

- The manager's ability;
- The training of subordinates;
- The effectiveness of communication;
- The importance of time.

Departmentalization

Departmentalization is the practice of subdividing both people and functions into groups within an organization to gain the advantages of specialization. Many terms are used for such groups, including administrations, departments, divisions, regional offices, sections and units.

The extent to which transportation is departmentalized depends on the size of the carrier, the complexity of its operations, and its route structure. In other words, in preparing an organizational plan, it is necessary to decide the extent to which tasks are to be subdivided. In a small commuter carrier, the marketing department might consist of 25 people who are involved in everything from schedule planning to solicit new cargo accounts. In a carrier the size of United Airlines, with 25,000 employees engaged in the marketing function, there is considerable divisions of labor through departmentalization.

Delegation of authority

Although it is true that the final authority for all decisions rests with the president and board of directors, it is not possible or practical to allow every decision to reach that level. Delegation of authority implies that the authority to make decisions should be pushed down to the lowest competent level of supervision. This allows minor decisions to be made at the lower levels of management, and major decisions at the higher levels. However, delegation of authority does not relieve the delegator of the responsibility for the actions of subordinates.

A supervisor is always ultimately responsible for the actions of subordinates. This principle is quite useful for comparing the management styles of various carriers or, for that matter, the same carrier during different periods in its history. Some carriers are very stingy in the delegation of authority to units down the chain of command, whereas others, notably Delta, have always been known for their confidence in their employees to make decisions at the lowest level possible. Southwest Airlines encourages employees to present ideas often resulting in the

employee being empowered to implement the idea.

Levels of management

This principle holds that the number of levels of management in the company should be kept to a minimum. As the number of organizational levels increases, problems in communication increase, due to each communication must pass through more people as it travels from its point of origin to its final destination.

A carrier must achieve a proper balance between span of control and the number of levels of management if it is to function effectively. If a carrier has too narrow a span of control, many levels of management will be required. With a wide span of control, fewer levels of management will be needed.

During the past 20 years, many carriers have gone through periods of rapid growth in numbers of personnel followed several years later by periods of massive furloughs. Without careful analysis of their organizational plans, they have found themselves in recessionary times with whole layers of management that were needed when the traffic volume supported them but that in slack periods represent overstaffing.

Clearly defined duties

Every job classification should be clearly defined so that it differs from and does not overlap with other job classifications. All of the major carriers have organizational manuals (usually developed and maintained by the personnel department, except some of the largest carriers, which have separate organizational planning departments).

These manuals include all job descriptions within the company, from president on down. The prerequisites for the job (in terms of education and experience) are included, as is the salary range. Normally, each nonmanagement job description is reviewed by the personnel department every two years in terms of the scope of the job, the functions performed, the number of persons supervised, and the salary range. Management jobs are usually reviewed annually.

Flexibility

A carrier must be flexible so that it can adapt to changing conditions, both

internal and external. In today's competitive environment, it behooves management to assess the organizational plan continuously to be sure that it is responsive to the changing marketplace.

Communication

The term communication here means an uninterrupted flow of orders, instructions, questions, responses, explanations, ideas, and suggestions between top management and the rest of the organization.

This flow should be two-way, i.e., both from management to employees and from employees to management. Aside from the customary orders and instructions concerning normal operations, management frequently wishes to explain some of its policy decisions or to give information regarding a major route expansion, plans for an acquisition or merger, finances, or personnel changes in order to bring about a better understanding among its workers of the salient facts concerning the company. For their part, employees often have ideas for saving time, labor, and materials or have grievances of one kind or another that should reach the ears of management. In planning the details of an organization, provision must be made for the creation and maintenance of a good two-way communication system.

1.7 Visibility management

As company matures, governing boards of directors will alter their priorities and responsibilities to best ensure the growth. When a company is small, the board's emphasis is on performance, getting the venture up to speed as quickly as possible, and normally, taking the company public as soon as practical. But once a company goes public, the focus of the board shifts to managing risk. Organizational activities management should give effort to and finally set evaluations on:

1.7.1 Risk

While some industries have long understood the need to manage risks (e.g., financial, biotech, medical equipment), others have slowly incorporated such concepts into their normal operations with the ever-growing tide of information

technology risk. Everyone now knows how risky it can be to invest in an IT-based project. Disaster recovery, information security management, and business continuity are other recent additions to what has become the enterprise risk management landscape. Companies that see risk management as more than just a compliance thorn understand it as a way to critically assess possible future outcomes and then to hedge bets and prepare for alternative scenarios. In fact, thorough risk analysis allows a company to react quickly to solve new issues and to “proact” responsibly to prevent oncoming problems.

