

Strategic planning in the airline industry

[Business](#), [Industries](#)



The Challenge Rapid and intense change in today's business climate reshapes the fundamental approach to strategic decision-making. New thinking for ways to face the two vital strategy issues – where will the airline be in the future and how to get there – must emerge so that a modern air carrier can leverage its strength and capitalize on opportunities. Creating innovative strategies for the new business paradigm marks a proactive approach to the challenges in the volatile, yet exciting, airline business.

Airlines that embrace a dynamic outlook for strategic planning are positioned favorably to prosper financially and operationally in face of uncertainties and complexities in this business. The strategic plan and its components influence every aspect of running a commercial air carrier. As such, it is critical to devise effective strategies and execute them efficiently. Organizational units depend on clear understanding of the strategic issues so that they can plan accordingly and carry out the responsibilities created by the strategic plan.

Strategic planning brings about an opportunity to examine carefully ways that the airline is conducting its business, and finding new methods to do a better job. Designing and delivering the airline's services in today's demanding marketplace requires sophisticated coordination between business units of the airline. Strategic planning serves as a mechanism to create a framework for integrating various contributions to deliver the airline's offerings. Strategy-based planning addresses both the resource allocation and organization structural issues.

Developing a business model for the airline based on a strategic analysis of opportunities and requirements form a platform for planning resources going

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forward. It also responds to: limitations in utilizing resources uncertainties of the future dynamics of the airline business Business Requirements Strategic Management Strategic management is a disciplined yet adaptive endeavor to chart the future of the airline and align the activities of all business units in that direction.

This attempt must be flexible, not rigid, so that the roadmap that it creates can be applied in building sensible operating and tactical plans that can incorporate new realities as the future unfolds. The strategy-savvy airlines reap the rewards of performing better while avoiding the detrimental effects of unstructured, undisciplined response to strategic challenges. Over time, only the airlines will survive that can master designing an advanced yet pragmatic strategic planning process.

Such a process must encompass all significant considerations for constructing a blueprint of actions and allocating resources for properly executing those actions. CA Advisors 1250 Aviation Avenue Suite 200M San Jose, California 95110 USA Tel: 408-295-7730 Fax: 408-280-5700 [www. ca-advisors. com](http://www.ca-advisors.com) Gesellschaft fuer Markt und Strategieberatung Sonnenberger Strasse 52 65193 Wiesbaden GERMANY Tel: 0611-37577-39 Fax: 0611-37577-40 [www. gms-beratung. com](http://www.gms-beratung.com) What is the airline trying to achieve? How is the airline going to achieve it? Objectives Strategy Strategic Analyses Structure

How will the airline organize its resources? Business Model Policies What are the operating rules and boundaries? Strategy-based Planning Structured Approach to Strategic Planning Seminar agenda... Day One Introduction - strategic management perspective - structured approach to strategic <https://assignbuster.com/strategic-planning-in-the-airline-industry/>

planning. Day Two Planning Optimization - allocating resources - developing prioritization. Airline Business - unique features - models and economics Financial Planning - investment analysis - financing methods Strategy Development - practical considerations - innovative approaches Asset Valuation Real Options methodology - managing uncertainties Strategic Planning Process - components and requirements - execution and evaluation Integrated Strategic Management - thriving financially - performing operationally Who should attend... This seminar delivers methods and tools for creating innovative strategies and executing strategic plans at both the corporate level and organizational units. Lessons learned can be quickly applied, facilitating the complex process of strategic decision-making. Airline corporate development and strategic planning executives, managers, and analysts directly profit from this seminar.

Those responsible for long-range planning of various functional areas, business development, fleet planning, product and service development, corporate finance, treasury and financing, financial and investment analysis, financial planning and budgeting who directly face the challenges in strategic planning are the primary audience. Others in scheduling, marketing, and operations, who are impacted by strategic plans, are also encouraged to attend so that they can benefit from understanding the difficult and complex process of developing strategies and implementing strategic decisions that significantly impact the airline.

Benefit from experienced leaders... Two experts who combine extensive experience in strategic planning, airline strategies, and market development with knowledge of advanced quantitative planning and

managementsciencetechniques will present the seminar. Jahan Alamzad Email: jahan.com Jahan Alamzad is president of CA Advisors. He has served as advisor to Applied Decision Analysis (ADA), a unit of Standard & Poor's Corporate Value Consulting, where he was previously the director of airline practice. (ADA was a wholly owned subsidiary of PricewaterhouseCoopers LLC between 1998 and 2001.) Mr. Alamzad has been a management consultant in the airline and aerospace industries for the past seventeen years. Before his consultingcareer, he worked at American Airlines and United Airlines. Mr. Alamzad holds a masters in operations research from Stanford University, as well as a masters in industrial and systems engineering from the University of Southern California, and bachelors degrees in civil engineering and electrical engineering from the University of Illinois. He has served on the faculty of the Department of Aviation at San Jose State University, and has collaborated in publishing a textbook entitled Airline Management.

Maciej Mazurowicz Email: maciej.de Maciej Mazurowicz is managing partner of Gesellschaft fuer Markt- und Strategieberatung (GMS). Prior to GMS, Mr. Mazurowicz worked at Lufthansa German Airlines in different strategic management positions. At Lufthansa Consulting, he managed a variety of business development projects for airlines worldwide. Mr. Mazurowicz holds a Master of Business Administration and bachelors in business from the University of Kiel. His publications include articles on behalf of the German Ministry of Economics concerning product development and management of innovations.

About CA Advisors... [www. ca-advisors. com](http://www.ca-advisors.com) CA Advisors is a management consulting firm dedicated to providing state-of-the-art analytical services. By applying powerful and practical tools, the firm helps its client understand their business positions and improve their strategic and operational decisions. To ensure the success of its work, the firm is committed to collaborating closely with its clients, communicating clearly about its approach, and delivering valuable results that are logically sound. For many years, the work of CA Advisors professionals has paved a wide range of projects. The firm has a focused and dedicated practice in the airline industry, with a breadth of expertise in aerospace and aviation. The experience of the firm's professionals extends from traditional applications in logistics and resource allocation to more innovative applications in strategic planning. GMS is a management consulting company supporting clients in strategic planning and business development. GMS focuses in planning, marketing and sales, and assists clients in developing and implementing business strategies.

GMS experts facilitate the evaluation of the business environment, forecast and analysis of market scenarios, and development of organizational structures by applying a wide range of state-of-the-art analytical tools and business methods, resulting in optimized financial and operational performance of clients. GMS ensures efficient project realization through a network of cooperation partners – from complete IT solutions up to personnel training. About GMS... [www. gms-beratung. de](http://www.gms-beratung.de)