The introduction of airasia commerce essay

The AirAsia is a type of business that provided flight service to everyone. Their vision is to be the largest low cost airline in Asia with poor connectivity and high fares. It is a profit organization in the flight service, so it is making profit with the intent. But, it is also the leading low-cost carrier in Malaysia. Besides, the business strategy of Air Asias is centred on cost leadership and targets specific markets which are price sensitive customers who need the short haul flights. AirAsia makes the low fare model possible and create values through the implementation of the key strategies.

One of the strategies of they makes is safety first. The AirAsia has partnered with the world most renowned maintenance provides and complying with the world airline operations. So, they have to communicate with each other and maintain contact with each other in any time. Before the airplane is ready to flight, they also have to inform each other. In this case, the customer has a safety flight while the airplane flight.

Next, AirAsia also have a strategy that is low fare and no frills in airline. They provided guests with the choice of customizing services without compromising on quality and services. No matter how, their services is still same and provided better service or more to their customer. Besides, there is also has the streamline operation to make sure that processes are as simple as possible. An example, the flight schedule is provided into the website, so that the guests are offered to check the schedule of flight in any time. Furthermore, the guests are also allowed to contact to the customer service through by the website to ask any question about flight.

The AirAsia also provided food services inside the airplane. While the airplane is flying, the air hostess will goes to their customer seat to ask them need any drink or food, so that they are preventing their guests be hungry and thirsty while inside the airplane. Besides of that, the guests are allowed to order food on the website and pay by credit card. Choose their favourite food and drink to having inside the airplane. ??

1. 3 Four Department of AirAsia

1. 3. 1 Flight Engineering Department

Flight Engineering Departments responsibilities are to monitoring the overall condition of an aircraft and repair the aircraft. This department will also check for the engine performance and record the cabin pressurization data.

Flight engineers are advance to management positions within a flight engineering department and advance to general airline management. The flight engineers will develop a sophisticated knowledge of airline technology and trends within the industry in order to advance. Beside, flight engineers must know everything about their specific job and the policies of their airline so that they easy to make decision. However, exceptional flight engineers are also research different plane issues and understand the engineering issues prevalent throughout the airline industry.

1. 3. 2 Quality and Safety Department

Quality and Safety Departments responsibilities are to make sure that safety and efficiency of the flight be done. This department will make sure every flight operate in time and check the safety of the airplane before the flight.

This department will take all the measures to ensure secure, safety and efficient flights. At the same time, this department is also continuously to improving their operational efficiency considering environmental protection, safety performance, and occupational health. Quality and Safety Department are improving their collaboration with their suppliers in respect of environmental sensitivity, work safety and ensure employee participation. Besides that, they also will ensure their guests in travel on time in every flight.

1. 3. 3 Finance Department

The finance department is responsible for all matters relating to Finance functions of the commission. Financial accounting is responsible for recording all business transactions and produces the accounts. Cost accounting is to calculate the cost of production and management accounting involves the accounting for decision-making purposes about planning activities, budgets, and capital investment. Besides that, the finance department involves in decision of methods of raising finance, cash flow, credit control, debt control, and expenditure. They also create a balance sheet and profit or loss account and manage the wages and raise of finance.

In the finance department, the finance function is in charge of managing the capitalization of the firm. Besides, the finance function is also responsible for managing the firms financial assets to maximize the return on these financial assets. The finance department is helping the company to make more assets for futures.

1. 3. 4 Human Resources Department

Human resources are the most important assets in a company. The human resources department in any companies is responsible for hiring, training, evaluating and compensating employees. Besides, they provided training and development programmes for employees to upgrade their skills on business processes. They also attract newly graduates to join their management in various departments.

Besides that, human resources are a somewhat vague term that doesnt capture well the scope of the duties in the department. Human resources staff while handles a lot of the matters pertaining to the employees of the company, such as benefits management and recruiting, they are work with management and help develop long-term strategies to growth and development for the company. HR departments are also often acts as a middleman between the employees and management, so that should be where employees go for the basic company information.

