

Restructuring the Technical Service Department for an Airline

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Background Introduction

Leisure Airline has no cargo fleets and needs urgent financial support due to the pandemic. It was willing to merge with Premium Airways in 2022, creating a new company named International Premium Airlines.

A new technical service department must be established to provide technical support for all other aviation engineering field departments in order to form a bridge between manufacturers and other aircraft maintenance departments in International Premium Airlines.

When merging the two technical departments from Leisure Airline and Premium Airways, respectively, some risk factors needs to be identified and provide appropriate solutions to minimize the hazards after merging.

Objective

In this restructuring, research must be conducted on three specific areas in the technical service department to reduce the risk factors:

1. Identify the aircraft modification process and technical documents to arrange the new manpower in the technical service
2. Find out how technical service engineers solve technical problems for the counterparties to improve the key performance indicators after merging
3. Introduce storage systems to prevent leaking confidential documents, which may affect the restructuring cost

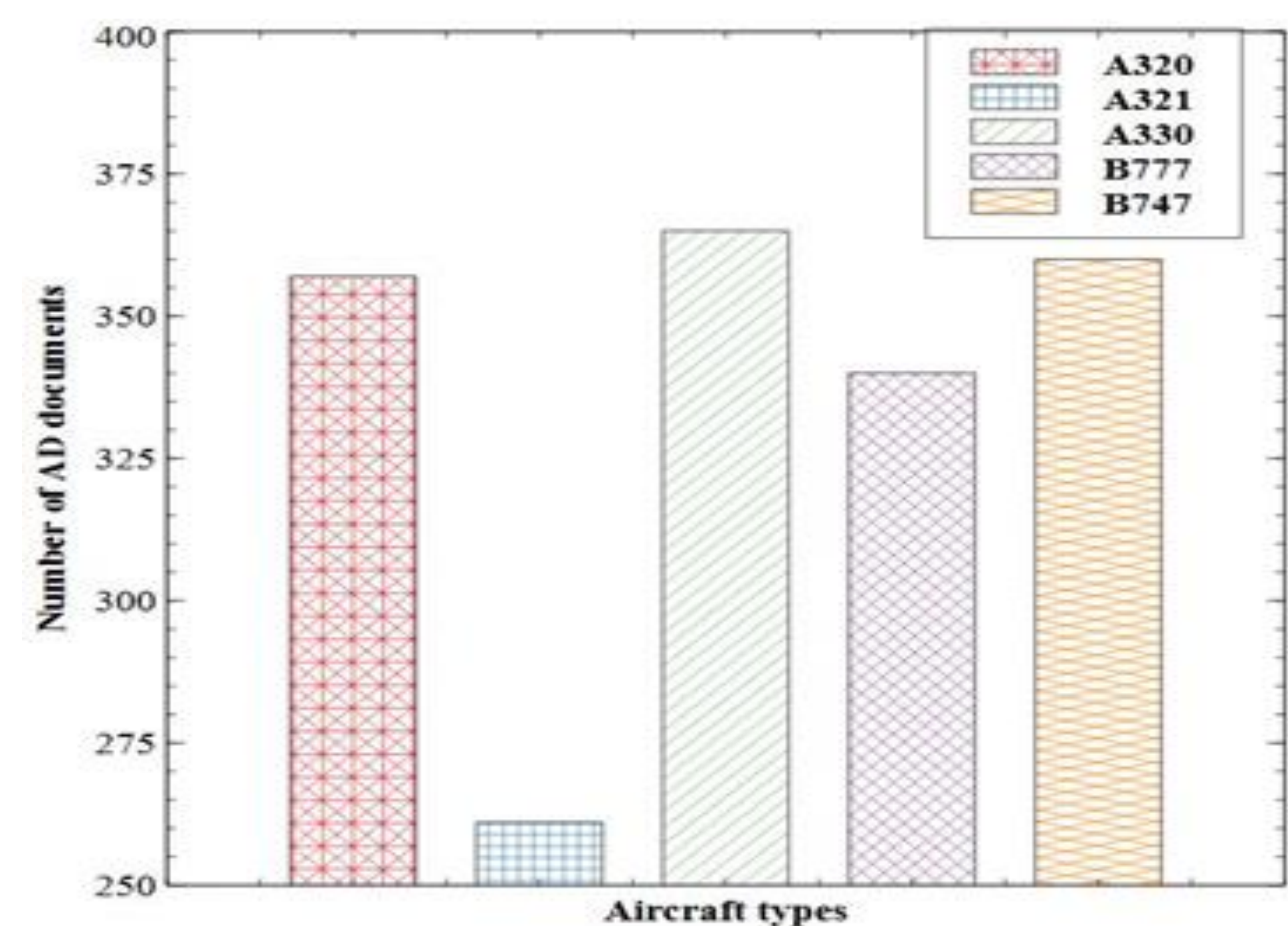
Transformation Plan / Methodology

To determine the risks and hazards before merging the technical departments, the management of change with a list of tasks must be conducted as follows:

1. The arrangement of manpower from the two technical service departments after merging
2. The key performance indicator on maintaining and establishing new counterparties for work efficiency after merging
3. To predict whether the future income from the airline can cover the restructuring costs of the technical service department

Project Findings

Most of the manpower must have an HKAR-21 modification certificate and arrange the working position according to the number of Airworthiness Directive documents.

