

Analysis of emirates airlines using hayes and wheelwright model

[Environment](#), [Air](#)



This industry has gone through a major revolution in the last few decades and it has indeed revolutionized the transportation industry a great deal. Herewith we will look into Emirates Airline, the gem of the Middle East airline sector and analyze it using the Hayes and Wheelwright model. Emirates airline is one of the fastest-growing and most profitable airlines in the world. The airline started just over 25 years ago in Dubai, United Arab Emirates. Al Maktoum's sheikhdom's ambitious strategy was to reinvent Dubai as a modern hub of tourism and commerce in the Middle East. So investment into an airline could be a prudent and wise idea to help the Emirate for developing itself as a commercial hub of region. Emirates was then born on the 25th October 1985. Emirates flew its first routes out of Dubai with just two aircraft, a leased Boeing 737 and Airbus 300 B4. Less than two decades after its foundation, Emirates placed the biggest order in civil aviation history, for \$19 billion worth of aircraft. Despite 9/11, two Gulf wars and escalating fuel costs, Emirates has enjoyed a 25 per cent annual growth rate since its founding in 1985 and has not posted a loss in the past eighteen years. In 2004, the airline was among the twenty largest global carriers in terms of passenger miles flown. With a fleet of 142 aircraft, emirates currently fly to over 107 destinations in 60 countries around the world covering six continents with a continuously expanding network. Emirates airlines is the flagship company of Emirates group (Appendix 1)

The Hayes and Wheelwright model categorized organizations based on their attitudes towards operations. (Hayes et al, 1984). The model argued that an organization's operations can result into providing a company with a

competitive edge and thus organizations should work hard to reach the fourth stage of the model. The model basically classifies an organization based on its progression from being bad to exceptionally good. (Appendix 2) Stage one which is the holding back stage in progression places companies that fail to progress forward. Companies in this stage fail to manage its operations strategically given a continuous change in performance objectives. Operations managers are reactive rather than proactive. The second stage of the model is the stage where an organization is performing similarly like its peers in the industry.

Organizations in this stage copy the best practices the industry like Just in Time (JIT) and Business Process outsourcing (BPO). They rarely invent any practices to improve operations performance. Operations performance of companies in this stage aligns with the company's strategies. The third stage is when the organization has reached a stage of being clearly the best in the industry. Organizations have their Operations strategy linked to and derived from their respective business strategy. (Hollins et al, 2006, p 18) Given the alignment of these strategies with performance objectives, there is a big chance that an organization ends up having a competitive advantage over its industry peers. Stage four of the model is of excellence where an organization uses its excellent capabilities in operations to achieve long term superiority. Organizations in this stage use operations excellence to drive its business strategy and thus set a benchmark in terms of performance and innovations; not only been envy to its competitors but a delight to its customers. This is the ultimate stage in the model and companies have to

strive continuously with innovations and improvements in order to retain their superiority in the long term.

Emirates airline is the largest and the best airline in the Middle East region. Globally it ranks among the best upcoming airlines with its vision of making itself a global carrier to compete with the elites of who is who in the airline industry. Emirates airline falls in the third stage of the Hayes and Wheelwright model as it is among the best in the industry in the region and among the best globally. To explore further the third stage in which emirates airlines lies within, will require a further analysis into the four key areas ; relationship with internal and external customers, understanding of operations practice, links with competitive strategy and innovation within the operations.(Barnes, 2008, p 26)

Relationship with internal and external customers This is the stage at which operations exceed customer expectations. Emirates airlines ensure that all its flights are on schedule and rarely passengers face unnecessary delays. Delays occur on exceptional basis and passengers are notified and compensated accordingly. If passengers get stranded due to natural calamities, operations try to go out of its way and ensure that they leave a smile on the passenger's faces. Emirates engages its customers to ensure that they deliver beyond their expectations. Passengers' feedbacks are invaluable and used to enhance the customer experience. Customers have requested the use of mobile equipment onboard and emirates has signed contracts with Onair to deliver wireless connectivity within all its A380 flights from 2012. (www. flightglobal. com) Emirates' success has emerged from

taking a non-traditional management approach, rather than relying on the industry's conventional wisdom. Emirates is run like a family.

with, for example, an informal and entrepreneurial spirit. The family culture allows the airline great structural flexibility. The company has managed to develop organically over the last twenty five years and key to its success is the way it manages relationships with internal customers, its employees. A good example is to look at the customer experience at the newly opened Terminal 3 dedicated for emirates airlines only. Customers can check in online, check in on kiosks available inside the airport or check in at the check in counters. Baggage can be dropped off any drop off zones and some checked in at the check in counter. Given all these options, Operations coordinates and ensures that all passengers get their respective baggage when disembarking at their final destinations with minor misplacement of luggage. This applies even for first class passengers who just check in an hour before departure.

Understanding and knowledge of operations practice All employees are trained comprehensively in house on all the systems, procedures and how interrelated their functional departments are to other departments and aligned to the company's vision. Some weeks of training followed by the on the job training puts its employees in a better shape to serve both passenger and internal customers. Rarely you will walk into an emirates office globally and find their staff incompetent.

Operations staff are also concerned with adapting to external ideas if any with ease. Prior to opening their new state of Terminal 3 airport in Dubai, Emirates learnt first from the snag Heathrow's T5 went through when it opened (www.arabianbusiness.com). To ensure that all went well, operations in Dubai staged a dummy passenger exercise and crisis scenario and offered volunteers free skyward miles for participation. The mock exercise which covered the entire passenger and baggage experience was done for months and all teething operations were identified and eliminated. When the airport officially opened, it opened in stages and within months it was up and running fully. What a hassle free and successful feat for emirates to brag about!

Linking operations processes and resources with competitive strategy In this stage key performance strategies are identified and trade offs are made to ensure the success of what is chosen and implemented. Emirates since its inception had wanted to become the country's airline and the region as a whole using Dubai as a hub. Recent years has seen the emergence of budget airlines and at one time the company pondered into doubling also as a budget airline. Careful consideration made them remain with what they are happy doing i. e. giving superior quality service as adopting a budget airline could as well put a dent to its reputation. Furthermore, the company still believes in its strategy of organic growth rather than growth through mergers and acquisition.

Emirates has a closer working link with other affiliated companies of the group to provide leisure experience to complete the holiday experience.

Arabian adventures and emirates holidays are responsible to ensure a great holidaying experience alongside its chains of resorts in some destinations with great variety and flexibility.

Innovation within the operations Emirates has to strive to develop new resources to keep up with the pace of innovation. Innovation is the key in ensuring that the company delivers above expectations within its given resources. The company's ownership of Mercator an IT accompany has clearly paved way for the airline to spread its wings higher up the skies. Check in has become a pleasant experience for customers flying emirates from Dubai. Customer can now even check in and get boarding passes in some metro stations in Dubai.

The company's refurbished skywards programme re-launched earlier this year gives passengers and corporates options on how to redeem their air miles.([www. skywards. com](http://www.skywards.com)) All customers who flew Emirates in the recent concluded FIFA world cup benefitted from watching live games on board, a feat no airline could match.