

The seniority rather than the management has

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



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

SIA tends to believe that the wrong people are a liability hence their lengthy selecting process. Another edge that SIA has over its competitors is the brand name and the prestige that comes with working in the company. This brings fresh and talented recruits who want to be the part of the SIA team along with increasing the pool of applicants to choose from. This increases the work ethic and commitment that other brands may not have. SIA's reputation 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 working for the company offers other advantages. Like the recognition and pride of working 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 Airline Industry US airlines are mostly connected by three factors: time, pricing and competition. They are mostly known to have lower service quality than Asian airlines and bad quality in compared to Singapore airline. Unions certainly have a role to play in the lack of service delivery often seen in the US airline.

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

But as long as they are only paid to go the route and commendations are the way to performance evaluations, pay and benefits, the airlines will not have done enough or given enough to their front line workers to deliver exceptional service. (Leff, 2013) Cutting Cost Internally (Do's and Don'ts) As mentioned above, SIA being very successful at service excellence comes at a very low cost to SIA literally. SIA provides low rates of salary to their employees according to global standards and standard according to Singaporean airlines. They have gotten into trouble for not paying their employees well all the while being a company that focuses on customers. In 2007, SIA was mentioned everywhere because the Line Pilots' Association Singapore (ALPA-S) did not agree with the salary rate for Airbus 1380 pilots agreed by the management. However, at SIA the cost cuts are linked to other

motivating factors for employees such as company's growth and an approach known as the motivating cost discipline (MCD).

This method should be used 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 involves and motivates employees. There are six steps to the MCD frame: 1. Set up a procedure formed by shared values 2. Start managing unity and assurance 3.

Generate the emotional along with the rational business case 4. Enroll the help of front line motivators 5. Engage the business for making cost cutbacks through four angles 6. Execute managerial solutions that produce long-term performance change