CHAPTER VI
SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 INTRODUCTION

The present study is summarized and the major findings are given in this chapter. The managerial and academic implications derived from the study’s findings and the avenues for further research are also discussed. This chapter gives clear idea about the summary of the objectives and analyses, and the statistical tools are used for each objective to derive the result. Hypotheses are included separately for employee perception and customer satisfaction. Major findings of the study based on the analysis in the form of employee perception and customer satisfaction are given. Based on the findings, suggestions are made to solve the research problems.

6.2 SUMMARY OF OBJECTIVES AND ANALYSIS

Air India’s financial performance is not a constant one; it fluctuates each and every year. Before liberalization, Air India earned profit on its operation and it is not happening after liberalization, because in 1991 open sky policy was implemented. During that period many foreign players occupied the Indian skies and in the year 2007-08 Indian Government announced the merger of Indian Airlines also reflect the performance of Air India. In order to identify the financial performance of Air India, Compound Annual Growth Rate was used and identified the fluctuations. This accomplished the first objective.

The second objective of assessing how demographic factors influence on customers satisfaction of Air India. In this objective various demographic variables have been included. Chi-square test was used to identify the relationship between age level of the customers and level of satisfaction, gender and level of satisfaction, marital status and level of satisfaction, qualification and level of satisfaction, level of employment and level of satisfaction, purpose of visit and level of satisfaction, advance ticket booking and level
of satisfaction, mode of ticket booking and level of satisfaction, airline accessibility and level of satisfaction, customers income and level of satisfaction.

The third objective is the relationship between the demographic variables of the passengers and the service quality of Air India. Based on customers’ opinion service quality was measured with Man Whitney test and factor analysis was used to identify the most influential factors in customers’ opinion on service quality.

The fourth objective is to measure the perception of the employee and work environment of Air India. Weighted average and “t” test was used to identify the perception regarding employee working environment, Man Whitney test was used to identify the relationship between organizational commitment and working environment and factor analysis was used to identify most influential and least influential factors on employee perception of work environment.

The fifth and final objective is to identify the role of management for employee perception and motivational factors adopted by Air India. Using Maslow’s Need Hierarchy was used for identifying employee motivational factors and Kruskal Wallis test was used to identify the employee motivation.

6.3 MAJOR FINDINGS OF THE STUDY

The summary of the major findings of the study is presented in this section

1. Worldwide passenger traffic by air transportation is increasing because of the introduction of low cost carrier. Freight carried by world airlines is increasing to transport goods from one place to another. Worldwide growth of international economic passenger’s percentage was increased and premium passenger’s growth percentage was decreased.
2. Worldwide airline is facing expenses through airport charges, fuel and taxes, industry taxation and ANSP charges. World airline was earning lesser amount of net profit in the past years. Because of Low Cost Carrier (LCC), more domestic and international passengers are using airlines for their transportation.
3. Air India is following separate time schedule in international flights to provide breakfast, lunch and dinner to its passengers. Air India is following separate time schedule in domestic flights to provide breakfast, tea, lunch and dinner to its passengers. It is providing meals based on the duration of travel in domestic routes. It also takes care to provide six types of religious meals to be chosen by their passengers. Air India is taking care of all types of sick passengers and providing thirteen types of medical meals to its passengers. Separate menu selection is available for children and babies between the ages of two and twelve in Air India.

4. Air India is having three types of flights namely owned, sale and lease back and dry lease. Air India is using forty two wide body flights for transportation. It is using sixty two narrow body flights for transportation. It is using ten regional aircrafts for transportation and Air India’s total fleet size is one hundred and fourteen.

5. Total number of aircraft movements in domestic and international by Air India is increasing but general aviation by Air India is decreasing. Passengers carrying percentage for domestic and international by Air India is increasing when compared with the past year.

6. Freight carrying percentage for domestic and international by Air India is increasing when compared with the past year. Air India’s domestic passenger load factor increased to seventy one percentage in the last year. Air India’s international passenger load factor increased seventy four percentages in last year. International load factor was high when compared with the domestic load factor of Air India. Air India’s domestic and international cargo load factor increased to sixty three percentage in the last year.

7. Air India’s compound annual growth rate for the 16 years from 1990-91 to 2005-06 before the merger of Air India was 11.64%. Because of price hike on oil and fuel, airport charges and high competition, Air India faced -5.33% of CAGR value after the merger of Air India since 2006-07 to 2013-14.
6.3.1 EMPLOYEE PERCEPTION

The researcher framed hypotheses regarding employee perception and the level of employeesatisfaction. The results of the analysis are given below:

There is no relationship between the demographic variables of employees and the perception of job satisfaction.

