

# Executive summary of singapore airlines

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



SIA was officially launched in 1972 after the split of the Malaysia-Singapore Airline. It went through tough time since its launch as it was small and barely had essential infrastructures and resources to compete on same ground with the big names then. Today, SIA is operating with 28, 000 strong workforce devoted to offer its passengers the best of airline services competing with renowned airlines in the world. SIA flights operations currently extend to 93 destinations in 42 countries, covering Asia Europe, North America, the Middle East, the South West Pacific and Africa regions.

### Product

SIA constantly challenges the industry by setting new standards and quality in its products with its ever-innovative ideas and services onboard. Over the years, SIA has established itself as a world-class airline by giving efficient flight services, vast networks coverage and also value-adding to its already leading standards in commercial aviation. Among its in-flight products and services worth mentioning would be its innovative injection of free headsets, choice of free meals and drinks in Economy class; satellite-based in-flight telephones; in-flight entertainments-KrisWorld; in-flight video and audio on demand-WISEMEN.

### Market

As the lifting of restriction to access to air routes and airports to safeguard individual interests progresses, the commercial aviation SIA faces has changed to become more competitive than before. These changes immediately forced SIA to re-look into its competitiveness in a world-class scale. With the rapid rate of advancement in aviation technology, the world

has been made much smaller than it used to making air traveling at ease. Increasing affordability of air traveling has also contributed to the surge in intensity to improve and enhance SIA standard of services so as to stay competitive in the wake of global competition. SIA has identified its passengers' desires and it is committed to develop its distinctive competitive edge in customer service through its people making them the “hallmark” of efficiency and customer service.

### Introduction of TQM

Total Quality Management (TQM) is an integrated system of principles, methods, and best practices that provide a framework for organizations to strive for excellence in everything they do.

Over the past decades, companies have been constantly confronting evolution in the industry. Such changes, whether in economy, politics, or advancement in the information technology, forced firms to battle with the emerging competition that drive them to consider redesigning the organization's processes in order to survive in a competing industry.

### Overview

Total Quality Management is a philosophy used by organizations to a continuous improvement of their processes, products and services. Quality is an important aspect that management looks into to improve these areas.

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- \* Customer needs as the top priority.
- \* Top Management as the leaders for quality.
- \* Quality as a strategic use.
- \* Quality as the concern and responsibility of all employees at all levels of the organizations.
- \* Continuous quality improvement to achieve strategic goals as the function of the company.
- \* Quality problems are solved through cooperation among employees and management.
- \* The use statistical quality control methods as a solution to continuous quality improvement.

\* Training and education as the basis for continuous quality improvement for the employees.

Deming's method of quality management supports continuous improvement of the production processes. A successful TQM requires changes in every production process involved in the business: Marketing and R; D, Engineering, Purchasing, Personnel, Management, Packing, Storing and Shipping, After Sales Support.

Marketing and R; D define the quality characteristics of what the end user wants and needs. Identifying these needs will lead the company to produce the best quality products that will give satisfaction to the customers.

Marketers must rethink of their role. And that is to gratify a customer and not purely advertise the product/service (Beckham, 1992).

Engineering transforms this quality characteristic of the products that the customer expects. And it needed to focus on all quality even during the design stage. It will require less cost for the company to rebuild everything when it's still in the design stage.

Purchasing materials and parts to produce this product must be of quality too for it will be as important as the finish product. Personnel must hire employees that have the required abilities to perform a respective function in an organization and must be responsible to train them for an improvement in their performance. TQM requires that all employees all over the organization must be responsible to bring in quality and perform with quality.

Management must implement, monitor and maintain the quality throughout the organization.

Packing, Storing and Shipping makes sure that the finish products will be delivered to the end users with high quality. Therefore, it requires that packaging materials, storage procedures and shipping manners be at equally superior value.

After-Sale Support, also known as Customer Service, must be committed to giving in continuous and high-quality customer support. As a production process, it must be responsible to providing good instruction to the customers as far as usage or consumption is concerned. Once the product does not satisfy the customer, or does not function properly, the company must be responsible for the replacement or repair of the product.