1.7.2 Performance

As enterprise risk management has gained steam across the business globe, so has performance management. Performance management is a new name for the old concept of executive information systems, where executives were able to monitor the performance of their companies via real-time updates of certain strategic metrics. Today, with the aid of new enterprise performance management systems, companies are implementing all kinds of custom and standard performance measurement frameworks (e.g., Balanced Scorecard, Performance Pyramid, and European Network for Advanced Performance Studies [ENAPS]). Moreover, such systems are now supported by more thoroughly integrated back-end systems to allow for timely and more accurate metric updates.

While risk and performance monitoring are the primary tools used by boards to guide chief executive officers and to comply with regulations, they are also the primary operational monitoring activities of upper management. Business continuity, investment risk and regulatory compliance feed the need for an enterprise wide risk management framework. Process efficiencies, financial metrics, staff productivity and project statusing feed the need for an enterprise wide performance management framework. These two primary activities do not end at the executive level; they continue on through all levels of management. A culture of risk and performance visibility can propagate if the company encourages and rewards those who identify and escalate possible risks and opportunities to improve metric data. The way to start is through open-book management and employee inclusion. That is, including employees in the performance enhancement and the risk mitigation steps after they’ve

identified problems creates a sense of ownership and excitement that promotes openness and accuracy; performance reports are not “garbage out” because the information entered by enthused employees is not “garbage in”.

1.8 Execution management

In parallel to the growth in demand for technical solutions that improve corporate visibility, there is the growth in demand for solutions to improve corporate execution. Combining the research of professional analyst companies with the output of an online business search utility and the author’s own personal references, it was able to find about 164 companies that provide enterprise project portfolio management softwares. Then, using a similar nonempirical approach, a supply of technical solutions would not be possible without an equally impressive need.

The simple fact that the new forms of automation exist to better track and control these activities is only half the story. The other reason for such a surge in interest with process and project portfolio management is the realization that the actions of a company are becoming more of a competitive differentiator than the structure of a company. In other words, in the highly dynamic nature of new-millennium industries, the stabilizing element of an organization is no longer found in its structure but in its evoked processes; the traditional strategy-structure continuum becomes a meaningless relation. The new central relation that should now guide companies is the strategy-activity continuum. Such a continuum is realized through process and project management and their ever-shifting alignment with the dynamic strategies of our time.

1.8.1 Process

Between projects and processes, processes tend to be the easiest to monitor and improve upon. They are fixed entities that can be identified by their input, their interconnected activities, and their output. They are repeatable sets of actions that companies depend upon for ongoing operations. The portfolio of all processes in a company defines how one would describe components of corporate execution. When describing the consistent activity

outputs of a company (e.g., personnel reviews, invoices, products, environmental waste), their dependability is due to the existence of the company's supporting process portfolio. To maintain such output reliability, companies monitor and control their processes. To reduce costs, safety hazards and inefficiencies, companies also strive to improve their processes. This monitoring, controlling and improving of processes is known as process management. Where processes execute, process management ensures such execution is not adversely interrupted.

In businesses, process monitoring becomes process management when managers are also able to control and improve upon the performance of a process. When technology is used to help automate this, a newer industry term is used: business process management, or BPM. This automation of process management becomes even more critical as industries and markets force companies to constantly reconsider their approaches (i.e., change or improve their processes). Since process improvement efforts can vary in effectiveness across the enterprise, executives may establish framework standards so that these efforts can be supported and audited consistently between departments, divisions, and business units. Examples of such frameworks include Kaizen, Total Quality Management (TQM), Six Sigma, Critical Chain, Lean, and Just-in-Time. Another approach would be to require adherence to a maturity model such as ISO9000 or the Information Technology Infrastructure Library (ITIL).