8. In Air India only 1.1% employees are working below the age of 21, 3.7% employees are working above the age of 21, 16% of employees are above the age of 31, 36.7% of employees are above 41 and 42.9 % of employees are working above 50. Most of the employees are above the age of 50.

9. Age of the employees in Air India southern region has not influenced perception,because Air India is allotting the same kind of workload and work timing to all age groups of employees in Air India.

10. Both male and female genders are working in Air India southern region. 54.6% of employees are males and 45.4% of employees are female in Air India.

11. In Air India southern region 54.6% of males and 45.4% of females are working. The middle level employees of both genders are more while compared with the low level and high level employees. In this, gender has influence over the level regarding perception because each gender is having different expectation of perception.

12. Three levels of employment are available in Air India namely low level, middle level and higher level. Totally 14.9% employees are working in low level, 82.3% of employees are working in middle level and 2.9% of employees are working in top level. Most of the employees are middle level employees in Air India southern region.

13. Three levels of employees are working in Air India southern region namely low level, middle level and top level employees. But the level of employment does not influence the perception of job satisfaction because work was split equally among all level of employees based on their designation.
14. Experience is a main factor in all organisations. 1.4% of employees have 5-8 years of experience, 10.3% of employees have above 8 years of experience, 12% of employees have above 12 years of experience and 76.3% of employees have above 16 years of experience. So, Air India is having very experienced persons in the southern region.

15. Most of employees of Air India southern region have above 16 years of experience and 77.6% of experienced employees are satisfied. Thus experience of employees not does have influence over the perception regarding level of satisfaction because well-organised work schedule is maintained in Air India.

16. Employee perception is needed for all types of organisations. 14% of employees are not satisfied with their work, 69.4% of employees are somewhat satisfied with their employability and only 16.6% of employees have perception on high satisfaction. Hence, most of the employees are not satisfied with working in Air India.

17. In a week 293 employees are working for 41 to 50 work hours. Working hours of employees do not influence the perception on level of job satisfaction because of propertied workload.

There is no significant relationship between the employee perception and training and development practices, promotion practice, grievances handling and carrier planning in the southern region of Air India.

18. Air India is providing good training and development practice to their employees in southern region. 62% of employees have mentioned positively about Air India’s training and development practice. Air India’s training and development program objective satisfies the employee’s job needs and it gives more opportunities to learn.

19. Evaluation of the performance of employees in Air India southern region is effective. 62% of employees are satisfied with the performance evaluation practice provided by Air India. Air India is following formal written performance appraisal system and the performance appraisal is fair.
20. There is significant relationship between training and development practice and performance evaluation practice, because, effective training and development practice will directly influence the employee performance. So, training of employees will increase the job performance of Air India in the southern region.

21. Decisions are taken for promotion on seniority basis and 62% of employees are satisfied with promotion policies and written promotion policies are followed by Air India in the southern region. But Air India is not considering promotions on merit basis.

22. Grievance handling system for employees in Air India is an effective one. 75% of employees are satisfied with grievance handling followed in Air India. Superiors of Air India help the employees’ questions and doubts regarding grievances and Air India is following formal procedures for handling grievance handling in the southern region.

23. A promotional practice of Air India is not influencing grievance handling system because Air India is following separate grievance handling team to handle all types of grievance in all categories. So, promotions will have no influence on grievance handling system in Air India southern region.

24. Career planning of Air India employees in the southern region is done in a negative way. 42.91% of employees are not satisfied with career planning in Air India. Once the employees join in Air India they can’t switch over to other company. That is why Air India employees are not having clear career path in the southern region.

25. In Air India career planning does not have relationship with job satisfaction. Career planning is not influencing because they are not having any further career to plan, and employees have to work till their service ends. So, career planning is not influencing job satisfaction of Air India employees in the southern region.

26. Most influential factors of employee training and development practices equipped employees with confidence to tackle problems and confidence on
work, better relationship with co-workers, and improve decision making skill and efficiency in human relationship.

27. The least influencing factors in perception are employee decision making skill; training program does not satisfy job need and training won’t help to learn more and performance appraisal is very less in employee training and development.

Regarding the relationship between the perception of employees and their work in Air India.

28. Job satisfaction is a main criterion for all employees in Air India. 74.57% of employees are satisfied to work in Air India because of job security. In public sector employee job security is more and employees are having more freedom to work in Air India; performance appraisal also increases job satisfaction in Air India the southern region.

29. In Air India 58.98% of employees are very committed to the organisation and employees are willing to put in their full effort to develop the company. Air India employees are extremely glad that they are working in Air India and it inspires the employees to perform better.