2. 1 Four of Information System

2. 1. 1 Human Resource Management Information Systems (HRMIS)

In the HRMIS, human resource planning is plan by an employee from the HRD management to resource ordains. They will consultation with the top management about the human resource planning. HRMIS is a primarily based system on the requirements of human resource planning system. A representative IS is gained importance to the skills inventory IS and HR assessment bank. Besides that, the objective of the IS are to identify the talent resources of the organization and use to optimize its effective. The IS are includes a computer simulation work force model, so that the simulation technique is use to evaluate alternative human resource plans. For example, new recruitment, retraining, transferring, project feasibility, and others are under to the various human resource management approaches. Next, the significant human resource information system is a salary control IS. It ensures that the salary policies of the company are implemented in such way so that the salaries of the cost are remains within a limit of the HR budget. It is a product of the employees to be recruited or maintained the rates at they are to be paid over a budget in a year. Besides of that, the salary control information system is also provided a system of salary audit, so that it can be ensures the salary levels are in direct correlation with the ever fluctuating market rates in the industry.

Human resource planning is a governed by the demand, future human resource requirements of an organization and supply forecasting techniques to determine the current. However, human resource planning also is the process by management determination and how an organization must move from its current manpower position to its manpower position. Prediction is used to calculate of future requirement in human resource in number and

the quality. Annual budget is a basic translated into activity levels for various management functions. The most popular skill using in demand forecasting are work analysis and ratio analysis. Work analysis is start with budget volume of output for individual department or information on estimated saleable. The information is drawn from annual corporate budget or project budget. The productive hours generate information on permanent employees and estimate direct labour requirement. Factor also included in past experience and also analysis considerations on changing method. Ratio trend analysis is accomplished by employing past ratio. Besides, benefit analysis also combined with ratio trend analysis consultants sourced from outside the organization or estimation of indirect labour requirement of non-permanent employees. Supply forecasting can estimated the number of people that from outside and inside of organization taking into wastage of time, consideration estimated absenteeism and external environmental factors.

2. 1. 2 Customer Relationship Management (CRM)

CRM is the abbreviation for Customer Relationship Management. CRM entails all aspects of interaction that a company has with its customer, whether it is sales or service-related. In addition, CRM is often thought of as a business strategy that enables businesses to understand the customer. That is the first business strategy of CRM. The second business strategy of CRM is to retain customers through better customer experience. The third business strategy of CRM is to attract new customer. The fourth business strategy of CRM is to win new clients and contracts increase the profitably. The last

business strategy of CRM is to contracts increase profitably and decrease customer costs. This department also have the Computer reservation system. Computer Reservation System is a kind of computerized system that can used to store and get information or transaction that usually used by air travel company. Therefore, the Sales and Marketing Department from Air Asia use this system to automate tickets handling issue. The purpose for this department to use Computer Reservation System is mostly focus to the customer. Computer Reservation System let customer to make reservations directly through Internet and webpage to reduce customers waste of cost to walk in to the company to make reservation manually and also waste time to queue up for ticket consuming.

Besides that, Sales Force Automation is a part of CRM. The SFA is a system that will automatically record all the stages in a sales process. SFA system is also will tracks all the contact that has been made with a given customer, the purpose of the contact and any follow up that may be needed. Furthermore, customer service is an organizations ability to supply their customers wants and needs. Besides, customer service also is an extremely important part of maintaining ongoing client relationships that are keys to continuing revenue.