1.8.2 Project Portfolio

Projects, as opposed to processes, have both a definable beginning and a definable end. Rather than being made up of a series of repeatable steps, projects implement a set of steps that change as the project progresses (e.g., design, implementation, rollout). As companies grow in size, the capital outlays and resource allocations that go to projects increase to the point that it can become difficult for upper management to have a clear view of the status of its project (or capital expenditure) portfolio.

Combined with a history of failed projects, such a lack of visibility can lead to a constant sense of gloom every time the subject of project status comes up. Project portfolio management is a control technique that provides

improved visibility of project portfolio progress, and improved individual project success rates. That is, not only does structured process and project portfolio management support efficient corporate execution, but it also contributes to the increase in visibility that was provided by risk and performance management. Such improved visibility and odds of success are critical when a project consumes double-digit percentages of the capital budget; just one failure can cause a company to sink. Thus, project portfolio management is being adopted very quickly across corporations to better control portfolio alignment, improve capital expenditure visibility, and reduce the risks of project failure.

1.9 Leadership

Participative leadership

There are differing degrees or levels of participation. These range from total involvement of subordinates in planning, implementation, and evaluation to simple requests for assistance where such participation is a necessary ingredient for success. Given this fact, we can easily see that participation will not be successful in all situations. While public or community involvement will provide much better results in compiling a strategic plan for the community, you would not apply a public participation model if you were trying to escape from a burning building.

Public or community participation can contribute to the following: motivation, quality, acceptance. Participative leadership can also create problems. The time and energy spent in calling meetings, soliciting ideas and training participants may affect deadlines. The involvement of subordinates may be perceived as a loss or sharing of power, thus creating resentment at the leadership level.

Motivation may be defined as psychological forces that determine the direction of a person's behavior in an organization, a person's level of effort and a person's level of persistence in the face of obstacles. The direction of a persons' behavior refers to which of the many possible behaviors that people could engage in. For business cases, motivation could be explained the extent to which persistent effort is directed toward a goal.

1.10 Connecting with transportation: one airline management organization

One airline management organization

Every organization has goals, whether they be profits, market share, growth, quality of products or services, community image, or any combination of these. Management is the process of achieving an organization's goals through the coordinated performance of five specific functions: planning, organizing, staffing, directing and controlling.

1.10.1 The board of directors

Airline boards typically include individuals from the hotel and food-processing industries, as well as former political and military leaders. The board of directors is the chief policy-making body of the corporation and the forum to whom the president reports.

Top managers

Top managers, in the case of airlines, the one on the highest level of top managers is the president, who is always a prominent business or political leader with very little airline experience, because the president's primary role is to deal with the financial community, various segments of government, community groups and so forth.

Executive vice-president and general manager. This individual generally has years of airline experience and is responsible for the day-to-day operation of the company. Generally, the senior vice-presidents report to this individual.

Senior vice-president. This title generally is reserved for those individuals who head up a major administration, such as flight operations, marketing, or engineering and maintenance.

Middle managers

Middle management includes individuals who head up departments or divisions within a major administration, such as the advertising department under marketing or the flight procedures and training department under flight operations. Or it might include a simulator division head, who reports to the flight procedures and training department head.

Operational managers

Although the direction an airline takes is established by top management, the operating management level is extremely important. Top management makes policies, and middle management makes plans to carry out the policies, but operating management sees that the work the plans call for actually is done. Top management is secure as long as the profit picture is favorable. When an airline is in serious trouble financially, the board of directors may make changes in the top echelon. Sometimes, a new president and executive vice-president are employed. When this is done, changes at other management levels are not always made by the new top management, because middle management can still make plans to carry out policy, and operating management can still implement plans.

1.10.2 The organizational structure

Most airlines, old and new, tend to operate using the classic pyramid or top-down structure consisting of top management, middle management and operating management. There is no clear definition of each level, and meanings attached to the terms sometimes differ from one company to another. However, top management is generally considered to be the policy-making group responsible for the overall direction of the company; middle management is responsible for the execution and interpretation of policies throughout the organization; and operating management is directly responsible for the final execution of policies by employees under its supervision. The pyramid is divided into administrations each headed by an individual. For example, major units might include flight operations, marketing or personnel. Departments are the next major breakdown within administrations; divisions within departments and so forth.

