

Designing & Executing Strategy in Aviation Management

Triant Flouris and Sharon Oswald

Aviation can be considered as one of the most complex industries of all, not just from a technological, but also from a managerial point of view. Today's aviation managers are facing tough managerial and strategic challenges. From this perspective, the authors of this book deserve praise for their effort to publish a book on the design and execution of strategy in an aviation environment.

Book review by Willem-Jan Zondag MSc

The book consists of nine chapters, ranging from the 'essence of strategy' to 'managing strategy execution'. Most chapters point out and elaborate on concepts and thoughts that are commonly known in business and academic literature on strategy and management. Concepts that are discussed are, among others, Porter's competitive strategy and generic strategy framework, the Miles & Snow typology of companies acting as a defender, prospector, analyzer or reactor in their market. Other concepts discussed are Hamel and Prahalad's core competencies concept, the value chain concept and the resource-based view of the firm.

The book primarily consists of an application of widely accepted strategy and management concepts. Becoming familiar with these concepts may certainly be helpful to better understand the complexity of today's aviation business. However, this textbook primarily serves as an introduction of management concepts in aviation businesses.

The authors unfortunately do not really present authentic thinking on how to craft or execute strategies in today's aviation environment. Just obtaining the ability to apply commonly-known management concepts cannot be enough for aviation companies to survive. Also, do not expect an elucidation on real strategic issues concerning the

whole aviation industry. Nothing is said about the hub-and-spoke versus point-to-point approaches of Airbus versus Boeing, nor is about the viability of airline alliances, about ways to overcome the financial difficulties at airlines, et cetera.

The composition of chapters and paragraphs is sometimes a little unclear. One may wonder why some topics are discussed while others are neglected. For instance, little to nothing is said about market segmentation, about the marketing mix and about the difference between corporate and business strategies. The book has a snapshot character with regard to the chosen theories on strategy and management. Chapter seven on "establishing a strategy" for instance has a debatable composition, as it only covers an outline of the SWOT analysis and the ideas of Mrs. Teisberg on developing a strategy under uncertainty. I hope and presume that most aviation-related firms ground the establishment of their strategy not solely on a SWOT analysis and some thoughts on the effect of uncertainty on their proposed strategy. Otherwise it may be a clarification in itself why these companies are suffering.

The first question that came up when starting to review this book is, what "aviation management" is about? Unfortunately, this remains an unclear term throughout the book and I consid-



er this is an unnecessary drawback. This term sounds interesting, but in practice, it can be about 'everything' related to aviation and management. Is it about managing an airline, an airport, an aircraft manufacturer, an airfreight forwarder, or...? Strategy and management issues for all these companies differs so widely that it seems to be too ambitious to cover them all in one textbook. As most examples given in the book are about the airline business, I strongly recommend the authors to rename future prints of the book "Designing and Executing Strategy in Passenger Airlines Business" or something like that. It would be a more clear and focused approach.

Conclusion

The book is recommendable reading for newbies in aviation strategy and management. It may also serve as a fresh-up for current managers in aviation related companies. But I presume that the book is of less interest for people with an MBA background or similar.

About the Authors

Triant G. Flouris is Professor and Director of Aviation at San Jose State University. Sharon L. Oswald, a Professor and Department Head of Management at Auburn University.

About the Reviewer

Wilem-Jan Zondag is editor of Airlines and has a Master degree in Economics from the Free University Amsterdam.