2. 2 Detail of Information Systems

2. 2. 1 Human Resource Management Information Systems (HRMIS)

The scope of the HR management includes work design, performance analysis, recruiting, reward, it also have work evaluation, motivation plan,

salary structure design, employees skill analysis and systematic training in this department. The work design included decisions on the content of the particular job in the organization in terms of systems, techniques and procedures. There also need to maintain the data on the particulars jobs, duties, responsibilities and interrelationships in the tasks force and the skills. In other, the salary control ratio suggested how far of the average salary for the grade in an organization is varies from the industry, the average may be calculated. For example, if the Average of all salaries in a grade divided to the Average salary of the industry for the same grade the answer is equal to 1, thats mean the distribution of the salary may be considered on target. Besides of that, if the ratio is less than or greater than 1, such case are ordains a proper study to justify and correct such variation.

Besides that, HRMIS have an important system which is human resource planning system. A company to make proper use of its resource, there needs to be a plan in place. By not having proper human resources planning in place, a company will lose money because of an under-qualified staff or an inappropriate staffing amount, according to the staffing experts at the Accel Team Development website. By understanding the functions of human resource planning, you can better appreciate its impact on your companys success. It has four types of functions in human resource planning such as staff levels, qualifications, budgets, recruitment. Staff levels is human resource professionals will gather all of the personnel projections from each of the department, then compare them to present staff levels and then design a plan to make sure that the company is adequately staffed for the coming years. Demand of a business can change quickly, so that the human

resource group should review the staffing levels with departmental managers on no less than a quarterly basis to make sure that accelerated company growth has not affected the need for personnel. Qualification is a function of the human resources group in respect to qualified employees is two-fold proposition. Its make sure that there is always an updated file of resumes on hand of qualified individuals who already have been interviewed by human resource staff. Besides that, qualification function of the human resources group is to go over the growth patterns of the company with departmental managers to see what new qualifications should be part of future candidate searches. Budget that is a company stays profitable by working within its predetermined budget. When human resources personnel set out to fill job openings, they need to understand the departmental personnel budgets they are working with and stay within those numbers when conduct with candidates. This requires close work with executives and managers to make sure the company gets the talent it needs to move forward but without going over the prescribed annual budget. Recruitment is the resumes that human resources professionals use to keep candidates available for future staffing needs to come from permanent recruiting efforts done by the human resources group. The human resources professionals spend time at recruiting trade shows, visiting college campuses and getting involved in any other activity that will help them come into contact with talented candidates. A proactive recruiting effort is essential to the ongoing human resources planning success of any company.

2. 2. 1. 1 Four Function of HRMIS

2. 2. 1. 1. 1 Work evaluation

Companies must conduct formal evaluations for their every employee at least once a year. The supervisor will be reviews and discusses each employees job performance to confirm their performance in good. The supervisor is also often to prepare and presents a written evaluation to all employees and will copy the evaluation to keep in the employees in personnel file the make records.

The purpose of the evaluation is to serves the important purposes for employees and supervisors. The employees can be feedback their supervisors on their work quality, overall of their work performance, work behavior and others. Besides that, the supervisors can be provide feedback to the employees on their opportunity, critique employees work performance and others.

2. 2. 1. 1. 2 Performance analysis

The performance analysis is to involve the gathering formal and the informal data to help the customers and the sponsors define and achieve their goals. Besides, the performance analysis are uncovers several perspectives on an opportunity or problem, determining any and all of the drivers towards or barriers to successful the performance and proposing the solution system based on what is discovered. The part of a performance analysis is doing interview the sponsor, reading the annual report, chatting at lunch with a group of customer service representatives and others.

2. 2. 1. 1. 3 Human Resource Recruitment

A companys strength is built on the quality of its employees. Human Resource is playing an increasing important role in businesses. Human Resource also has responsibility for recruiting and retaining talented employees. When employee enters an organization, everything from signing their contract to paying their wages and catering for their training needs is facilitated by the human resource function.

2. 2. 1. 1. 4 Work design

Work design is used by organization to boost productivity by offering employees non-monetary rewards such as satisfaction from a greater sense of personal achievement. Work design also can call job design. Job design is the process of putting together various elements to from a job, bearing in mind organizational and individual worker requirements, as well as considerations of health, ergonomics, and safety. Job design typically refers to the way that a set of tasks, or an entire position, is organized. Good design incorporates the relationship with organizational goals and values and should be well understood in order to align and prioritize the jobs responsibilities. The design should provide feedback to the employees about their expected performance. It also included training requirements so employees know tasks to do and how to do them properly. Allow for employee input. Employees should have the option vary activities according to personal needs, circumstances in the workplace and work habits.