In today's environment, it is important for an airline to avoid duplication of work structures and improve internal communications where possible. It is also important to create a flexible corporate structure that can expand when necessary and contract if needed without serious harm being done to the business. New start-up carriers have the advantage over existing airlines of being able to tailor a corporate structure that best fits the organization. New corporate structures should provide more authority to individuals at different

levels. As authority is delegated, responsibility should be increased with specific positions therefore changing the nature of the typical top-down or silo system to more of a flat organization. Figure 1.1 visualizes a possible corporate structure suitable for the current aviation environment.

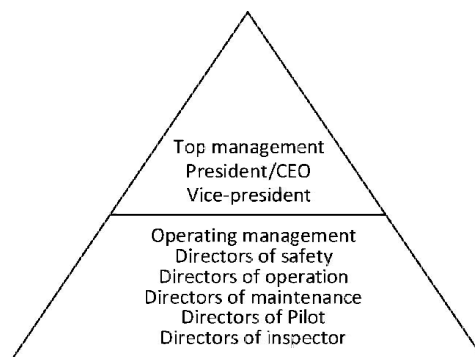


Figure 1.1 Typical new organizational structure for new-entrant and low-cost carriers (from John G. Wensveen[2007])

1.10.3 One organizational chart of major air carriers

The organizational chart is a static model of the company, it depicts how the company is organized at a given point in time. It helps managers implement organization principles, such as span of control and unity of objectives. The chart can serve as an aid in identifying such organizational deficiencies as one individual reporting to more than one boss or a manager with too wide a span of control. The chart helps organization members to perceive more clearly where they stand in the company in relation to others and how and where managers and workers fit into the overall organizational structure.

Airlines have grown so rapidly in the past 25 years that it is difficult to say that any organizational chart is typical or that the chart of one company at any particular time is the one still in effect even a few months later. However, all airlines do have certain organizational traits in common, such as the administrations, departments, divisions and so forth into which airline activities are divided. Understandably, the larger the carrier, the greater the specialization of tasks and the greater the departmentalization.

The Figure 1.2 below shows the administrations normally found in a major air carrier.

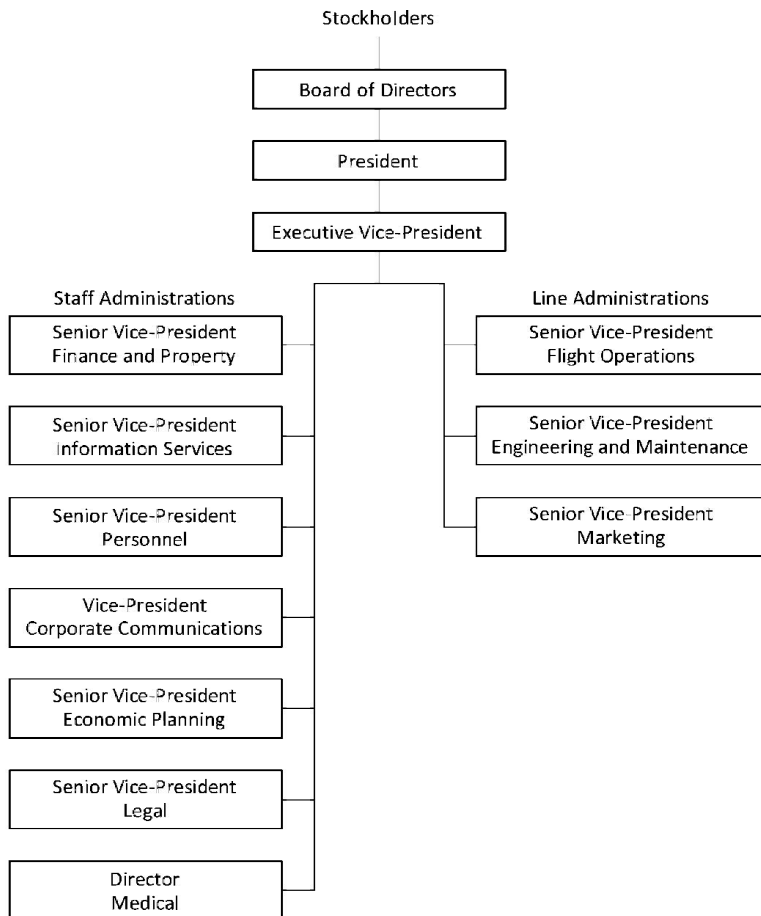


Figure 1.2 The administrations in a major air carrier's organization
(from John G. Wensveen[2007])

1.10.4 Staff departments

Staff departments include those areas that provide a service to the line departments. They are primarily located at the carrier's executive headquarters or at major regional offices.

