

Maintenance training could save airlines \$711 billion by 2036

APRIL 26, 2018



Airlines could save an added \$711 billion in operating expenses through proper maintenance training for the period 2017-2036, according to estimates by Management & Excellence (M&E), the financial consultancy specializing in human capital ROI in aviation.

The conservative estimate is based on Boeing's projection that 648,000 new commercial airline technicians will be added by 2036 and that each of them will only undergo one high quality OEM line & base training in their career. It also considers operating costs saved only up to 12 months following the training. Thus, total savings from their actual training could produce yields several times higher, but at least \$1 trillion.

M&E also uses data derived from its work for clients to arrive at this figure, such as an M&E Training Effectiveness IndicatorTM, which measures the impact of training on the effectiveness of daily maintenance work following the training. It also considers avoided events, such as delays and cancellations, air turn backs and aborted takeoffs, as well as avoided unscheduled maintenance (UER's) and the costs of training.

High quality maintenance training significantly improves such skills as troubleshooting, which positively impacts airline productivity measurements such as block hours/day, ASM's per aircraft/day, average stage length, departures/day, spare parts stock costs, stage length, employee productivity and events/cycle.

"Achieving a high maintenance training ROI depends on where you get the training. Training with OEM's who built the aircraft or engine is your safest bet," said Dr. William Cox, CEO of M&E which conducted 120 ROI projects with a project value of \$5 billion using its SMART ROITM tool.

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