2. 2. 2 Customer Relationship Management (CRM)

Customer Relationship Management (CRM) is the strongest and the most efficient approach in maintaining and creating relationship with customer. Definition of CRM, CRM provides the tools that enable a business and its employees to provide fast, convenient, dependable, and consistent service to its customers. Besides, CRM use a set of integrated applications to address all aspects of the customer relationship, including marketing, sales and service. Objective of CRM is learns about customers needs and behaviours. Other than this is builds long-term and sustainable customer relationship by treating the customer as unique. Furthermore, it is manages all aspects of customer encounter. Finally, assists marketing managers in CRM product planning, pricing, and other product management decisions, advertising, sales promotion, and targeted marketing strategies, and market research and forecasting.

Benefit of using CRM that consists of helping an enterprise to enable its marketing department to identify and target their best customer, manage marketing campaigns and generate quality leads for the sales team. Besides, CRM also consists of assisting the organization to improve telesales, account, and sales management by optimizing information shared by multiple employees, and streamlining existing processes. In addition, it is also allowing the formation of individualised relationships with customers, with the aim of improving customer satisfaction and maximising profits identifying the most profitable customers and providing them the highest level of service. Finally, CRM also providing employees with the information and processes necessary to know their customers so that understand and identify customer needs and effectively build relationships between the

company. Besides that, CRM has the existence function of Computer Reservation system. The travel agencies and customer can be make reservations easily and directly using their computer to book any airline without go to airports. At the same time, marketing department will not waste any staff in the airport for ticket reservation.

2. 2. 2. 1 Four Function of CRM

2. 2. 2. 1. 1 Computer Reservation System (CRS)

Computer Reservation System is a computerize system that contain the information for schedules and empty seats. Major Computer Reservation System operations that book and sell tickets for more than one airline are also known as global distribution systems (GDS). Computer Reservation System can help to track booking and schedule flight activities with real-time. This system will improve the service better as Computer Reservation System help Air Asia to introduce first ticket less travel option so that travel agencies and customer can make reservations easily and directly using their computer to book any airline without go to airports which will attract those customers who need to rush for ticket purchase. At the same time, marketing department will not waste any staff in the airport for ticket reservation. Computer Reservation System will provide the latest price list into web or Internet from time to time. Other than that, this system will also enable a company to access data relating to other companies and their passengers depend on certain facilities.

2. 2. 2. 1. 2 Promotion planning

Promotion planning is a tool of promotion or tactic plan that a company use for increase marketing sales purpose. Promotion of a company or a product is a must in order to attract customer to know more and detail about it. Without the function of promotion planning, the promotion will be less attracted and waste of cost. Therefore, promotion planning is one of the functions for sales and marketing department in order to make profit for the company. Before the planning is begin, sales and marketing department will first do research on the demand of customer. The plan will be done by search past few years report to ensure the customer will get the highest satisfaction. Promotion planning can also be done depends on Promotion can be made in lot of way for example communication. The department staff will communicate with customer when the customers call the company for services. Then the department will use this chance to promote their latest plan or promotion for the customer.

2. 2. 2. 1. 3 Sales Force Automation (SFA)

Sales Force Automation (SFA) systems help sales staff to increase marketing department productivity by focusing sales efforts on the most profitable customers, those who are good candidates for sales and services. SFA system provide sales prospect and contact information, product configuration capabilities and sales quote generation capabilities. Besides, SFA systems also help sales and marketing department with functions related to taking orders, generating proposals or quotes, managing partners, and maintaining contact data. Systems often include various levels of analytic and reporting capabilities.