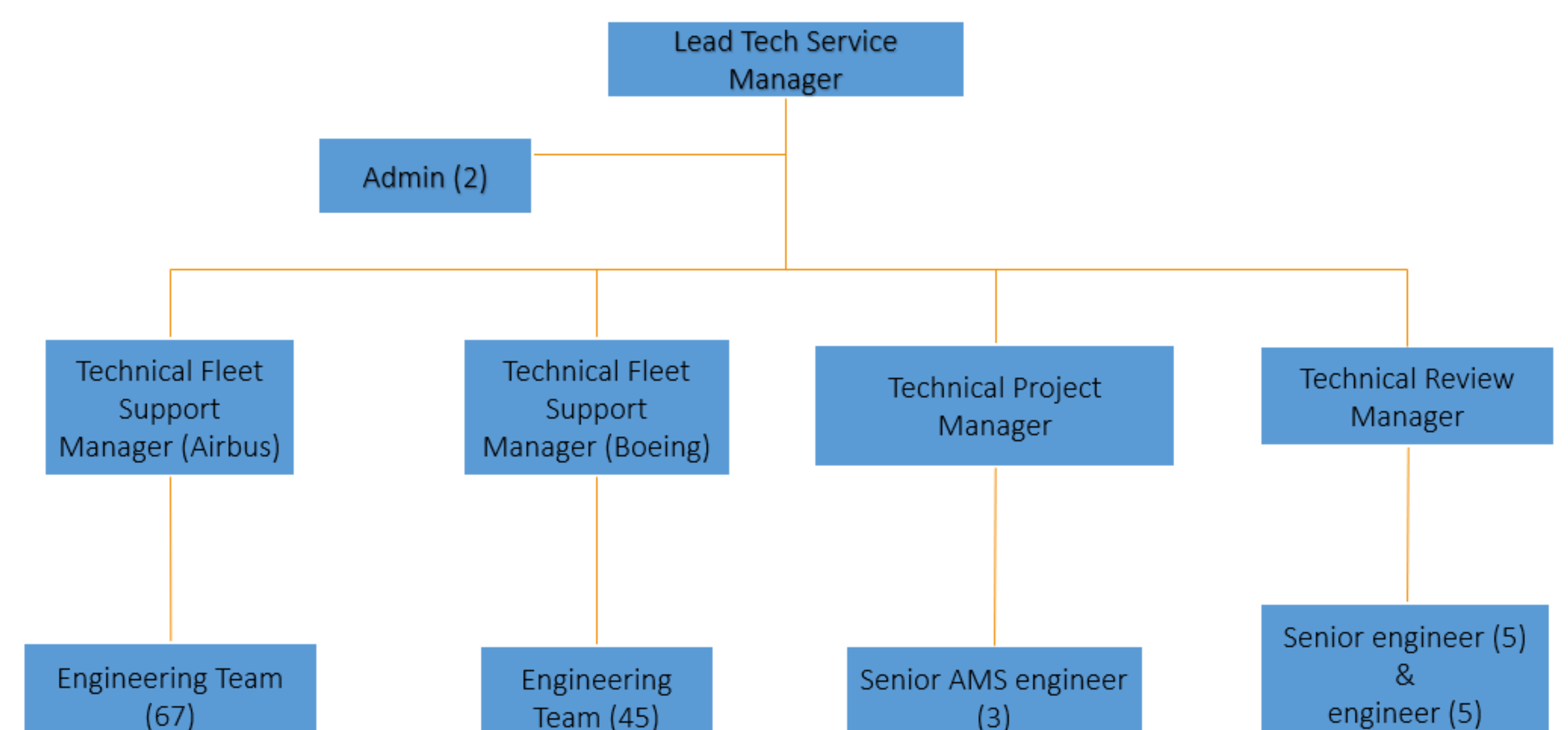


The technical service department requires communication and time to complete a task together between related counterparties.

The approximate financial cost can be predicted using the annual reports from Cathy Pacific airlines with similar situations.

Restructuring Result

The technical service organization structure, below, meets all the above findings in this project to establish an effective and work efficient technical service department.



Conclusion

For the future of the technical service department, three goals must be achieved for greater success:

1. Need to support and overcome all future technical challenges
2. Build up a bridge between manufacturers and other counterparties
3. Solve the technical problems effectively to reduce money lost due to aircraft on the ground