30. Good working environment gives peaceful working condition. 60.07% of employees are satisfied with the working condition which Air India provides to their employees. Air India is providing generator facility, good lightings, air conditions, high speed internet facilities, latest configured systems, quality seating facility, clean cabins and very pleasant paintings in the work environment in Air India southern region.

31. Organisational commitment is highly influencing working environment. Of the working environment is good and peaceful, it will increase the productivity and employees can easily identify with the organisation. So, better working environment will influence organisational commitment.

32. Based on Maslow’s need theory, Air India is fulfilling the employee needs. Air India employees have moderate perception on physiological need, employees are not satisfied with safety need, employees are very much
satisfied with self esteem need, they are satisfied with love/belonging need but employees are not satisfied with self actualisation need in Air India southern region.

33. The most influencing factors are Air India is providing individual cabin facility for employees, cabins are very neat, clean & spacious and cabins are arranged with sound proof system, cabins are have very pleasant paintings and good working condition.

34. Least influencing factors are insufficient of power backup, internet does not have much speed, seating facilities are not good, insufficient of latest configured systems, air condition and lighting facilities are not fair in air India.

35. Most influential factors are employees are very confident of their work, they are getting recognition for their work, have very much freedom to work with competence, and they are visible to higher authorities.

36. The least influencing factors are there is no financial product for employees, less safety, quarters facilities are not good, bad working condition, and there is no transport facility for Air India employees.

### 6.3.2 CUSTOMER SATISFACTION

The researcher frames hypotheses regarding customer satisfaction with the service quality of Air India. The results of the analysis are given below:

There is no relationship between the demographic variables of passengers and customer satisfaction.

37. More customers are travelling by Air India. Among customers who belong to the age of 20-30 40.8% use Air India, 85.7% of males are travelling, 71.7% of married passengers are travelling, 42.4% of professional qualified passengers are travelling, 32.2% of self-employed passengers are travelling and 54.3% of Air India passengers are earning below 1, 00,000 as annual income.

38. Passenger’s age has influence over the level of satisfaction. Every age group has different expectation from service providers. Of the age group of 20 to
30. Passengers have high and moderate level of satisfaction and the age group of above 50 does not have that much satisfaction in Air India service.

39. Level of satisfaction influences the gender of passengers. In the male gender only 20.6% of passengers are satisfied with Air India service and 40% of female passengers are highly satisfied with Air India service, 60% of female passengers have moderate level of satisfaction with the service quality of Air India.

40. Marital status influences the level of satisfaction in Air India. 24.3% of the married passengers are very much satisfied with Air India service, and 19.9% of married passengers are not satisfied with Air India service. 21.1% of unmarried passengers are satisfied with Air India service and 6.4% of unmarried passengers are not satisfied with Air India service. As regards marital status married passengers are satisfied more than unmarried passengers in Air India.

41. Passenger’s qualification is highly influencing the level of satisfaction. 83.3% of higher secondary qualified passengers are satisfied with Air India service, 58.9% of under graduate passengers have medium level of satisfaction, 86.5% of post graduate passengers have medium level satisfaction and 98.6% of professionally qualified passengers have medium level of satisfaction with Air India service. Hence, under graduate passengers are very much satisfied with Air India service.

42. Level of employment of passengers has high influence over level of satisfaction. Only 13.3% of self-employed passengers are highly satisfied with Air India service, 16.9% of salaried passengers are highly satisfied with Air India service, 53% of business persons are satisfied with Air India service, 19.3% of professional working passengers are highly satisfied with Air India service and students have only having medium level of satisfaction with Air India. Hence, businesses persons who travel by Air India are highly satisfied.

43. Purpose of travel influences over the baggage handling by Air India, because, business purpose travellers and the government purpose travellers won’t
prefer to carry their luggage. These types of travellers are not satisfied with its services.

44. Purpose of travel influences over the connecting flight service offered by Air India. Air India is providing transport facilities to various destinations, and in some destinations Air India is providing connecting flights. But the connecting flights are not on time. So, these types of professional travellers are not satisfied with Air India’s connecting flight service.

45. Purpose of travel influences connecting after flight travel service offered by Air India. After travel experience is the main factor for business, government and tourist travellers, because they are sometime new to that place and they are not able to identify the places. So, the business, government and tourist travellers are not satisfied with Air India’s after travel experience.

