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Taking your airline to new heights

A portrait of Muhammad Ali Albakri, Chief Information Officer of Saudi Arabian Airlines, wearing a dark suit and glasses, looking directly at the camera. The background is a bright, modern office space with large windows.

THE JEWEL

A Conversation With ...
Muhammad Ali Albakri,
Chief Information Officer,
Saudi Arabian Airlines,

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The Name Of The Game

Carriers such as Alaska Airlines stand to achieve benefits of more than US\$1.3 million through advanced staffing technology.

■ By Brad Laser | *Ascend* Contributor

Alaska Airlines' business is no different than any other company in the aviation industry ... it's constantly changing. And with these changes come the invariable need to find greater efficiencies and generate additional revenue. That's the name of the game.

Of the major financial costs for an airline, fuel and labor often trade turns being the largest expense. While there are some measures that can be taken to curb rising fuel costs, they are largely dictated by external influences that cannot be fully controlled. Labor, however, can be positively influenced by the use of best practice business processes and staff management technology.

At Alaska Airlines, a team of planning analysts is currently undertaking an initiative to control labor costs. As recent as three years ago, there was little defined structure and few tools to assist individual airports with planning the number of employees needed to run an effective operation or produce a shift bid.

The management team at each airport was responsible for overseeing this entire process, and there were varying results from one airport to another due to diverse planning styles. However, it was common practice for most locations to simply modify the previous shift bid, taking into account flight schedule changes.

In 2008, Alaska Airlines began using *Sabre AirCentre Staff Planner*. During the training and solution adoption phases of implementation, the carrier mapped out a strategic plan on how best to use the new technology. The airline wanted to start by getting a better understanding of its largest ground operation at the Seattle-Tacoma International Airport (SEA) and then moving the technology into other airports throughout its system.

But jumping from the carrier's current planning approach, known to have inefficiencies, directly to a well-designed, efficient planning solution clearly required significant change management. At the same time, implementing a radical transformation could have unintended consequences, potentially impacting employee relations and coming up with misconstrued results. After discussing the possibilities, the carrier decided that implementing change would have to occur in slow, methodical steps.

As the team reviewed the work schedules of Seattle-based customer service agents at check-in, gates and baggage service areas, it was determined that the schedules were based on a shift bid that remained fairly constant. There were shift coverage differences between seasonal



Methodical Steps Alaska Airlines initially implemented *Sabre AirCentre Staff Planner* at Seattle-Tacoma International Airport, the carrier's largest ground operation. As part of its strategic plan, it would then implement the new technology at other airports throughout its system.

flight schedules, but the shift lengths start times, mix of full-time/part-time shifts, and day-off patterns were consistent. When necessary, slight adjustments would be made to a bid, but the core shifts experienced little change.

In this situation, the adage "if it ain't broke, don't fix it" is a good summation of

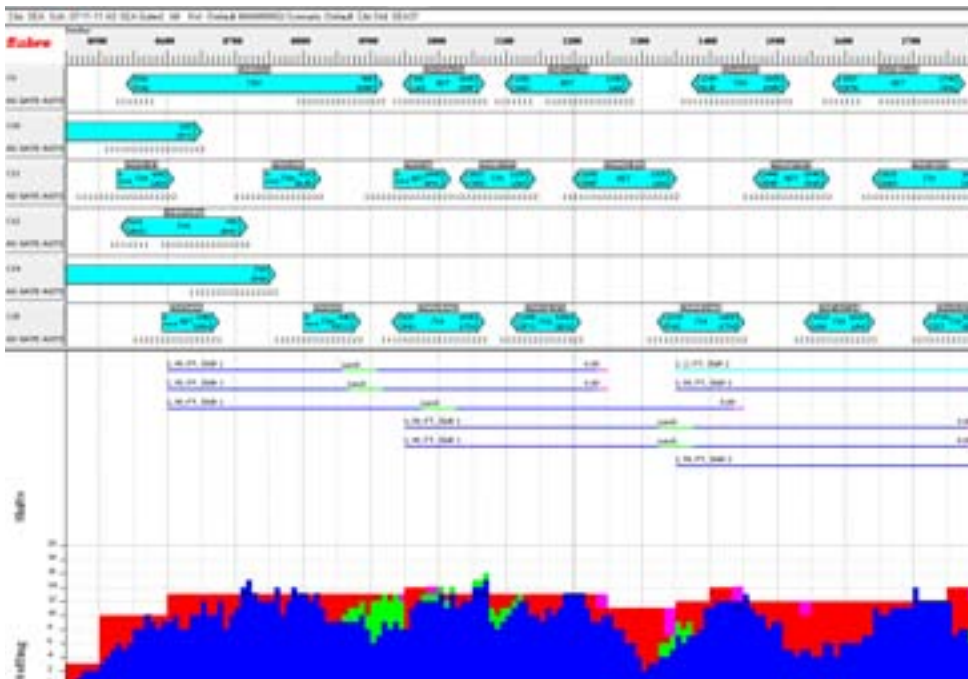
the approach. Agents had become accustomed to their shifts and had a level of comfort in knowing their work schedules. While it was an "agent-friendly" approach to planning, it was not efficient.

