

Pearson Higher Nationals in
International Travel and Tourism
Management

Unit 21 Airline Operations Management



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Higher National Diploma in International Travel and Tourism Management

Assignment Brief Cover Page

Student Name/ID Number	
Unit Number and Title	21 Airline Operations Management
Academic Year	
Unit Tutor	
Assignment Title	Commercial Airline Operations
Issue Date	
Submission Date	
IV Name & Date	
Sign Here: Declaration Of Own Work	

Submission Format
<p>The submission must be in the form of a report which should be written in a concise, formal business style using single spacing and font size 11. You are required to make use of headings, four-section research-paper layout, paragraphs and subsections as appropriate. All work must be supported with research and in-text referenced using the Harvard referencing system. Please also provide a bibliography using the Harvard referencing system. The recommended word limit is 3000 to 4,000 words.</p> <p style="text-align: center;">RECOMMENDED WORD LIMIT PER TASK Each P: 600 - 750 Words Each M & D: 350 -400 Words</p> <p style="text-align: center;">RECOMMENDED FINDINGS IN SECTION 2: RESEARCH FINDINGS Six different sources</p> <p style="text-align: center;">Always save your document as Pdf before submitting</p>

Unit 21. Course Description

The global air transport industry provides services to every corner of the globe and is a major economic force generating a multibillion-dollar industry, both in terms of its own operations and its impacts on related industries such as aircraft manufacturing and tourism. Global cities, regions and emerging destinations are experiencing a phenomenal growth in aviation expansion and connectivity.

Despite the rapid growth of airlines and the aviation industry, the sector remains vulnerable. This is due to the low profit margins that govern operations, and the unforeseen circumstances, such as security concerns and climate change, that can have a dramatic effect on their business.

The aim of this unit is to give students an insight and understanding into the complexities of the industry and multi-dimensional areas of managing and running a commercial airline. It covers a range of operational and strategic management techniques used by airlines to increase their revenue, maintain sustainable growth and manage a myriad of challenges and issues that currently face the sector.

Paper 1 & 2 of 4 | Unit Learning Outcomes

LO1 Examine the complexities and nature of integrated airline operations

LO2 Investigate the commercial management of an airline and the main routes of income and revenue

ASSIGNMENT

Scenario | You are a university student studying Aviation. As part of the course requirements you are undertaking internship in ground operations with a major airline company. To earn the credit from the experience, you are to conduct research and investigate the efficiency, control costs, and management of change required for seamless operations between airport, airline, and customer operations. You will present your findings in a written report to your supervisor. You will present the findings in a written report to your supervisor. The report should be 3,000-4,000 words, neat, well-referenced, and consist of the following activities/tasks:

PAPER 1. LO1 Examine the complexities and nature of integrated airline operations

Compulsory Assignment

- **P1. Investigate the different functional departments of airline operations** (including airport operations, crew management, movement management, passenger handling systems and maintenance management).
- **P2.** Explore the relationship between functional departments and how they link to organisational objectives and structure from both B2B and B2C perspectives

Optional Assignment For Higher Grade

- **M1.** Analyse the complexities of airline operations, structures and interrelationships in fulfilling organisational objectives
- **D1.** Critically analyse the complexities of airline operations from both a B2B and B2C perspective

PAPER 2. Investigate the commercial management of an airline and the main routes of income and revenue

Compulsory Assignment

- **P3.** Discuss the main income streams for generating revenue of a commercial airline (covering passenger and cargo revenue and the routes that are most profitable).
- **P4.** Investigate the different management techniques and strategies applied for maximising sales and profit to generate revenue (including yield management tools, aircraft utilisation and pricing strategies).

Optional Assignment For Higher Grade

- **M2** Analyse how the principles of yield management, aircraft utilisation and pricing strategies adopted by a commercial airline maximise sales and profits to meet overall business objectives
- **D2** Critically analyse different revenue management techniques and make justified recommendations on how a commercial airline can improve sales and profits to meet overall business objectives.