Finance and property

The finance and property administration formulates policies for the financing of all activities in the airline and is charged with the receipt and safeguarding of the company's revenues and the accounting of all receipts and disbursements. In carrying out these functions, it administers the activities of (1)

the treasurer's department, (2) facilities and property, which involves the administration of all owned and leased property and equipment, and (3) purchasing and stores, which is a multimillion-dollar business by itself. Airlines purchase everything from uniforms, supplies, parts, and equipment to food, fuel, and hundreds of other items on a daily basis. Other major departments include auditing, accounting and insurance.

Information services

Information services is responsible for designing and maintaining the data communications network within the airline. Included in this administration are database administrators, who coordinate the data collection and storage needs of user departments, and systems analysts, who are responsible for analyzing how computer data processing can be applied to specific user problems and for designing effective data-processing solutions. Programmers, who are responsible for developing programs of instructions for computers, work very closely with the user administrations.

Personnel

The primary goal of the personnel administration is to maintain a mutually satisfactory relationship between management and employees. It is responsible for providing fair and adequate personnel policies. Major departments under personnel include employee development, employee relations, and personnel field services, which encompasses the employment function.

Medical

The medical department provides health services to all employees through physical exams and emergency treatments and establishes health criteria for hiring new employees. In recent years, some major carriers have virtually eliminated their medical staffs, choosing instead to have private physicians and clinics provide medical examinations and other specialized services. Medical service at the major base or at regional facilities is thus limited to emergency treatment.

Legal

Every airline has a legal department under a vice-president or general counsel. This administration is responsible for handling all legal matters,

including claims against the company for loss of or damage to the property of others and for injuries to persons. This administration also works closely with government agencies regarding regulatory matters.

Corporate communications

This department can be seen as the mouthpiece for the carrier. Most announcements regarding company activities, whether it be an impending strike, weather-caused flight cancellations, or the latest traffic or financial statistics, are made by a representative of this department. This department also has representatives or lobbyists, in some important regions. Legislation regarding increased fuel taxes would be of concern to such individuals.

Economic planning

The basic function of the economic planning administration is to plan and control the factors that affect the company's economic well-being. This administration develops all long-range forecasts and projects the company's financial returns, including revenues and profit-and-loss statistics, and it develops all cost control and capital expenditure programs. In this capacity, the administration works very closely with top-level management, as well as with all other administrations, in implementing corporate goals.

1.10.5 Line departments

Line departments are those administrations that are directly involved in producing and selling air transportation. They include flight operations, engineering and maintenance, and marketing and services.

Flight operations

The office of the senior vice-president of flight operations is responsible for developing flight-operations policies, procedures, and techniques to promote the safe, efficient, and progressive operation of aircraft. Flight operations must maintain the airline operating certificate in compliance with FAA regulations. In addition, the administration is responsible for developing schedule peers and procedures for the economic utilization of flight equipment and personnel. It also directs an operations analysis and planning service that effectively plans and exercises continuous control over flight operations activities throughout the system.

Departmental Level

The vice-president of air traffic and safety develops and recommends ways to promote the safe, economic and expeditious flow of air traffic from departure to arrival. This executive develops programs for aircraft interior cabin safety and is responsible for safe aircraft operations, navigation aids and ground communications (e.g., teletype and telephone). The vice-president also maintains current information on all airports and airways that may affect operating policies and procedures.

The vice-president of flight procedures and training develops and recommends operating policies, procedures and techniques for the entire fleet. This executive makes recommendations with regard to equipment, such as instruments, controls, power plants and radios, in addition to directing the flight-operations training department and the flight standards department. The vice-president of flying develops and directs pilot-training programs to enable pilots to meet and maintain proficiency standards required by the airline and the FAA. This executive analyzes the need for pilots within the system to meet schedule requirements and arranges for assignment of new co-pilots, necessary pilot transfers, and furloughs over the entire airline system.

The director of flight-crew scheduling is responsible for developing crew schedules for all flight personnel to obtain maximum utilization and availability for each flight.