46. Income of the passengers has influence over the level of satisfaction with Air India service. 26.8% of passengers who earn below 1,00,000 per month are satisfied with Air India service, 25% of passengers earning 1,00,000 to 2,00,000 per month are satisfied with Air India service, 17.2% of passengers earning 2,00,000 to 3,00,000 per month are satisfied with Air India service, 40% of passengers earning 3,00,000 to 4,00,000 per month are satisfied with Air India service, 22.2% of passengers earning 4,00,000 to 5,00,000 per month are satisfied with Air India service and 9.1% of passengers who earn above 5,00,000 per month are satisfied with Air India service. Hence, passengers who earn more are expecting more. That it is why high earning persons are not satisfied.

47. Air India customer level of satisfaction is a moderate one. 16.1% of passengers are not satisfied with Air India service, 60.5% of passengers have moderate level of satisfaction and 23.4% of passengers have high level of satisfaction in Air India services.

To identify the relationship between airline Accessibility and level of satisfaction.

48. Customers prefer Air India for air transportation. 87.8% of passengers have travelled by economic class, 37.4% of passengers are using Air India for
business purpose, passengers are taking less than 30 mins for ticket booking, 33.2% of customers are using advance booking before 8 to 21 days and 53% of customers are booking their ticket through online.

49. Passenger’s purpose of visit has influence over the level of satisfaction. Only 9.7% of business purpose travellers are highly satisfied with Air India service, 78.8% of government purpose travellers are having medium level of satisfaction, 28.7% of visiting purpose travellers are highly satisfied with Air India service, 45.6% of tourist travellers are highly satisfied with the service and 50% of education purpose travellers are highly satisfied with Air India service. Hence, tourist and education purpose travellers are highly satisfied with Air India service.

50. Advance booking of passengers has more influence over the level of satisfaction. Passengers who book their tickets before 46 to 90 days have high satisfaction with Air India service.

51. Mode of ticket booking has more influence over the level of satisfaction. 27.8% of passengers who book through travel agent are highly satisfied, 15.2% of passengers booking through online are highly satisfied, 100% of passengers booking through airport ticket counter are highly satisfied, 60.6% of passengers booking through airline ticket office are highly satisfied, 46.7% of passengers booking through airline website are highly satisfied and most of the passengers who are booking through tour operator have medium level of satisfaction travelling by Air India.

52. Airline accessibility has influence over the level of satisfaction. 32% of passengers who access through newspaper are highly satisfied with the service, 27% of passengers accessing through travel agent are highly satisfied with the service, and 19.6% of passengers who access through internet advertisement are highly satisfied with Air India service. Hence, newspaper advertisement has high impact on passengers.
There is no relationship between the service quality and customer satisfaction of Air India.

53. Air India customers feel that there is no significant difference between pre-flight service and on-board service.

54. The most influencing factors are: customers will buy ticket from any airline which offers attractive prices. If Air India does not provide better service passengers will switch over to other airlines services. But Air India is the first choice for buying tickets.

55. The least influencing factors are customers do not refer Air India airlines to their friends and relatives, decision making to buy tickets is not responsible for individual customers and customers won’t complain to external agencies if any problem is found in airlines.

56. The most influenced factors are: customers felt effective check-in, Air India flights are very punctual, employee attitude is good, very good safety procedures, effective security procedure, provides fast baggage, employees are courteous, correct scheduling, best flight convenience, staff are very helpful and provide timely information.

57. The least influencing factors are there is no flexible on reservation, sign boards are not clear, refunding is difficult, flight announcements are not clear, there is no special reservation for physically challenged persons and Air India is providing very less non-stop flights.

58. The most influenced factors are cabin crews are providing prompt service to customers, cabin crews are very courteous, cabin crews are willing to help, cabin crews speaks foreign languages, crews are very smart appearance, crews are providing individual attention to all customers, clear cabin announcements and very good service to children.

59. The least influential factors are: unavailability of traditional foods; menu selection is not available, provides less quantity of food, there is no proper complaint system; the very least one is very poor in-flight entertainment.
6.4 SUGGESTIONS OF THE STUDY

Based on the key findings of the study, the following suggestions are outlined for the policy makers of the Indian Airline industry and the Indian Airline Service Providers.

Air India training and development program for employees does not satisfy the job need. Because, Air India is providing common training for all employees and it does not increase the employees decision making skills and training does not help to learn more on employee’s job role. Air India has to provide better training program for separate department, so that employees can work with more confidence on their work and they can easily understand the positive and negative ways of work.

The major factor of employee perception is working environment. If the employee wants to perform better, working environment should fulfill all the working needs. Air India does not have sufficient power backup, very slow internet facilities, old and damaged seating and there is no sufficient latest configured systems. Air India has to provide good seating facilities to work comfortably, and high speed internet facilities with efficient power backup. So, employees can put their full effort without any interruptions.