COURSE CONTENTS

LO1 Examine the complexities and nature of integrated airline operations

Different functional areas:

- The roles and responsibilities of different functional areas of airline operations: commercial, operations, crew, catering, finance, ground operations and maintenance
- Business to Business (B2B) and Business to Consumer (B2C) operations
- The value and utilisation of both hard and soft skills in achieving and managing operational objectives
- The differences between sales distribution channels and marketing strategies for scheduled and non-scheduled carriers

Interrelationships between the functional areas:

- The links and interrelationships between different functional departments to achieve overall business objectives
- Issues of conflict between departments e.g. commercial versus operations, operations versus maintenance
- The airline programme plan and International Air Transport Association IATA slot co-ordination

Air broker/Private Charter operations:

- The value of an air broker in securing an alternative supply of aircraft
- The importance of client relationship management and business development in securing a repeat customer base
- B2B versus B2C operations

LO2 Investigate the commercial management of an airline and the main routes of income and revenue

Costs of operations:

- Direct costs of operations e.g. costs of fuel, crew, maintenance, on-board catering, passenger services, sales distribution costs and depreciation
- Revenue versus direct costs of operations
- Economic effects on costs of operations: routes, frequency, traffic, fares

Revenue management:

- Yield management – capacity and load factors
- Profit margins and realistic revenue targets
- Pricing strategies and the differences between scheduled and non-scheduled carriers
- Forecasting and cost analysis
- Financial implications of aircraft performance management

INSTRUCTIONS

- ❖ Fully complete the **Assignment Cover Page** and use same as the front sheet/cover of your assignment.
- ❖ **Conduct research** to generate knowledge which will form the basis for analysis of the scenario and context given in the Case Study. You need to reference figures, statistics and tables copied into your work. For all other information, paraphrase and summarise and provide the references correctly in the bibliography using the Harvard referencing system.
- ❖ **Word Limits:** The recommended word requirement for each P task is 750 words with minimum of six (6) intext referencing sources in section 2, the research findings section. M and D tasks are usually 350-400 words each.
- ❖ You may reuse the same reference sources in the Ps for the M and D tasks. You can also draw from new sources. You DO NOT need to use the four-section layout for the M and D tasks, use same for the P tasks requiring research essay or research report.
- ❖ You **MUST** use the headers same as given e.g. P1, M1, P2. Do not reword them from the original.
- ❖ Use page numbers.
- ❖ Font Style is Arial & Font Size is 11 AND Line Spacing is 1 & Paragraph Spacing is 2
- ❖ Include the full plagiarism report after the reference page, and not just the score.
- ❖ Save the work as PDF before submitting.
- ❖ Use www.citethisforme.com for referencing and www.grammarly.com for grammar and editing.

Further Guidance To Students. You should read this information before starting:

