



MUEO

MOI UNIVERSITY

OFFICE OF THE CHIEF ACADEMIC OFFICER

UNIVERSITY EXAMINATIONS

2011/2012 ACADEMIC YEAR

SECOND SEMESER EXAMINATION

FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

COURSE CODE: MBA 828

COURSE TITLE: AIRLINE OPERATIONS

DATE: 19TH JUNE, 2012 **TIME:** 9.00 A.M. – 12.00 NOON.

INSTRUCTION TO CANDIDATES

- SEE INSIDE

Instructions To Candidates

- Answer any **FOUR (4)** Questions

QUESTION ONE

There are a number of fundamental reasons why” low cost “scheduled passenger airlines can offer a sustainable competitive advantage compared to conventional scheduled passenger airlines. Describe the main features of a “low cost” airline in terms of the product it offers and the business processes it uses to deliver competitive advantage. (15 Marks)

QUESTION TWO

In an Airline cost structure, the costs are grouped into generally three categories

- a) Describe the three categories giving a few examples in each. (10 Marks)
- b) How can an Airline reduce each of the categories described above without impacting negatively on the profits? (5 Marks)

QUESTION THREE

What are “The Freedoms of the Air” in Bilateral Air Service Agreements? Explain each one of them and how Airlines have strategized in mitigating their restrictive nature in growing their business empire. (15 Marks)

QUESTION FOUR

With the aid of a typical organizational Chart, describe the job description of the key post holders of a typical medium size airline. (15 Marks)

QUESTION FIVE

Which are the two principal reasons for Fleet planning? Describe the 7 step process required for effective fleet planning? (15 Marks)

E...N...D