Quality Analysis of Qantas Airlines

By

Chris Goff

For

Embry Riddle Aeronautical University

Quality Analysis

Abstract

Management takes more diversified dimensions other than just the use of profit realization approaches. Management entails setting of strategic management plans and the establishments of suitable policies enabling an organization realize the set objectives and targets. In general, management entails objectivity and planning that are aggregated to capital budgeting. Quality in an organization becomes an essential and vital part to planning and objectivity. It entails benchmarking and baselines that are done in departments of an organization on regular intervals; usually on quarter year basis. Quality becomes of concern to governments as well as the individual organization because of competition to better delivery services as compared to rival economies or organizations. On the same note, appraisals in organizations entail the guides of global strategies usually referred as to Millennium Development Goals (MDGs). One of the MDGs advocates for integration and business partnerships globally. Companies have developed techniques to reserve capital for innovations, research, and technological advances. The essay aims to study Qantas and quality analysis under plans that the company has laid to ensure it increases its operations globally to curb the recent losses. Implementation of workable programs matters a lot to Qantas airline considering that the company has over years been competitive but failed in 2009 to 2014 in terms of its financial performance and faced a lot of challenges from Australian airlines, unions, and internal challenges.

Key terms

IT and innovations

Millennium Development Goals

Qantas Airline

Table of Contents

[Chapter One: Introduction 4](#_Toc430824736)

[Chapter Two: Description of Research Setting and the Quality Initiative 5](#_Toc430824737)

[Chapter Three: Analysis 6](#_Toc430824738)

[Chapter Four: Outlining Findings 7](#_Toc430824739)

[Chapter Five: Recommendations and Summary 8](#_Toc430824740)

[References 10](#_Toc430824741)

# Chapter One: Introduction

It has dawned to most of big small global companies that technology is essential in boosting development and institutional growth (Thorp, J., & Fujitsu Consulting's Center for Strategic Leadership, 2003). Qantas has been an operational airline company in Australia for years and it aspires to remain operational and profitable in future. Consequently, the financial hit in 2013/14 and subsequent falls in operations have been attributed to poor quality planning and regular benchmarking of operations in Qantas (Yang, n. d). The company is under the process to regain from its losses and to come back to track under its conventional operations in Australia. It aims at developing operations and plans to satisfy its clients, to engage in corporate social responsibility plans, to be ethical in its dealings, and to settle disputes with organizations and unions. It is the case as it understands that they are the proponents that boost development and profitability. If the processes are not serviced and proper quality plans re-laid, Qantas is set to remain in the unrealized dreams of curbing losses (Benns, 2011, 15).

Research becomes easy when undertaken using IT approaches. On similar provisions, Qantas has suffered from customer distrust as well as withdrawal of many financiers from their operations. Such among other aspects have made the company less competitive as compared to other rival airlines in the economy. Qantas seeks to increase its airline operations and flights internationally and on local cities and towns. The essence of such plans is to ensure it reaches out many clients as compared to rival airlines. To ensure the plan works, ICT adoption in the company becomes the backbone of all its dealings. Employee relations with management and clients is best established when communication is frequent and instant. Technological communication does not take ages to reach the clients and responses to their queries are made in time. Qantas has established an approach to digitalize all its operations including giving out visas to clients, customer care desk, international travels analysis, partnerships, and establishment of timely pays to employees through online sources. Such aspects are designed to build reawakened seriousness and ability of the airline company to win new merchants to invest and revive the company. Quality analysis checks are, therefore, essential to baseline the ability of the designed plan to rescue the liquidated Qantas and ensure it prospers. The design checks are to establish suitability of the applied and established approaches. The failures propelled the quality analysis plan to help establish and open up the causes of challenges that seemed redundant in Qantas.

# Chapter Two: Description of Research Setting and the Quality Initiative

Qantas is an airline company that has established and is housed by Australia; and the same economy houses its headquarters with streamlined transport operations (Plunkett, 2009). It is an airline established in an economy with more than one airline that makes flights both locally and internationally. It is the topmost domestic airline in the economy with over 760 flights daily and 67 stations in the economy. Its airlines land in 75 destinations in about 32 economies in the globe excluding the local destinations (Qantas Fact File, 2002). In the recent past the company has made a lot of losses with the apex loss recorded in 2013/14 fiscal year when it recorded a $2.8 billion loss before tax and an after tax of 646 million dollars (Yang, n. d; Qantas Annual Report Online, 2014). The loss occurred one year after the company had laid strategies to reach out Japan and to increase sustainable returns to shareholders. It is an alarming question to stakeholders both internationally and locally. The company had launched Jester Japan 2012 with intent of growing Pan- Asia business to benefit shareholders internationally (Qantas Airline Limited, 2011).

The company aspires to restore its lost profitability and make flourishing returns per fiscal year. Its setting gives it better orientation and chance to outdoor its rival airlines locally and abroad to ensure it remains productive. Given that it has operated for many years and stands to be a pioneer in the Australian economy, it has an opportunity to get private shareholders as projected. The challenge remains if it still captures clients as in the past or people might abandon it more given that private partnerships may decide to hike prices to their services. The paper seeks to unveil the designed plan and its suitability to the company through quality analysis. Quality analysis will check how technology has helped Qantas advance and rescue itself from falling or how technology has failed and brought more losses to Qantas than before implementations.

|  |
| --- |
| To attain and deliver sustainable returns to investors and stakeholders |

Advancements in IT and innovations

# Chapter Three: Analysis

Studies done in the Australian economy indicate that the economy is in speedy growth and development to be in the G8 world economies bracket. Suggestively, all the economic sectors are growing according to set targets and performance contracting between them and the government. Sectorial studies help determine if an organization is on the right track as the rival organizations. Such competitions have helped propel the economic prospects of Australia towards the right. Most of the investors in the continent aspire to make integrations and business partnerships with Australia and consequently its flourishing sectors. Such are attributes aimed at implementation of MDGs and ensuring business partnerships. Over years, it has been an approach in Qantas and it has enabled it form partnerships in more than 32 economies where it makes weekly and daily flights to.

