



*In the Airline industry, carriers, and major third party organizations realize that operations must be constantly reviewed and improved in order to keep travel costs low to remain competitive whilst providing the quality their customers demand.*

*Quality, security, and seamless travel are the key ingredients in maintaining customer relationships in this fluctuating economy. One major Passenger and Ground Handling company has recognized that in order to gain a competitive advantage, innovative services are paramount in their future growth and success.*

*Here's how we helped Menzies Aviation at Amsterdam's Schiphol Airport realize the value in their critical investment decision.*

## Background

A major player in the area of ground and passenger handling in 20 countries, Menzies Aviation inspires other competitors to only follow in their innovative footsteps. Continuing their growth in operational efficiency to reduce costs to their airline customers, Menzies Aviation has created an Internet-based baggage management system, Right Bags on Board (RBOB). This system was designed for information transparency for both baggage handlers and airline customers alike, to proactively solve any baggage loading issues or misconnections before it is loaded onto the aircraft. This innovative product not only allowed for better bag management (both in the baggage area and aircraft), but also further provides increased security and real-time data for better decision-making.

Amsterdam's Schiphol Airport is considered one of the busiest interline airports in Europe, being a central hub to the likes of Asia, the Middle East and Intercontinental Europe. With the number of airline customers Menzies Aviation currently handle, and the passion to provide real time data for maximum monitoring and control of baggage - right from the baggage cellar to the airline customer, as well as decreasing operating costs, Menzies Aviation in The Netherlands made their investment decision to implement RBOB.



## The Challenge

Realizing that the software was an innovative approach to baggage management, Menzies Aviation in The Netherlands realized the importance of implementing quickly but effectively in order to see the best results in the shortest amount of time. Realizing that it would involve many inter-departmental activities and external parties, Menzies Aviation (NL) knew the challenges of implementing a system of this magnitude; their objective was to obtain the precise information from RBOB's operational performance, financial performance, as well as maintaining the current baggage handling operation.

To sustain the focus and motivation of the internal project members, Menzies Aviation (NL) chose *ETUTSA* to manage the virtual project team as the organization realized that each project member had their own daily tasks to deliver in addition to the RBOB implementation. *ETUTSA* also served as the one-point-of-contact between management and operations to effectively communicate budget and time line deadlines, as well as to determine the financial and operational value of RBOB to both its customers and Menzies Aviation (NL).

## Our Approach

- The initial phase included the time line and milestones of the implementation, which incorporated progress/status meetings and communication planning to both Menzies' customers and internal staff.
- A Quality & Implementation Plan was created and centrally stored to document the Business Objectives (Financial, Operations, Sales, Marketing) to Operational Procedures to the daily implementation schematic so that all stakeholders were reviewing the same information.
- A communication plan was created for both management and internal baggage handling staff to ensure that the information from the implementation schedule to training requirements were completed to generate proactive adoption of the new system.

\* In order to maintain motivation and focus of the project, weekly status meetings were organized to identify ownership of tasks, completion of tasks, and outstanding items that needed attention.



## Our Contribution

Due to RBOB being such an innovative product to the arena of ground handling operations, and the number of stakeholders affected by this new system at Amsterdam's Schiphol Airport, ETUTSA was able to contribute to RBOB's development in a variety of areas:

- Provided Project Management services to maintain focus and motivation of its internal team members due to their own daily tasks and job descriptions.
- Developed the local RBOB training manual for baggage handling staff for the purpose of local requirements and language.
- Generated the financial metrics for both Menzies Aviation (NL) to determine their investment payback and ROI.
- Pinnacle in creating the metrics and analytics for reporting information to the airline customers as well as gaining insight to employee performance and operations.
- The airline statistical metrics for Menzies' airline customers were created to effectively communicate their cost savings of misconnected baggage for future bottom line growth.
- Produced the operational strategy and procedures required by internal baggage supervisors and staff in such a way to make it a logical enterprise, and not just an ICT solution.

## Business Results

- From an execution perspective, the RBOB system was implemented two weeks before its deadline date.
- The initial investment for RBOB project was less than the proposed budget, and hence, budget constraints were met.
- The commercial and financial strategy to identify new business and to track future costs are being used effectively, with approximately 60% of its sales target already reached for fiscal year 2006.
- Due to RBOB's transparency of information, Menzies' customers are now able to monitor their own passenger's baggage on-line, and as such, resulted in an increase in operational flow in the baggage area providing improved customer service.
- Airline customers have seen a significant decrease in misconnected baggage, and as such, have decreased the number of internal headaches, and cost for search and recover.
- From a change management perspective, RBOB end-users are utilizing the system with an operational mind-set versus viewing only as an ICT solution. The importance of communication planning to generate this kind of awareness is a positive sign that an ICT system like RBOB can be instrumental to improved baggage management, but also recognized as a cost-saving tool for management and ultimately shareholder value.