



CONTACT IATA TO BE PART OF THE OPERATIONAL COST REDUCTION INITIATIVE (OCRI) AND SAVE YOUR AIRLINE MONEY

Mission of OCRI

Achieve operational cost reductions for aircraft operators.

Background

Total annual airline operational costs amounts US\$535 billion (2008), fuel accounts for US\$174 billion.



In parallel to the **IATA Green Teams** which address fuel savings, IATA is developing a **GO Team** program focusing on four areas of operations representing around 50% of total costs:

- Operational Planning
- Flight Operations
- Technical Operations
- Ground Operations

This new initiative is supported by a team of industry experts, IATA Guidance Materials (IGM), Training Courses, questionnaires, metrics / scorecards and cost calculators.

IATA GO Team assessments help airlines to identify their individual saving potentials.

1. Operational Planning

Decisions regarding aircraft utilisation and ground times, network planning, fleet planning, etc. require successful integration between Operations and the Commercial & Financial Divisions of the airline. IATA assists in setting up an open environment with a clear understanding of objectives at the airline level and how the objectives affect all areas.

- **Fleet Utilization:** IATA specialists have analysed airline data with breakdown by aircraft type. Please contact us to get a customised copy.
- **Network Planning:** Address the main analysis tools and techniques in use today to facilitate the overall process and help planning managers cope with very large amounts of information and a constantly evolving operating environment.
- **Fleet Planning:** Decisions regarding which aircraft to acquire, when to acquire them and in what number are extremely important elements to the long-term success and sustainability of the business.

2. Flight Operations

- **Flight Operations:** Compare the cost drivers within your budget against industry benchmarks for comparably sized airlines. Focus is on operations management, support staffing and function, administrative overhead, and additional cost drivers.
- **Crew Planning:** Compare and analyze the three key factors in assessing crew planning effectiveness: 1) stability 2) efficiency 3) flexibility. While state regulations and industry agreements control many factors, there are avenues to explore for affecting greater flight crew productivity and efficiency. Evaluate your performance against industry benchmarks for airlines of comparable size and scope of operation.

3. Technical Operations

- **Maintenance Programme Optimization:** The IGM is available as well as the Maintenance Programme Checklist. IATA is ready to engage airlines with this material in order to successfully reduce costs.
- **Maintenance planning:** Includes strategies for enabling greater airline efficiencies through downtime requirements, check yield, common metrics used and the importance of information technologies.
- **Supply chain:** Supports airlines in identifying the most suitable providers and assisting in the completion of requests for proposal and negotiation processes.
- **Inventory:** Through harmonized aircraft configurations, reduction of transport and workshop times and through cost-based partnering on pooling concepts, airlines can significantly reduce their cost for aircraft parts inventory.

4. Ground Operations

- Assist managers of airline ground operations services in understanding and managing business cost drivers and identifying potential opportunities for cost reduction, especially in:
 - Passenger and ramp service times
 - Manpower planning, training, operations coordination
 - Performance metrics implementation



OCRI Components



HOW TO TAKE PART: 2 EASY STEPS

1. Contact us at ocra@iata.org and declare your intention to take part in the OCRI Assessments during 2009 stating the area(s) that suit your needs most:

- ↗ **Operational Planning including**
 Fleet Utilization
 Fleet Planning
 Network Planning

- ↗ **Flight Operations**
 Flight Operations
 Crew Planning

- ↗ **Technical Operations**
 Maintenance Programme Optimisation
 Maintenance Planning
 Supply Chain
 Inventory Management

- ↗ **Ground Operations including:**
 Passenger and Ramp Services
 Manpower Planning, Training, Operations Coordination
 Health & Safety, Human Resources & Labour Relations

2. Include the contact details of the person(s) responsible for the above-mentioned areas in your airline:

Area	Contact Person(s)	Job Title(s)	Email(s)	Phone number(s)
Operational Planning				
Flight Operations				
Technical Operations				
Ground Operations				

For more specific information on the programmes, please contact ocra@iata.org

Disclaimer: The information contained in this publication is subject to constant review. Although every effort has been made to ensure accuracy, the International Air Transport Association shall not be held responsible for any loss or damage caused by errors, omissions, misprints or misinterpretation of the contents hereof.