

# [The seniority rather than the management has](https://assignbuster.com/the-seniority-rather-than-the-management-has/)

[](https://assignbuster.com/)[Business](https://assignbuster.com/essay-subjects/business/), [Industries](https://assignbuster.com/essay-subjects/business/industries/)

The service delivery gap is very low inSIA as compared to other airline firms. Here, their training and recruitingprocess is so thorough that SIA always manages to match its customer perceptionto the brand promise. SIA also believes in having leaders androle models with their employees at all times. These practices done by SIA areevidently known to boost organizational performance in a cost effective way yetmany do not succeed in implementing them. (Huselid et al. , 1997).

SIA tends tobelieve that the wrong people are a liability hence their lengthy selectingprocess. Another edge that SIA has over itscompetitors is the brand name and the prestige that comes with working in thecompany. This brings fresh and talented recruits who want to be the part of theSIA team along with increasing the pool of applicants to choose from. Thisincreases the work ethic and commitment that other brands may not have. SIA’sreputation also helps the brand be cost effective in ways other company’s can’t. Another example of this can be the low salary which SIA can afford as workingfor the company offers other advantages. Like the recognition and pride ofworking in a company that has been voted “ best airline” and “ best cabin crew” for the longest time is and upright advantage SIA has over its competitors.

(Pangarkar, 2008)  Evaluating the US AirlineIndustry US airlines are mostly connected bythree factors: time, pricing and competition. They are mostly known to havelower service quality than Asian airlines and bad quality in compared toSingapore airline. Unions certainly have a role to play in the lack of servicedelivery often seen in the US airline.

Other reasons include not regularly orpersonally monitoring the employee’s performance. Not giving proper financialor non-financial incentives as rewards for a job well done and not getting ridof poor performers from the front line staff. Even though the US airlines spends a lotof money new seats and planes it all loses its impact due to the poor serviceby the front line staff. The employees being controlled by the unions ratherthan the company and the evaluation done by seniority rather than themanagement has caused the problems faced today by these airlines. Some of thefront line crew that performs well does it because they are motivated to do so. They do not gain any perks and have no incentive t perform better thaneveryone. So culture and the institution are amajor factor that goes hand in hand to make the service quality better.

But aslong as they are only paid to go the route and commendations are the way toperformance evaluations, pay and benefits the airlines will not have doneenough or given enough to their front line workers to deliver exceptionalservice. (Leff, 2013)    Cutting Cost Internally (Do’sand Don’ts) As mentioned above SIA being verysuccessful at service excellence comes at a very low cost to SIA literally. SIAlow provides low rates of salary to their employees according to globalstandards and standard according to Singaporean airline. They have gotten intotrouble for not paying their employees well all the while being a company thatfocuses on customers. In 2007, SIA was mentioned everywhere because the LinePilots’ Association Singapore (ALPA-S) did not agree with the salary rate forairbus 1380 pilots agreed by the management. However at SIA the cost cuts are linkedto other motivating factors for employees such as company’s growth and anapproach known as the motivating cost discipline (MCD).

This method should beused by every company wanting to cut costs in an effective and positive manner. The MCD frame helps the company gain quick and unrelenting cost cutback which involvesand motivates employees. There are six steps to the MCD frame: 1. Set up a procedure formedby shared values2. Start managingunity and assurance3.

Generate the emotional alongwith the rational businesscase4. Enroll the help of frontlinemotivators5. Engage the business for making cost cutbacks through fourangles6. Execute managerialsolutions that produce long-term performance change