

British airways world cargo

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British Airways World Cargo is one of the leading cargo airlines in the world, carrying freight, mail and courier traffic to 200 destinations in more than 80 countries. The BA network and freighter programme make it one of the largest single carrier networks, with a reliable schedule, same day connections between most continents and destinations, and extensive road connections. They have developed a portfolio of products that meet their customer's needs. Their experienced operational and commercial teams worldwide take pride in delivering high levels of performance and customer care.

The business is administratively divided into geographical regions based in: North America; Central and Latin America (plus Spain); Western Europe; North and Eastern Europe (plus the Eastern Mediterranean); Africa, the Gulf States and India; and Asia Pacific. Autonomous, but not independent, business units reflect functional differences such as cargo, engineering and maintenance, and the recently formed UK regional airline, CitiExpress. The group corporate and operating headquarters are located at Heathrow Airport in the UK. Over 61, 000 staff were employed by the group worldwide in 2001/2002, 81% of them based in the UK.

In 2001 and 2002 the global airline industry experienced a sharp reversal of fortunes. This was caused by the severe world economic slowdown combined with the impact of terrorist attacks in the US on 11 September 2001. These factors were compounded by the subsequent uncertain geographical; environment and the rise of serious competition from the introduction of the 'no frills' airlines. In response BA Background 2 was forced to review the 'future size and shape' of all aspects of its business.

The review was expected to reduce employment by 13, 000 by September 2003.

Current employment after the ongoing process of rationalization across Europe and the UK is around 45, 000, with operations in Germany, Austria, France, Spain, Portugal, Italy, Belgium, Luxembourg, the Netherlands, Greece, Denmark, Sweden, Norway, Finland and Ireland. Many of the ‘station’ in Europe, however, employ small numbers of people. Some, like Finland, have fewer than 10 people. The UK employment numbers and practices therefore tend to dominate practices and culture throughout the group. In the UK, industrial relations traditions and culture are rooted in a strong trade union presence in what was once a public sector organisation.

Over 70% of UK employees are trade union members and more than 95% are covered by the terms of formal collective agreements. Amicus – AEEU, Amicus – MSF, BALPA (British airline pilots association), Cabin Crew ‘89, GMB and TGWU are the recognized trades unions. National bargaining is facilitated by a number of formal structures for negotiation and consultation, ranging from local sectional ‘panels’ to the British Airways Trade Union Council, recently renamed the ‘National negotiation forum’ (NNF), where trade union officers meet the Executive management every month.

A history of largely conflictual relations continues to exert an influence on attitudes and opinions, engendering suspicions of motives and resistance to change. Management Background 3 describes its overriding approach to IR as ‘tactical’, taking a ‘partnership’ approach ‘when it works’ and a ‘management’ of the trades unions while admitting varying degrees of representatives in France and employee representatives in Germany and

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most other countries. In Italy the group operates stations in Rome and Milan as wholly owned units of the core airline business with about 220 employees.

Until recently CISL was the only trade union representing BA staff in Italy, but recently UGL, CGIL and UIL are also represented. The wider representation of unions has led to better information although consultation remains essentially ‘after-the-fact’, with trade union representation sensitive to attempts to bypass any union involvement. Managerial Aspects The group corporate and operating headquarters are located at Heathrow Airport in the UK. Over 61, 000 staff were employed by the group worldwide in 2001/2002, 81% of them based in the UK.

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British Airways world Cargo EWC was established within the definitions and under the scope of Article 13 of the EC Directive of 1994 – 95 after some conflict between management and the trade unions. Management initially resisted the inclusion of the UK. Negotiations took place principally between senior representatives of the UK trade unions and senior European and HR management, with some employee representatives from the major European countries. They concluded the agreement in September 1996. Legal advice

sought by the company resulted in the EWC being concluded under Belgian law.

However, the BA EWC remains highly ‘UK-centric’ with the largest number of representatives, and meetings held at corporate head office at Heathrow. To maintain a European balance UK employee representatives are ineligible for the position of employee chair or spokesperson. Only the deputy position may be held by a UK representative. The agreement was initially concluded for a fixed term of two years from 18 September 1996, to become a non-fixed term agreement automatically after the initial two-year period. Either side may terminate the agreement with six months’ notice.

Under the agreement, BA group: Managerial Aspects 5 ... recognizes the value of information and the consultation of its employees in conducting the management of the company and also recognizes the need for employees to be informed and consulted on the activities of the group. The BA EWC will deal with issues related to the structures of the British airways group as a whole, its performance and any decision influencing more than one country. In its meetings, the BA EWC will focus principally on the performance of British Airways (and in particular on relevant European Operations), e. g. relevant to trans-national employees.

