

Operations business report – case study: qantas

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Executive Summary Qantas is Australia's largest domestic and international airline. Qantas was founded in the Queensland outback in 1920 and it began its operations with one aircraft carrying mail and now it has expanded to 146 planes transporting people all over the world. Qantas' major influences they have to deal in today's market include globalization, technology and the increased cost-based competition and the strategies that they have implemented to meet these influences are outsourcing and a mix of established and leading edge technology.

Competitive Advantage Qantas, having two flying services (Qantas and Starters) allows them to organize and book two aircrafts to serve the passenger to compete the competitive advantage more than others. Qantas established the frequent flyer program that different from other airlines to make customer loyalty. Qantas is also in coalition with many local companies.

Woolworth is the most known and the idea is to provide a competitive advantage to each other. Qantas is known for premium service so they incorporate Starters as a budget flight giving a competitive advantage, but also a cost advantage. Qantas is one of the world's most recognized and reputable brands, which gives them an opportunity to exploit their competitive advantage.

3. Operations Qantas manages to sustain a competitive advantage in the market, predominantly due to how their operations function and how they manage it.

3.1 - Strategic Role of Operations Qantas has three different strategic roles of operations.

These strategies that Cantatas has incorporated are costleadership, differentiation and market focus Operations management within Cantatas includes scheduling, determining staffing levels and staff training and has demonstrated its ability to respond quickly to challenges and the success of rival low cost airlines Cantatas' operations are strategically important because most organizational activity comprises the day-to-day activities within the operation function Its strategy and operations go hand-in- hand and Is a key determinant of its ability to achieve long term success and ultimately, a competitive advantage within the market

The influences and current operational responses by Cantatas include globalization, rapidly developing technology and increased cost-based competition Globalization has made Cantatas re-think about their operations as they need to not only keep up with constant fluctuations and how the world is responding to it, to sustain their competitive advantage.

The responses from Cantatas regarding globalization include o launching new airlines in Asia due to the Asian century we are experiencing and o cost minimization to be more internationally competitive. The rapidly developing technology from Cantatas has allowed for operational processes to be a lot more efficient and effective. The changes have included o newer planes o new check ins o Q bag tags Due to the expanding market of aircraft, it has resulted in an increased cost based competition.

Cantatas has had to respond to these changes within the market and the responses from Cantatas include o outsourcing o online bookings o employing more labor saving techniques The influences that Cantatas has

had to deal with has made them change a lot of their operations but the way they have responded to it, has allowed them to sustain a competitive advantage.

3. - Operations Processes

The operations processes are classified into three separate groups, inputs, the transformation process and outputs. Inputs are classified into sub groups, which are transformed and transforming resources. This means, Cantatas focuses on food ingredients for their catering services, computers, labor, and capital. The transformation process are also classified into subgroups, which include volume, rarity, variation in demand and visibility (the four Vs..) and monitoring, controlling and improvement. In terms of the four vs., Cantatas experiences a predictable major increase in demand for the school holidays and other major events but also had to cope with major decreases such as the 9/11 bombings. Monitoring and controlling at Cantatas involves taking corrective action and making new plans if necessary. Customer service is Cantatas' major output and they continually focus on delivering the highest levels of customer service. They have recently adopted the " Net Promoter Score" as a key measure of customer service. The processes that Cantatas have implemented, how they identify peak times of the year and then deal with those situations has given them a competitive advantage over other businesses, which fail.

4 - Operations Strategies

There are a number of strategies for improving operations at Cantatas and the two major strategies that Cantatas have implemented are outsourcing and technology. Outsourcing is on the increase within Cantatas and currently, Cantatas outsources early all of its IT operations and some small call centre operations.

The advantages that outsourcing has given Qantas include saving in capital outlay, saving in labor and saving in cost. Qantas relies heavily on technology, but airline technology is complex and it is continually being advanced and updated. Qantas was one of a number of airlines, who placed advance orders for the new Airbus A380, but they were opted to make sure they were not the airline to receive the very first ones as

Qantas are all about quality for the customer. Qantas made sure that they could sustain their competitive advantage within the market by ensuring that they got leading edge and established technology that was well reviewed and started outsourcing the right things to keep the operations effective and efficient. 4. Conclusion Through Qantas' strategies they have adopted, the way they have changed and adapted to the influences within the market and the efficiency of their processes, it has allowed for Qantas to not only gain a competitive advantage but sustain it as well.