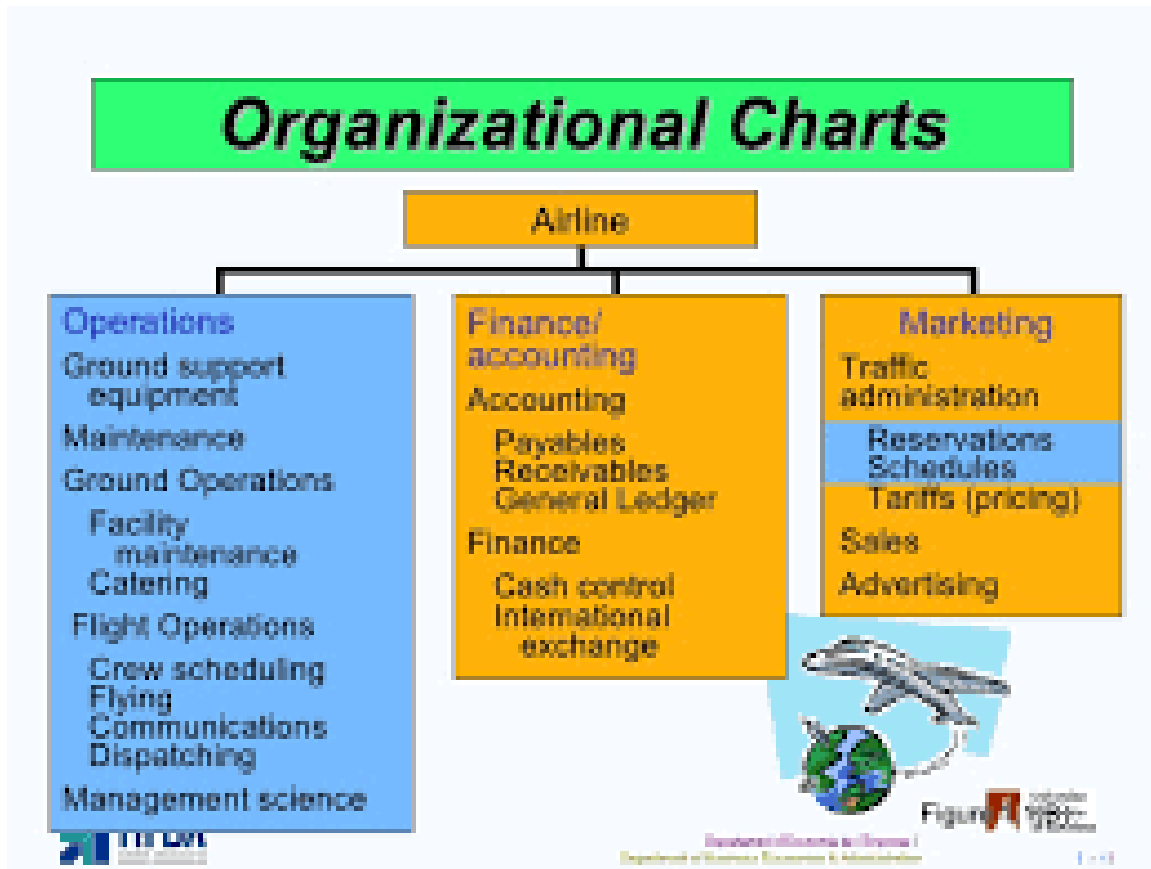
- 1) Read the brief and think about what the assignment brief is asking. Make sure you understand the assessment criteria and nature of the evidence that must be produced. If you are not clear seek guidance from the tutor on the unit.
- 2) Guided by what the subject areas and issues in the task, you will conduct literature review to produce research findings that provide valid answers to the problem/subject/issues that you are inquiring.
- 3) Produce an appropriate assessment action plan that includes relevant research resources and timeframes. Submit this to the tutor for additional support or clarification if required.
- 4) You must be clear on the requirements to develop an appropriate specification to produce and communicate your work to the intended audience e.g. for written essays or reports you will organise the paper in sections:
 - 4.1. SECTION 1: Introduction – In a short opening statement you will outline what the task is asking and the aim/s of the paper. Further, you will briefly define the key terms in the assignment.
 - 4.2. SECTION 2: **Research Findings** - you will research the subject area/s and find answers and generate the knowledge to correctly investigate the issues raised. To carry out the research, apply a range of secondary research sources to elucidate the scope of the subject and support the requirements set out in the task. The research findings that you produce must be valid. This means that the findings must be relevant, and the sources used are appropriate. You will apply the research findings to your work to support, compare, analyse and validate the ideas and arguments. All arguments and ideas discussed must be credited to the source. That is, you must correctly state the name of the Author or source that you obtained the information from e.g. (Brown, 2016). The required referencing style is Harvard Referencing.

