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consulting

CASE STUDY

Aviation Services

2012-13

CHANGE SERVICES

Change Strategy

Change Analysis

Organisation Design

Communications & Engagement

Facilitation & Leadership

Development

CASE STUDY

Reposition
Redesign
Restructure
Relocate

OPPORTUNITY

This engineering and maintenance (E&M) division employs c.5,000 employees globally. It is world-renown within the industry for it's gold-class E&M standards. The company is the only airline to globally, have never experienced a mass-fatality. Despite this the division was regularly under pressure to outsource large aspects of its operation abroad. The E&M, a non-revenue generating division is one of the largest operating costs to the airline despite being a core function of its operation. Managers and employees were constantly under pressure to work leaner and smarter whilst at the same time to ensure that their world-leading safety record was maintained. Just like 24 carat gold though, the costs of maintaining this standard came at a premium. The 2008 GFC required a \$50B cost reduction but at the same time it was to maintain its core operations and quality standards. This was necessary in order to secure its place and survival within the market.

CHANGE STRATEGY

The change opportunity identified was to consolidate three of it's heavy maintenance facilities, relocating and centralising all maintenance into an existing Brisbane facility. This location was the preferred site due to its state of the art facilities and capacity for growth. However, it was not without controversy, cost, and major capability shortages to make this transformation successful. Some 1,200 employees were directly impacted by the change, requiring a large-scale, complex transition plan and and support model in order to restructure, downsize, relocate, and re-train teams. Transformation principles were established:

- Ensure maximum choice and flexibility for employees.
- Treat everyone with dignity and respect,.
- Congruently, meet the commercial imperatives.
- Core operations remain in Australia.

Many employees were faced with the difficult decision of relocating interstate, re-train to a new job, taking early retirement, redundancy packages or seek redeployment in other divisions. It was demotivating, difficult to want to change, and confusion reigned high when newspaper headlines reported inaccuracies.



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CONSULTANCY

Principal Consultant, Emma Frazer was engaged to deliver the following;

- Analyse and model assumptions for the design of a downsizing solution ensuring cost saving targets met.
- Analyse industrial risks and likelihood associated with industrial disputation and legal compliance.
- Analyse and provide data relating to transition risks. The mitigations formed the basis of change tactics and transition planning.
- Engaged senior leaders on the development and delivery of communications. Specifically, announcing the changes, process for transition and support available to leaders and employees.
- Provided training and coaching to leaders on effective communication and influencing during times of upheaval.
- Scripting leaders on managing their teams' resistance,
- Strategy and Project Management of career transition support model. Included establishing and operationalising an onsite career transition centre,
- Procurement and scope of outplacement services,
- Procurement and scope of relocation services.
- Project Manage the reverse engineering of a recruitment software to be suitable for administering and tracking of redeployment with the software vendor.

RESULTS

The transformation of the companies maintenance facilities was successfully implemented with the assistance of Emma Frazer resulting in:

- No delays or changes stemming from industrial disputes or disruptions.
- The HR team and outsourcing partners were later recognised and awarded for the seamless outplacement delivery and support model.
- Overall company cost saving targets were met.
- Share prices increased three-fold in the years following the airlines transformation.