Division Level

In dispatching aircraft, airlines generally maintain a central control agency, sometimes referred to as system operations control (SOC), that coordinates flight operations, including airplane movements systemwide. This agency is headed up by a director of flight dispatch. A typical carrier operates 24 hours a day, 365 days a year. Regional flight dispatch managers are responsible during their shifts for the overall planning of the flight operations over the entire system. They must consider the technical phases of the operation and coordinate plans with flight dispatchers at adjacent dispatch centers.

The goal is to effect safe, efficient, and smooth flow of aircraft operations

under existing conditions. Flight dispatch managers coordinate the activities of their offices in the scheduling of personnel coverage around the clock and are responsible to the regional managers of flight operations. The flight dispatchers are responsible to the chief flight dispatcher for all local activities. They work with flight officers in clearance preparation, covering all details of the proposed flight, including all factors related to the safety of the operation.

These factors include (1) the nature and duration of the flight, (2) weather conditions at various flight altitudes, (3) airway routing, (4) fuel requirements, (5) an alternate flight plan, including airport, if necessary, and (6) the signing of necessary clearance papers after full concurrence with the captain on the proposed plan.

Reporting to the vice-president of flying are usually several regional managers of flight operations. Their duties include monitoring all flight-operations policies, methods, and procedures by personal observation and close liaison with flight managers and investigating all irregularities and deviations from established regulations. Regional managers must establish, within their areas and within the limits of airline and FAA guidelines, flight policies and regulations deemed necessary in the interest of safety based on local terrain, weather, and navigational and traffic conditions. Regional managers also hold individual conferences and group meetings with flight managers and flight officers to keep them informed on current company policies, management plans, equipment problems, work planned or in progress for the improvement of equipment, working conditions, personnel problems, grievances and so forth.

Flight managers are responsible to the regional managers of flight operations for all activities involving flight operations in their area. They monitor the proficiency of pilots by doing en route checks, check flight preparation and execution under various flight conditions, and help and counsel personnel through individual and group meetings.

All pilots report to the flight manager at their domicile. The captain is in command of the airplane and, as established by FAA regulations, may take any action deemed necessary to preserve and maintain the safety of the flight. The captain's command commences when the flight is cleared

from the loading position. The captain is responsible for determining, before takeoff, that the airplane is loaded within established weight and balance limits and that the required fuel is aboard.

The first officer is responsible to the captain for conduct and attention to duty during the flight. The first officer's authority is potential only, capable of being exercised when specifically designated or if the captain becomes incapacitated. The flight engineer is also responsible to the captain for conduct and attention to duty during the flight. As new aircraft technology evolves, the flight engineer is being replaced by a computer resulting in two-pilot crews, even for the largest aircraft flying.

Pilots generally are required to arrive one hour before their scheduled flights. In the case of a two-person crew, one pilot reviews the flight plan prepared by SOC, which has been loaded onto the aircraft's computer, while the other inspects the aircraft. The captain will also hold a crew briefing with the flight attendants working the flight. There are several checklists of tasks that must be completed and items that must be checked before the plane can take off. The checklists used by the major carriers are mechanical rather than paper-and-pencil, requiring the pilot to flip a switch when each necessary task is accomplished; this reduces the likelihood that any check will be left undone. Cockpit procedures are completely standardized, which allows crew members who have never worked together before to operate as an efficient team.

After World War II, the airlines saw the need for a specialized weather service. The director of flight training reports to the vice-president of flight procedures and training, and is responsible for the training of flight crews on the airline, including initial training, transition, refresher, requalification and familiarization training. The training department is divided into three divisions: (1) the ground school, which makes use of audiovisual aids and mockups, (2) flight simulators, and (3) aircraft used for flight training. The director of flight procedures and standards, who also reports to the vice-president of flight procedures and training, is responsible for conducting proficiency checks on all flight officers. This includes rating flights for upgrading of first officers, rating flights for transitioning captains, and monitoring flight and simulator training programs conducted by the flight training department.

1.10.6 Engineering and maintenance

The chief executive officer of engineering and maintenance (E&M) is the senior vice-president, whose responsibilities are as broad as the mission of this administration: to keep the company's equipment in condition to provide safe and salable air transportation. "Safe", in this sense, implies full compliance with the carrier's own operating specifications and also with all applicable directives and regulations of the FAA. "Salable" means fast and dependable service in up-to-date equipment with comfortable furnishings and decor, without which the company would be unable to compete successfully.