So the resource planning team took the first step by focusing on SEA and replicating how the airport planned its operations.



Photos: Alaska Airlines

6 Percent Improvement After an onsite visit at Alaska Airlines earlier this year, key findings and value measurements found that the airline's average schedule efficiency percentage had improved 6 percent year over year.



Staffing Coverage The *Staff Planner* manning chart window graphically displays gate agent work requirements and staffing coverage by time of day. The upper view shows the flight activity and requirements where each row represents the activity at a gate. The lower portion shows the summary of work activity (blue), shift coverage (red), meal periods (green) and checkout (pink) throughout the day.

The work standards, shift types and other shifting standards were all entered to match the current approach.

“The team had all worked in SEA and were very familiar with the way it had been done,” said Keith Allen, manager of the airline’s resource planning division. “They also knew there were opportunities for improvement. With each quarterly bid, they allowed *Staff Planner* to slowly make changes, for example, instead of creating bids by zones of five to eight gates, they increased to an entire concourse.

“During the course of one year, the SEA airport team reduced headcount by 20 via normal attrition. They didn’t have to hire new employees, which allowed for a reduction in the number of trainers required. Sharing the charts and graphs from *Staff Planner* on a regular basis with the station scheduling team allowed them to work together on each bid to find additional efficiencies.”

Having initial success at SEA, the resource planning team began analyzing six more of the carrier’s largest airports. The success at these stations started to make its way through the company grapevine. As a result, Allen began receiving messages from other airport managers requesting his team’s assistance to help identify ways to become more productive.

“One airport staff was running just over 52 percent efficiency when they were creating their own bids,” Allen said. “A

year-and-a-half later, with the implementation of *Staff Planner*, they were over 68 percent efficient. Resource planning team members met with managers, supervisors and frontline employees to explain the process and unveil the *Staff Planner* manning charts and graphs. Once frontline employees were presented with all the details, they understood why the bid schedules were different than before.”

The success during the first two years after implementing *Staff Planner* has been significant. *Sabre Airline Solutions*® conducted an onsite visit at Alaska Airlines’ offices this year to discuss the current use of *Staff Planner*, address product feature and functionality questions, and provide recommendations for achieving incremental value through incorporation of best practices. Some key findings and value measurements included:

- The average schedule efficiency percentage has improved 6 points year over year to 68 percent.
- A 38.4 full-time equivalent (FTE) reduction in headcount has been realized. This is only considering the first six airports that have been planned with *Staff Planner* (two or more year’s worth of data).
- 14 airports are now using *Staff Planner* to develop passenger service staffing requirements and coverage.
- Shift bids are created by the resource management team and implemented with little or no change.

- Scenario analysis capabilities and time savings related to *Staff Planner* are valued at more than US\$377,000 annually. That’s in addition to more than US\$1 million in savings realized through reduced headcount, productivity improvement and long-term planning.

While the success at Alaska Airlines during the past two years shows significant results, there is still room for improvement. Based on a review of the current usage, a prioritized list of nine recommendations has been created.

One of the main suggestions was to consider restructuring the team from temporary to permanent positions and adding a new full-time position to expand beyond the 14 airports currently planned with *Staff Planner*. Other recommendations may lead to additional cost savings, and there is even opportunity to evaluate new revenue streams.

“I am glad we took the baby-step approach,” Allen said. “It allowed us to gain confidence in the system and to prove to station employees that it was a tool designed to improve the process, not to reduce the number of employees. The experts of the system helped us expedite the implementation.”

The Alaska Airlines team is now looking forward to implementing the latest version of *Staff Planner*, which contains newly released multi-flight coverage functionality. This will allow more accurate planning of shared resources. And it will provide incremental value, especially in medium to small airport locations where high cross-utilization is essential. [F](#)

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