Service

- Where does it fit? Customer contact vs. operational
- Role of manager, in flight standards
- Delivery of on board product
- The value of customer contact

Business Case : Preparation

Feb 1

Airport Operations

- Guest speaker
- Customer Service
- How to deliver the product
- The customer experience; reservations, airports, in flight
- Customer focussed employees make the difference
- Airport Standards, ramp and passenger handling
- Call centres and reservations systems

Branding Strategy

- Marketing communications (external communications)
- Advertising, brand identity and image

Feb 8

Maintenance

- Guest speaker
- Airworthiness
- Heavy and line maintenance locations, strategy and management
- Maintenance Quality Assurance Programs
- Operations Control
- Inventory and Stores
- Propulsion
- Records and parts tracing and tracking
- Impact of human error

Business Case : Preparation

Feb. 15

Commercial Division

Readings: page 303-319, 329-344;  
398-401

Marketing

- Guest speaker
- Understanding the difference between hard and soft marketing
- Route analysis and schedule development
- The Frequency Game
- Capacity and yield management
- Planning, pricing and revenue management

Business Strategy Development

- Potential markets/route analysis
- Choosing equipment
- Partnerships and Alliances
- Setting Targets for Operational Performance
- Where is the Competitive Advantage?
- The value of Customer surveys to monitor satisfaction and identify areas for improvement

Sales

- Revenue generation and Market share
- Distribution and Commercial Relationships
- Internet, agency and corporate markets
- Customer relations and advocacy
- Customer relations recovery initiatives in creating a competitive advantage

Mar 22

SOC: Systems Operations Control

- Guest speaker
- The pulse of the airline
- Structure and roles - duty manager / dispatcher
- Planning, day of ops, future ops
- Creating interdisciplinary teams to promote operational improvement
- Schedule review process
- The value of operational review - weekly operational review meetings

Business Case : Preparation

Feb 29

NO CLASS SCHEDULED - Conference Week

- Mar 7      Toronto Pearson Operations
- Terminal Operations
  - Ramp Operations
  - Management Structure
  - Liaison with passenger/airlines
  - Adding new aircraft types: process

Business Case : Preparation

Mar 14      BUSINESS CASE: ALL DEPARTMENT MEETING

Mar 21      NO CLASS – GOOD FRIDAY

Mar 28      BUSINESS CASE: ALL DEPARTMENT MEETING

- Apr 4      Leadership
- Corporate
  - Team
  - Individual