



QUALIFICATION : BCOM HONOURS
MODULE : AIRLINES AND AIRPORTS
CODE : TRE8X14
DATE : NOVEMBER 2017 EXAM
DURATION : 180 MINUTES
TIME : 08:30 – 11:30
TOTAL MARKS : 180 MARKS

EXAMINER : DR E SMITH
MODERATOR : DR J VERMOOTEN
NUMBER OF PAGES : 3 PAGES

INSTRUCTIONS TO CANDIDATES:

- Question papers must be handed in.
- This is a closed book assessment.
- Read the questions carefully and answer only what is asked.
- Number your answers clearly.
- Write neatly and legibly
- Structure your answers by using appropriate headings and sub-headings.
- The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.
- Answer each section on a different answer sheet.

QUESTION 1

[50 MARKS: 50 MINUTES]

With reference to the SAA organogram below you are required to:

- Comment on the various levels of management depicted in the Organogram. In addition to the above, you are required to discuss the level of decision making taking place, as well as the key responsibilities of staff at each level (20 marks)
- Distinguish between the executives reporting to the CEO that fulfill staff vs. line functions. Please motivate your answer in each case. (30 marks)



QUESTION 2

[40 MARKS: 40 MINUTES]

SAA's financial position has received a lot of media coverage over the last couple of years with wide spread criticism levied against the continuous government support offered to the airline without the key fundamentals relating to the operational and financial management of the airline being addressed.

You are required to comment on this statement (10 marks) and then write detailed notes on the various Direct and Indirect Operating Costs airlines would typically have to manage in an effort to run a viable operation (30 marks)

QUESTION 3

[30 MARKS: 30 MINUTES]

Most airlines deploy sophisticated airline revenue strategies and systems to maximize their revenue earning potential. You are required to provide a detailed analysis of the various fare actions that airlines tend to embark on to boost their revenue albeit for a limited period of time.

QUESTION 4

[30 MARKS: 30 MINUTES]

As the Financial Manager of a low cost airline, you are required to compile a report to be presented to your airline's Board of Directors clearly distinguishing between the various sources of external funding available to your airline to fund the acquisition of new aircraft and what each of these entail.

QUESTION 5

[30 MARKS: 30 MINUTES]

Discuss the various airport ownership models that can be observed in South Africa and refer to specific examples to complement your answer.

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