2. 2. 2. 1. 4 Customer service

CRM provide information and tools to increase the efficiency of call center, help desks and customer support staff. Besides, CRM also provide service from call. For example, reservation ticket or ask for information. When CRM is in conversation, CRM will save the conversation so that when customers walk in to ask for information, the customer also will get the same answer.

2. 3 Suggestion to improve or add new function to the Information System

2. 3. 1 Improve service

In hiring employee part of AirAsia, I suggest they must improve their requirement while hiring an employee. AirAsia one of the business parts is taking about service. In the airplane, customer need a good service while they are in the airplane from where to where. Customer inside the airplane are resting or enjoying, they hoped they can get a good service at all. Once AirAsia employees are not servicing the customer, it will affect the AirAsia companies honorary. The customers will complaint to the companies. So, AirAsia must have a good service at all even at the airport or in the customer service while customers need help. It is related to the HR department while hiring employee. Once hired an employee are rude while servicing customers, the company honorary will be affect in this case. Besides that, HR department also must teach their employee skills how to serve a customer properly and how customer felt their service is good enough. They must have training from time to time. The training are compulsory to join even an employees are expert in servicing. In the final, while they are hiring

employee, who meet the requirements and fulfil the HR department request just can hire to be employee.

2. 3. 2 Improve On Job Design

Most organizations have job descriptions, but many fail to specify in one or two page of the documents and how to spend the time on the job. There are two reasons of time percentages. The first of the reason are money and time. These two main things spend on job each day. Assuming people will spend their limited time wisely, so the work will be favourable. Second reason is do not do a good job of tracking when spend on the time. Especially, if work in a crisis focused environment, it will get emotions overwhelm minds ability keep track of time. Time is the ultimate constraint to process excellence. If want to get a better result and go faster, that have to use this limited resource more effectively.

2. 3. 3 Improve Reservation System

The suggestion to improve the marketing department information system for Computer Reservation System is customer reserve a flight ticket, but the customer did not come two days before the date of departures. The ticket of the customer reserved will be open for reservation and purchase. The customer will not be informed. I suggest that the department can improve like this. If the customers reserve a flight ticket and the date of departure date is coming soon and the customer has not come to make payment. The staff of the department can send a message or email to the customer to inform them the date of departure is coming soon please come to make

payment if not this reserved ticket will be open for reservation again. If the customers have some little problem or excuses that the staff of department can accept then will give the customer a chance to make payment again.

2. 3. 4 Improve Recruiting Function

One of Human Resource Management Information System function is recruiting. Recruiting is a process of identify and hire the best quality candidate for a company. Big company will accept the challenge to improve IS function for every year. The purpose of this improvement is to make sure the company will be efficient at any rate. The improvement that can be made in the function of recruiting is strictly by chosen the types of candidates that fulfil the requirement of the job referring to candidates certificate and experience. This IS will help to choose the candidate with better experience and certificate. After the candidates are chosen, analysis report will generated for Human Resource Department in the purpose of better decision making on choosing employee.

3. 1 The Report of Sales and Marketing Department

This report is showing the comparison between 2 companies that is AirAsia and the Malaysia Airlines (MAS) but focused on Air Asia. The Sales and Marketing Department from Air Asia use Customer Relationship Management System to generate this report. This report contains stock price and passenger traffic throughout the year. This report usually will be handed to middle level management, high level management or the CEO of the company. This generated report will help the manager to analyze the sales

profit or loss for further decision making. Usually the CEO is low-educated

people so the report must be clear and

easy to understand to make another step.

3. 2 The Report of Human Resource Department

Besides of the Sales and Marketing Department report, HRMIS is also

generated report. This annual report is prepared by the HR department. The

purpose of this report is for the CEO to make future planning for the AirAsia

companies. This report is specialized for recruitment too. The recruitment

requirement is based on the company needs so that it can improve the

company standard or level. As the report mentioned right attitude creative

ability to fix any problem.