

CHPATER 5: CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The aim of this study was to understand and explore the relationship between spare parts inventory management and organisational performance as well as the impact of the former on latter. The results showed that spare parts inventory management is critical for maintenance procedure and improves aircraft down time and thus helps in demand management. Furthermore, the results showed that the entire inventory management strategy of Qatar Airways must be focused on removing uncertainty in the demand and lead times of spare parts for its fleet, thus improving maintenance efficiency and procedures. The results also showed that Qatar Airways must also keep in mind that spare parts management is linked with flights schedules and therefore affects the performance of the firm to deliver its flights in time. Furthermore, this study also concludes that for Qatar Airways it is important to realise that aircrafts' and fleet's performance is dependent upon the spare parts inventory management because the latter is critical for maintenance process which in turn is extremely influencing on aircraft productivity and performance.

The results also showed that Qatar Airways must also use spare parts inventory management as a tool to enhance its financial liquidity which can be achieved by minimising capital invested in spare parts. Furthermore, this study concludes that one of the main objectives of spare parts inventory management system in Qatar Airways is to manage the lead time to deal with difficulties and uncertainties in the demand for spare parts in maintenance department. Furthermore, the study results also showed that spare parts inventory management can be indirectly linked with the comfort and convenience features of aircrafts. Therefore this study concludes that Qatar Airways must include this as an objective for the maintenance department.

This is based on the rationale that customer satisfaction is directly linked with comfort and convenience features of aircraft and customer satisfaction is an important competitive advantage for airlines.

Furthermore, the results also showed that Qatar Airways must keep an eye on technological developments and innovations in the industry. This is because inventory management procedure has considerable impact on operational and financial effectiveness of the airline and thus an improvement in the inventory management in terms of operational efficiency is likely to have significant impact on overall firm efficiency and effectiveness. This study also concludes that Qatar Airways must also seek to optimise the human resources required in maintenance and inventory management procedures. Optimisation of capital and human resources provides higher efficiency in terms of cost and wastage of available resources. The results above also lead to the conclusion that spare parts inventory management has impact on consistency and reliability of airline service delivery which in turn affects customer satisfaction and firm performance in terms of competitive advantage.

The results also showed that Qatar Airways performance can be linked with spare parts inventory management because the latter affects the down time which in turn affects the performance of airline. This study also concludes that Qatar Airways must realise the fact that spare parts inventory management affects procurement costs which in turn contributes towards operating cost of the company and ultimately translates into better firm performance. This study also concludes that flight schedule adherence is related to both tangible and non-tangible assets of Qatar Airways because it affects revenues and firm image, therefore spare parts management which may lead to flight delays must be properly managed to enhance performance.

The study also provides empirical evidence to support the notion that spare parts maintenance affects the productivity and performance of Qatar Airways fleet. Since performance of fleet is an important determinant of firm performance therefore spare parts management can also be linked with airline performance. Furthermore, the results also lead to the conclusion that Qatar Airways can also improve its performance by focusing on return on investment of inventories, particularly spare part inventories because spare part inventories are more volatile and uncertain. The study concludes that Qatar Airways must focus on supplier and vendor relationships as a tool to improve its spare parts inventory management. Qatar Airways may improve its operational efficiency through improvement in supply chain through relationships with suppliers and vendors.

This study recommends that Qatar Airways should integrate modern technologies to improve its spare parts management process which supports the notion that modern technologies help support supplier and vendor relationship management also. Therefore it can be inferred that firm performance can be enhanced by integrating modern technologies in spare parts management system. This study also concludes that cost of spare parts is a considerable element of Qatar Airways and therefore it can be linked with overall profitability. Qatar Airways must focus the inventory management processes to minimise cost and achieve higher profitability. lastly, the results lead to the conclusion that Qatar Airways must realise that consistency and reliability of its services to its customers are related to its spare parts inventory management and therefore firm performance can also be linked with spare parts inventory management.

Recommendations

Based on the conclusions drawn from previous section, this study makes following recommendations;

1. Qatar Airways must consider spare parts inventory management as a significant element of overall cost efficiency. The strategy of spare parts management system should be focused on maximising efficiency by reduction in inventory levels (spare parts), minimising human resource required for inventory management, and minimising capital invested in spare parts inventory.

2. Furthermore, this study also recommends that Qatar Airways must adopt latest technologies in making improvement in the spare parts management system. The integration of technologies provide higher cost and resource efficiency and also removes human errors and thus provide positive impact on firm efficiency.

3. The study also recommends that Qatar Airways must focus its spare parts inventory management strategy on productivity and performance of its aircrafts and fleet. The aim of spare parts inventory should be to enhance comfort and convenience features as well as performance and productivity of the aircrafts. These aspects are linked with customer satisfaction which provide customer loyalty and competitive advantage

4. Furthermore, this study also recommends that the spare parts inventory management strategy should be focused and related with flight management in terms of schedule management and down time of aircrafts. The fundamental idea is to reduce the down time and maintain flight schedules as promised and planned. These aspects are linked with competitive advantage of Qatar Airways in the industry

5. Furthermore, this study recommends that Qatar Airways must focus its spare parts management strategy on improving relationships with suppliers and vendors which are critical in managing uncertainty in demand of spare parts from maintenance

department and reducing the lead time of spare parts. By improvement in supplier and vendor relationships Qatar Airways can improve its supply chain management and thus increase firm performance.

Limitations and Future Research Recommendations

Although this study provides comprehensive analysis of impact of spare parts management system on different aspects of firm performance of airlines, however, it is worth noting that one of the limitations in the methodology is lack of qualitative evidence. The entire research is based on quantitative empirical evidence only and thus future researchers may conduct more research and triangulate qualitative data also. Furthermore, this study included employees of Qatar Airways only in the sample, yet there are also other relevant stakeholders which include procurement managers, suppliers, and vendors whose opinions are also important. Therefore it is recommended that future researchers undertake research process with more diversified sample. Finally the results of this study are based on Qatar Airways only and therefore further research is required such as comparative studies between Qatar Airways and other airlines to increase the validity and reliability of factors identified in this study.