However, the company seems to be making losses and is not up to its expectations no matter how hard it has planned over the recent past. Such challenges have made it suffer much financial constraints and rivalry with employees, shareholders, stakeholders, the government, and clients. Suggestively, the company had failed to incorporate appropriate technology in its departments. Such technology could have helped manage its flight, ensure right payment dates are met for employees, to curb frauds, and to ensure efficient reservation of spaces for flying clients. Such necessitates that the company has space to make changes and plan well on how to incorporate technology in all its departments to better operations. It should not fear initial operational charges, but, it should focus on the unseen future and how fruitful the designed plan is envisaged to be. It should implement and check the plans on regular intervals using the quality analysis plans.

# Chapter Four: Outlining Findings

With emphasis on organizational setups, a lot happens that halts set plans from being realized. Qantas has suffered from much failure that resulted in an alarming loss in the past one and half years. Quality analysis indicates the following as challenges to growth of Qantas;

1. Poor managerial skills that entailed much analog operations
2. Inadequacy in the IT sector that resulted in manual operations that most of the clients lacked confidence in
3. Transparency in use of funds allocated to the IT sector that resulted in insufficient funds
4. Emphasis on human resource as a contemporary issue while forgetting IT and innovations meant to help grow Qantas

# Chapter Five: Recommendations and Summary

Chapters 1 to 4 have profiled Qantas as the company that was very successful in the past and entailed a lot of trust from the government and travelers. It enlarged it territorial wings to more than 30 economies- the most recent being that made to Japan to increase its operations and income. The study has analyzed quality studies and analysis in Qantas and unveiled faults in the company that have halted its previous glory and lucrativeness. Studies indicate that the company overemphasized on employee motivations and forgot to make more innovations in the company to have it more outstanding in service delivery than the past years. The company failed to integrate appropriate technologies in different sectors to monitor operations and decrease environmental challenges such as pollution. Conclusively, it needs to concentrate on information technology, research, and incorporation of right approaches to development. Such plans are set to eat into the savings and more set aside funds from its budget to ensure that the initial phase of technological installations is done. Despite the exercise being demanding, it is envisaged that fruits realized out of the investments will be more profitable than the company realized in the past years.

The research established recommendations that the company should adopt to rescue itself from further declines in production. The company is faced with a lot of financial constraints. It should seek for governmental support to be able to integrate the support to forces of demand and supply. Such is an approach geared towards seeking of more capital revenue for internal operations for technological expansions. Secondly, it should sell its shares and securities at cheaper prices as compared to the rival airline companies to the public. The revenues realized from such operations should be used to improve the IT sector and expansion of its operations to more developed economies than it has currently done. Such among other approaches are set to help Qantas restore its initial financial position and be the profit making company it was in the past. Qantas has been a top Australian company in the airline operations with most trips locally and internationally from the country. It did so while its operations were still manual and realized much returns. It can be hypothesized that due to adoption of technologies and better production plans in the industry, rival companies have emerged top of Qantas. Commendably, Qantas should involve technological experts to digitalize its operations. Emphasis should be laid in the customer care desk, ticketing booking department, business development department, and purchasing of more comfortable and advanced machines and planes. Finally it should introduce cargo tracking systems to curb fraud that costs them much and also introduce air tracking to monitor its flights and mitigate accidents (Hoover, 1992).

# ReferencesTop of Form

Bottom of Form

Top of Form

BENNS, M. (2011). *The men who killed Qantas*. North Sydney, N.S.W., Random House Australia.

Hoover, G. (1992). *Hoover's handbook of world business*. Austin, TX: Reference Press.

PLUNKETT, J. W. (2009). *Plunkett's transportation, supply chain & logistics industry almanac 2009: the only comprehensive guide to the business of transportation, supply chain and logistics management*. Houston, TX., Plunkett Research Ltd.

Qantas Airways Limited. (2011). Building a stronger Qantas. Retrieved 23rd Sept 2015 from http://www.qantas.com.au/infodetail/about/investors/building-a-stronger-qantas-presentation.pdf

Qantas Annual Report Online. (2014). Review of operations for the year ended 30 June 2014. Retrieved 23rd Sept 2015 from http://qantas2014.reportonline.com.au/annual-report/review-of-operations

Qantas Fact File. (2002). Qantas at a glance. Retrieved 23rd Sept 2015 from http://www.qantas.com.au/infodetail/about/FactFilesNov2002.pdf

Thorp, J., & Fujitsu Consulting's Center for Strategic Leadership. (2003). *The information paradox: Realizing the business benefits of information technology*. Toronto: McGraw-Hill Ryerson.

YANG, P. (n. d). Corporate Social Responsibility analysis of Qantas. Retrieved 23rd Sep 2015 from http://www.academia.edu/8622597/Corporate\_Social\_Responsibility\_Analysis\_of\_Qantas