RESEARCH SOURCES: Secondary research sources that you can use to gather information for your work may include textbooks, journal articles, magazine articles (not factual accounts) and newspapers. Other sources that you may collect information from are *primary research sources* which include original first-hand accounts, legal and historical documents, results of experiments and market research data collection.

RESEARCH METHODS: You will further apply *qualitative and/or quantitative research methods* to evaluate the research findings from the primary sources. Qualitative is reasoning with arguments while quantitative is numbers and figures.

AVOID PLAGIARISING: You must reference all the sources in the body of your work (in-text). Further, create a reference page to list all these in-text sources that you cited in the work. Failure to reference your work in-text and on the reference page will result in a fail grade for the unit, as this is plagiarism (cheating/academic misconduct).
 - 4.3. SECTION 3: **Discussion** - this is substantive discussion of the research findings. Here you will carry out the command verb in relations to the task you are assigned. E.g. you may be asked to analyse, explain, assess, apply, justify, compare etc. These are different commands and will require different approaches. Also, if the research findings are not relevant to the task, no matter the quality and rigor of the discussion, the criteria will not be met because your discussion should be an expansion of the research findings. Hone your discussion to meet all criteria set out in the task.
 - 4.4. Section 4: Conclusion. Draw conclusions to form the basis for recommendations. Conclusions are summary of the main points in the work. Recommendations are future actions needed based on the conclusion/outcome.
- 5) Submit a pdf copy of your work on or before the published deadlines. Work past due is not acceptable under any circumstances except in extenuating circumstances which must be approved before the deadline expires.
- 6) Submit your work using the correct portal on iTutor. Work sent to incorrect portal will not be marked.
- 7) Students will be awarded either Pass, Merit, Distinction, Referred, Incomplete, or Fail grade. In practice, this means that a student must achieve all the required learning outcomes to be awarded pass grade or higher. Thus, for students to achieve Pass, they must achieve all the requirements that define the Pass. To achieve a Merit, students must achieve all the requirements that define Pass and Merit. For Distinction, the student must achieve all Pass, Merit and Distinction requirements. Referred Grade is where one or more tasks does not achieve a Pass Grade. You will be given feedback and the opportunity to submit the corrections at a future time agreed with your Supervisor.
- 8) Failure to submit any part of an assignment will result in the work marked In-Complete. In-complete then changes to Fail. Avoid fail grade at all cost. In-complete (IC/NC) and Fail Grade (F) mean that you must pay to take over this unit/course. Here are the ways to fail: 1) not doing the working at all; 2) not attempting all the tasks listed as P (e.g. P1, P2 etc), 3) getting over 60% of the tasks as referred grade; and 4) plagiarising. Historically, less than 5% of the class will Fail.

Further Review And Reading



Textbooks

- BUDD, L. and ISON, S. (2016) Air Transport Management. An International Perspective. New York: Routledge.
- COOK, G. and BILLIG, B. (2017) Airline Operations and Management: A Management Textbook. Oxford: Routledge.
- DEMPSEY, P.S. and GESELL, L.E. (2012) Airline Management: Strategies for the 21st Century. 3rd ed. Chandler, Arizona: Coast Aire Publications.
- HOLT, M. and POYNER, P. (2016) Air Carrier Operations. 2nd ed. Newcastle, Washington: Aviation Supplies and Academics Inc.
- SHAW, S. (2011) Airline Marketing and Management. 7th ed. Oxford: Routledge.

Websites

- www.atwonline.com Air Transport World (Research)
- www.caa.co.uk Civil Aviation Authority (General Reference)
- www.lata.org International Air Transport Association (General Reference)
- www.icao.int International Civil Aviation Authority (General Reference)

❖ The Airline Business

Link: <https://www.mcgill.ca/iasl/files/iasl/ASPL614-Airline-Business.pdf>

❖ Airline Revenue Management Strategy 101: It's All About Alignment

Link: <https://w3.accelya.com/blog/airline-revenue-management-strategy-101-its-all-about-alignment>