The agreement covers the entire employed workforce of the BA group in at least all EEA countries. A formula laid down in the agreement results in a total of 21 employee representatives, six of whom represent the UK. There are insufficient employees in any other Member state to trigger the 10% of the community-scale undertaking requirement for an additional

representative. Therefore the distribution of representatives remains as follows:

EWC representations currently comprise 16 men and five women (none from the UK) and do not reflect the diverse racial and ethnic groups employed, particularly at Heathrow. There is, however, a representative of all functions across the airline, including pilots, cabin crew, engineering, group handling, sales and check-in personnel. Key features of the agreement are: It is without prejudice to the existing information and consultation structures existing at national level; It recognizes the need to develop dialogue and mutual understanding between management and employees on the transnational aspects of the group;

Provision for extraordinary meetings to be convened no later than 10 working days after the company announces significant transnational changes such as mergers, relocations, collective redundancies or restructuring – the spokesperson or deputy to be informed the same day as the announcement is made; Representation for each establishment or group of establishments per Member State with a formula for additional mandates according to the percentage of total employees of the group (current ensuring a majority for the UK);

The BA EWC will be chaired by a BA representative of senior management level or above or above with European responsibilities or his or her deputy; Central management will be represented by appropriate BA managers or their nominated deputies; Assistance for the employee side from two of their own experts at the preparatory meeting, the general meeting and the following meetings, and the facility to co-opt other persons as may be

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agreed from time to time; Employee representatives to serve normally for a period of three years;

Two meetings per year, normally within one month of the announcement of BA's half-yearly and end of year results; The secretariat is responsible for coordinating the agenda, advising all parties, preparing and distributing the minutes; Employee representatives have to appoint a spokesperson ' to be a point of reference for the chairman; The working language of the BA EWC in English, with facilities for translation available if necessary; There are arrangements for time off from normal duties for employee representatives to attend meetings, attend agreed training courses and for minimum necessary traveling time;

The BA EWC meeting will normally last three hours with facilities available for employee representatives and their experts and agreed co-optees to meet the day before the general meeting, and the afternoon after the general meeting; Confidentially applies to information supplied as such by management, with the obligation continuing after the representatives' terms of office and any breach considered a disciplinary offence; Management are entitled not to provide information deemed confidential or prejudicial to any other party;

A joint written statement outlining the key points arising from the meeting will be circulated by the secretariat to all appropriate locations for onward briefing. Since its inception the EWC has met twice per year. If required, extraordinary meetings could be called, but only on management's initiative in the event of level developments of the magnitude of 11 September 2001. after this event some meetings were called but these only involved members

of a select committee called “ the bureau”. All full general meeting is considered unwieldy and too difficult to convene at short notice.

Furthermore the established information and consultation machinery would in most cases be considered most appropriate to handle corporate wide issues in extraordinary circumstances. In any cases management would be required to inform and consult via the NNF. For example during the course of this research the war with Iraq was taking places. The company chose to raise issues relating to the war at a meeting of the NNF, to which the employee spokesperson (or chair) was invited. The bureau is not formalized in the EWC agreement, but was established some 18 month to two years later.

When it was recognized that there were some more detailed Managerial Aspects 9 discussions that needed to take place that could not be effectively handled by the larger form. It is a selected committee of management and employee representatives, normally comprising seven to nine people, including the EWC chair (a senior European manager), the employee chair (a Dane), and his deputy and a senior HR manager. A total of four employee representatives plus two experts might attend meetings. Unlike the full EWC the bureau tends to reflect a more European bias with more employee representatives and managers from Europe.

The bureau has two meetings per year, in addition to the full EWC meetings, but members may communicate more frequently as required. Mission Statement To develop a portfolio of products that meet customers’ needs and delivering high levels of performance and customer care. Resources Employees Current employment after the ongoing process of rationalization

across Europe and the UK is around 45, 000. The UK employment numbers and practice therefore tend to dominate practices and culture throughout the group. EDI Business Resources 10 EDI Business continues to enhance the provision of customer service within the air cargo industry.

British Airways World Cargo uses this technology to:

1. Receive and transmit air way bill data by EDI (Electronic Data Interchange)
2. Receive and transmit house air way bill data by EDI to customs authorities.
3. Receive and process freight.
4. Deliver automated notification of the receipt of freight.
5. Track and trace freight from the airport of origin to the airport of destination using barcode technology.
6. Improve transparency of performance measurement to customers.