Organizational need of Air India is a major factor for its employees. Air India has to provide better satisfaction on organization by providing some other facilities like incentives for better performing employees, proper increments and hike on salary to the employees. These factors will motivate internally to perform better in the organization. Air India is following promotion policy on seniority basis. If organization changes the promotion based on the employee performance definitely employees will put in their full effort to the organization, so that employee job satisfaction will increase.

Business class customers are not preferred to travel by Air India; this airline is the last choice for buying a ticket for travel and government travelers are restricted to travel in Air India because of the government to government policy, and they travel on compulsion. Air India has to provide better flight service for executive travelers and provide more connecting flights on periodic time intervals to avoid wasting
traveler’s time. Air India has to focus on providing fast baggage handling service when the customers change from one flight to another, because handling their baggage to other flight is difficult. So, Air India has to give appropriate baggage handling service to its customers.

Connecting flights are the major factor for all type of travelers. Because of government to government policy then are not able to prefer other airline for their travel purpose. So, those types of travelers are wasting their valuable time, Air India has to take into consideration to provide proper sufficient connecting flights to avoid their valuable time. After air travel service is an important service in airline industry. Professional travelers and new tourist travelers are struggling a lot to catch road transport to reach their destinations. Air India should have tie-up with car agencies, and provide facility to book road transport at the time of flight ticket booking itself. This will satisfy new and existing customers to use Air India service frequently.

In airline competition Air India has to attract more customers towards their airline and customers are expecting more service before traveling and after traveling in the airline. Air India has to provide concessions for regular travelers, SMS facility to alert the customers before traveling date and provide booking facility for car transportation at the time of flight ticket booking after arrivals. So, that the existing visitors and new visitors will get more benefits and become trustworthy.

Customer loyalty is the prominent factor for all types of service industry; Air India has to increase loyalty with customers. Because of inadequate service, Air India customers are not willing to refer their friends and families to travel in Air India. So, Air India has to improve their service to satisfy more customers and provide better travel experience among the travelers to attract more customers.

Pre-flight service is a major factor for airlines. It means Air India has to satisfy the customers from the time of reservation till departure. Customers have difficulty on ticket refunding procedures and there is no special reservation counter for senior citizens and the physically challenged customers. Air India has to refund the amount for
Cancellation ticket fare as soon as possible and they have to follow separate reservation counters for the physically challenged and aged customers.

Customers want satisfaction from in-flight service quality of Air Indiabecause they are using the service of the airline and Air India is not providing proper menu selection for meals and less quantity of meals to its customers. In-flight entertainment service is also the very worst in this airline. Air India has to provide proper menu selection and also has to provide sufficient quantity of food to the customers. Airline has to provide better entertainment facility, because customers are going to travel for a long time. So, if customers are satisfied with this service, they will refer their friends and relatives to avail of its services.

5.6 RECOMMENDATIONS FOR FURTHER RESEARCH

Based on the suggestions made and the limitations of the study, the scope for further research is given below:

1. To Study the Private and Public Airlines in India: A Comparative Study
2. To Study the Financial Performance Analysis of Air India.
3. A Descriptive Study on Problems and Challenges of Air India.
4. To Study on Airport Management Customer Satisfaction in India.

5.7 CONCLUSION

Air India is an airline which offers service to its valuable customers, and employees are persons who deliver these services to customers. To satisfy the customers, first the employees should be satisfied with their work and working environment. Training for employees lays a major role inequipping and updating them with the latest terminologies and technologies for work efficiency and serve effectively. Peaceful working environment and comfort will make the employees perform better on their work and they can easily convey the service to its customers. Working surroundings want to create more intention and decrease irritation on their work so that they can offer service. To offer better service to its customers, employees have to be satisfied with the organizational need of the airline. These types of organizational needs will motivate the employees internally and externally in the term of monetary and non-monetary benefits.
Satisfying business class travelers look for its extraordinary service quality to select Air India airline as their first choice for travel and it has to provide comfort travel to those who are using the airline for official purpose. In view of heavy competition, the airline has to attract customers by its service quality, ticket offers and before travelling and after travelling service to make them loyal customers and make such customers refer more friends and relatives to use this airline service for their travel. Airline has to satisfy its customers with pre-flight services like reservation, cancellation, date change, refund for cancellation and easy booking facility for the physically challenged and aged customers. In-flight service quality leads better satisfaction with Air India. The airline has to provide better service like sufficient quantity of foods, proper menu selection and in-flight entertainment facilities.

This study will be helpful to Air India. If the suggestions given by the researcher are implemented, the Airline will generate more customer satisfaction and more satisfied employees.