## Introduction

Premium brands capture the public imagination when they stand out from the rest. Singapore Airlines (SIA) which is particularly well known for the quality of its product offering and excellence of service standards. Singapore Airlines' customer service standards are symbolized by the distinctive uniform of its flight stewardess, a sarong kebaya in batik material designed by Parisian couturier Pierre Balmain, reflecting its Asian heritage.

In the modern service economy it is frequently customer service that differentiates one product from another. A prime example is the airline business, where passengers may be traveling for many hours. During these periods people want to relax in comfort, knowing that their individual needs

are being catered for. SIA aims to provide the best product for its passengers, plus the best customer service available, offering the best.

## Singapore Airlines

After the spilt of Malaysia-Singapore Airlines, SIA was officially launched in 1972. Today, SIA's network reaches out to 93 destinations in 42 countries, serving Asia, Europe, North America, the Middle East, the South West Pacific and Africa. Its regional airline subsidiary, SilkAir, serves 21 exotic destinations in 8 countries. SIA has also created a number of strategic alliances, such as the 'Star Alliance' with other major airlines to serve other markets jointly.

Remarkably for the airline industry, SIA owns all its aircraft, unlike many other airlines that lease a substantial part of their fleet. It also has one of the youngest fleets, with an average age of 5 years and 10 months.

## Developing a competitive edge

SIA initially needed to carry out an analysis of its operating environment. The traditional business tool for doing this is a SWOT analysis (strengths, weaknesses, opportunities and threats). The strengths and weaknesses are factors internal to the organization. SIA's key strength lies in the location of Singapore as an important crossroads of the world.

Singapore is a relatively small country, which has been one of the economic success stories of the last 25 years. As with other Southeast Asian economies Singapore's success lies in the strong trading links that the

country has developed in the global economy. As a former British colony that gained independence in 1965, it had to market its services globally to be successful.

In its early days, the airline was much smaller than its rivals. This was a major internal weakness. SIA, as the national airline, was faced with an intensely competitive global market in which the big players like British Airways operated on many routes with large fleets of aircraft.

Until recently many countries have restricted access to air routes and airports in order to protect their national airlines against foreign competition.

Today all this is changing, as, along with many other areas of international trade, there is strong pressure to open up markets and allow greater competition. However, in the early years SIA had to work very hard to secure the right of access to many important countries and airports. It took many years of struggle to achieve landing rights at Heathrow, followed by Manchester. Most recently SIA is seeking access to transatlantic routes from the UK. SIA is committed to the notion of “open skies”, i. e. open access of routes to airlines with the consumer deciding with whom he or she wants to fly. It continues to be a bone of contention for SIA that while Singapore has opened its own airport to other airlines, SIA is still restricted from access to other routes, e. g. transatlantic.

The main opportunity facing SIA was the rapid growth in air transport for both passenger and cargo. Today the globe is a much smaller place, people can move rapidly from one continent to another in a matter of hours and



more people have the disposable income to afford this. However, there are threats to an airline like SIA from the major national carriers of much larger countries, and restrictive regulation of air routes.

The SIA Group is Singapore's largest private sector employer with a 28, 000 strong workforce. The airline is committed to the development of its human resources. The airline has been able to develop its distinctive competitive edge in customer service through its people. From an early date SIA recognized the importance of customer service in gaining and retaining customer loyalty. SIA has always placed great emphasis on quality training for staff, which has established its cabin crew as the "hallmark" of efficiency and customer service. This has led to greater competitive advantage.

Extending the product ; customer service offer

Product innovation and service excellence form the pillars of SIA 's operational philosophy. SIA strives to continually "raise the bar", by setting new product and service quality standards for the aviation industry.

In the 1940s, in-flight refreshments comprised a thermos flask of iced water; this was later extended to sandwiches and cold drinks; today customers expect a lot more.

There is a great opportunity for airlines to offer added value for their passengers. This is achieved through a host of additional extras that make up the customer service package. As the industry is so competitive, standards are continually improving.