Operations The British Airways World Cargo has a freighter programme that makes it one of the largest single carrier networks, with a reliable schedule, same day connections between most continent and destinations and extensive road connections. It is operated by the EDI (Electronic Data Interchange) which facilitates the receipt and transmittal of airway bill data, house airway bill data, delivering of automated notification of receipt of freight, track and trace freight and improve transparency of performance measurement to customers.

Markets served included operations in the UK and across Europe. The type of cargo are limited to freight, mail and courier traffic. At the export is weighed and security screened (X-rayed) and a security certificate is issued. At many locations, BAWC employs a handling agent to accept goods for carriage and accepts payments on its behalf. Once freight is cleared, the customer has to go to the import office at the destination station with a photographic proof of

identify (driving licence or passport, or similar according to local regulations) and details of the goods e. g a copy of the airway bill.

It is unlikely that BWAC, or its agents would be able to correctly identify the goods without the number of the air way bill. Business Relationship 12 Business Relationship Cargo 2000 CARGO 2000 is an IATA special interest group of airlines and forwarders, setup in 1997, with the aim of setting new standards for the air cargo industry. This group identifies a need to make the process of moving cargo from A to B much more efficient. Research carried out by IATA in 1997 on unitized point freight showed that goods took as long to travel in 1997 as they had done 25 years previously.

The group agreed that the number of steps in the process had to be simplified and supported by accurate information exchange between airlines, forwarders and shippers. The Cargo 2000 group tackled this by creating the Master Operating Plan (MOP) which defined a streamlined door to door process with specific information checkpoints. The MOP introduced the concept of the route map- the prediction of the journey the freight is expected to take, based upon the booking parameters, which is then validated against actual operational data provided by the airlines and forwarders.

Cargo 2000 is working to a phased implementation programme: Phase 1 Airport to Airport- Shipment Planning and Tracking at Master Air waybill level Phase 2 Door to Door- Shipment Planning and Tracking at House Air waybill level Phase 3 Door to Door- Shipment Planning and Tracking at individual piece level- Document Tracking. Business Relationship 13 Benefit to Customers As Cargo members, British Airways World Cargo will: Ensure the <https://assignbuster.com/british-airways-world-cargo/>

Cargo 2000 processes relating to the carriage of air cargo are followed
Monitor our performance against the standards set by Cargo 2000

Integrate the quality standards set by Cargo 2000 with our own systems and policies Benchmark our performance results and implement procedures to continually review and improve our service standards Aim to achieve accreditation by meeting the criteria specified by cargo 2000 within each phase. British Airways World cargo has been involved with, and participated in the cargo 2000 group since its creation and fully supports the objectives and initiatives of the group. Comments The BAWC agenda, focuses on company results and strategy, including items such as plans for aircraft and how management perceive the future of some sectors.

Concerns that the company has for south America have been raised as these will inevitably result in some cutbacks in operations in this area. Competition of the North Atlantic routes, cutbacks in the USA as a result of the war, and how the company can compete for corporate business, are issues for discussion. Discussion in meetings is not and will not be confined to BA in Europe, but will encompass the global context for operations. Changes made in the engineering services that affected people working in engineering across Europe were an example of this.

The process of consultation had to respect national representative structure and procedures and therefore consultations would always take place at works councils across Europe- particularly in Germany and at the UK trades union panels and forums, before any discussion could take place at the EWC. Future plans/developments 14 Future plans/developments Management's

aim to provide full and high –level information on transnational issues has evinced a level of empathy from the employee side of the company.

While management effectively controls the EWC process there is nonetheless an evident maturation on the employee side with members attempting to make a positive and ‘ professional’ input. Crossovercommunicationchannels between negotiation forums and the EWC are suggested by management and the employee side both within and outside the EWC, as desirable future developments to enable the EWC to have more relevance and to limit the current duplication of consultation activities.

The employee respondents would also welcome more opportunities for employee- only meetings. It is not thought that EU enlargement will significantly affect the BAEWC other than adding to its size and bureaucracy, possible making it more unwieldy. In consequences the smaller bureau might assume a more emphatic and vigorous role. The UK representatives will still make up the largest national group with the EWC and continue their current dominance.

It is hoped that the training currently planned for employee representatives will help new members quickly assume their roles and contribute regardless of their culture. The nature of the industry ensures that English will remain the preferred language.

References

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