A major carrier's E&M objectives have resulted through the years in the development of an elaborate technical support operation that involves many levels of activity performed at numerous facilities of widely varying capability in accordance with planning and procedures disseminated via a number of media. E&M requires about 25 percent of a carrier's entire work force, and it consumes roughly a fifth of every revenue dollar. Their duties involves of:

- Routine airframe maintenance;
- Nonroutine maintenance;
- Overhaul of airframes;
- Overhaul of engines and other components;
- Contract maintenance.

Classes of Stations

From the standpoint of the maintenance function, a major carrier normally divides its many stations served into different classes of stations. For example, in descending order of capability, they include (1) the maintenance base, (2) major stations, (3) service stations, and (4) other stations.

The maintenance base is generally conceded to be the largest, most versatile, and best-equipped facility in the system. It is the overhaul and modification center for the carrier's entire fleet, and it has the capability of repairing nearly all aircraft components. Few components must be returned to the manufacturer or sent to outside agencies for reconditioning.

Major stations include the carrier's large hub cities. These stations have relatively large numbers of maintenance people and extensive facilities. They also maintain a substantial inventory of spare parts, mainly supplied by the

maintenance base. In general, these stations are capable of providing complete line maintenance of specific types of equipment.

Service stations are large stations served by the carrier but not located at major hub cities with large banks of connecting flights. These stations are well equipped and well-staffed with line maintenance personnel, but less so than the major stations.

1.10.1.7 Marketing and services

The senior vice-president of marketing is a member of a company's top management group and in this capacity brings a marketing focus to its deliberations. As chief executive officer of the largest administration, this executive's responsibilities include making decisions about marketing policy, as well as the daily administration of the organization. In the latter capacity, the senior vice-president's office administers the organization's cost control efforts and coordinates and implements personnel policies, including staff training programs.

Advertising

Advertising is an extremely important marketing department, particularly in today's competitive environment. The advertising department, working closely with the company's advertising agency, provides expertise on promotional messages, copy, media, and timing. This department may influence, but generally does not determine, the amount of company funds spent on advertising and promotion.

Marketing services

Marketing services is another extremely important marketing department, as it literally designs the carrier's products and determines the firm's market opportunities. What included are such major divisions as market research and forecasting, pricing and schedule planning. Market research and forecasting is charged with the responsibility of systematically gathering recording, and analyzing data relating to the marketing of air transportation.

Services planning

The services planning department is responsible for the development of the in-flight and ground services for the various markets identified by market research and forecasting. These include everything from reservations and ticketing services to inflight entertainment and dining services. The latter

includes such details as the type of meal service aboard various flights, the number of courses, and the various menus.

Sales planning


Sales planning is concerned with the means by which a carrier's products and services are delivered to consumers. Given the markets developed by market research and forecasting, the prices and schedules, and the services planned for the various markets, it is up to sales planning to develop an approach to reach these target groups. This department works closely with regional sales and services personnel in implementing their plans.

Sales and services

Sales and services is concerned with the implementation of the plans formulated by the planning staff. Airline sales management is as old as the carriers themselves, but there have been significant changes since World War II. The social sciences, and especially psychology, have given sales personnel new insights into old problems. Newer organizational methods have increased sales efficiency. To implement the selling function, personnel in this department must have complete knowledge of who consumers are, what makes them purchase the product, and how they can be reached. The planning departments have helped in meeting these selling challenges.

Flight-serving passengers

The end product of marketing and services is serving customers' needs. The typical airline customer spends more time with the flight attendants than with any other employee group. Thus, the flight attendants have much to do with how an airline's customers feel about the carrier and whether they will fly that airline again in the future. In the eyes of the flying public, the flight attendants are the airline, so it is up to the flight attendants to turn every customer into a repeat customer. Although their primary function is ensuring in-flight safety, flight attendants have become an extension of the marketing effort. Flight attendants receive training in aircraft familiarization, customer service, galley equipment, and food and beverage presentation. Through classroom lectures, hands-on demonstrations, and simulations, they become professionals ready to deal with any emergency situation and dedicated to making every passenger's trip

Management for Transportation 

comfortable and safe.