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# TIME 2 VALUE

## Streamlined Processes Bear Fruitful Benefits For Airlines

To speed the process of software implementations while maintaining the highest level of quality for its airline partners, Sabre created the Time 2 Value team. The team drives key efficiencies that help Sabre deliver better products to airlines faster, enabling airlines to expedite their return on investment and realize benefits quicker.

As an airline you want to get passengers from point A to point B, provide a quality customer experience along the way, arrive on time and be operationally efficient while doing so. At Sabre, our goal is to help airlines do those things efficiently and optimally. And while some people might think that this is where the similarities between a B2B IT company and a B2C service industry end, Sabre's corporate goals and business objectives are surprisingly similar to that of its airline customers. For example:

- Where airlines want to deliver on what is their core product of getting passengers from a point of origin to their destination, Sabre's core business is to deliver and implement IT solutions that facilitate, streamline and ease the many processes required to do so.
- Where airlines want a consistent, quality customer experience, Sabre is also committed to providing outstanding customer service via defined methodology, standards and repeatable processes.
- Where airlines and the industry as a whole strive to be as on time as operationally possible, Sabre tracks, scrutinizes and continually assesses its own on-time performance (defined by whether or not the technology solution was delivered on the date promised) as a measure of operational success.
- In an industry with high fixed costs, significant barriers to entry and variable costs primarily associated with fuel and labor, an airline's profitability is largely defined by the ability to drive operational efficiency. Of course, Sabre not only provides airlines with solutions that help drive those efficiencies, but must also be efficient itself.

While the final point above may be somewhat cliché, in reality, any and all public companies must drive and push for operational efficiency to

do more with less and hopefully, as a result, be more profitable. During the past several years, Sabre has not only found a way to improve customer experience and deliver solutions on time, but also to substantially reduce the time it takes to implement solutions without increasing the amount of resources required to do so.

For an airline, this would be equivalent to increasing cruise speeds (either via pilots pushing throttles full forward and/or new supersonic jets) without incurring additional costs from say, fuel or the purchase of new aircraft, while at the same time finding a way to improve the product and increase customer satisfaction.

Getting to a place of increasing operational excellence did not happen overnight, but rather is a reflection of a broader commitment and a culmination of several years of ongoing, coordinated continuous improvement efforts throughout the organization.

In fact, the foundational starting point began several years ago with the development and rollout of Sabre's Program Lifecycle, a standard methodology by which teams engage airlines from first contact all the way through back-end customer support, defined by several linear phases including:

- Customer proposal,
- Due diligence,
- Contractual agreement,
- Project initiation,
- Interactive pilot,
- Solution installation,
- Project transition,
- Customer care.

Moving through the years, Sabre worked to flesh out the skeleton of its base methodology to make it a living, breathing thing. These efforts include:

- Creating and deploying playbooks for each solution and each phase — Actively managed

and constantly updated templates guiding expectations, activities and success criteria required before moving to the next phase.

- Creating a methods and standards department responsible for overseeing the Program Lifecycle, documents supporting it, and facilitation of rollout and change management.
- Industry-based governance to monitor execution and consistent adoption of changes.
- Focused tools and processes to manage resource allocation and solution deployment.

As a result, Sabre is able to use a standard framework that ensures a quality, consistent approach across the solutions portfolio and hundreds of team members, across many regions and countries, with increased customer satisfaction being a key performance indicator of those efforts.

Most recently, Sabre set out to discover ways to shorten the time it takes to navigate the entire Program Lifecycle from beginning to end. The overarching goal was to protect improvements in quality, while expediting airline customers through the phases — from customer proposal through customer care — with consequential benefits including:

**For Airlines:**

- Reduced program and operational risk as the transition to the new solution platform is shortened;
- Accelerated business transformation and value;
- Reduced business/operational disruption;
- Increased engagement via shortened project lifecycles, focused activity and concentrated efforts.

**For Sabre:**

- Faster revenue recognition,
- Reduced costs,
- Increased scalability,
- Improved customer satisfaction,
- Greater differentiation in product and service offerings,
- Cycle time as a market differentiator.

What emerged was a new organizational initiative called "Time 2 Value."

**Time 2 Value**

In early 2015, leaders from various parts of Sabre formed the Time 2 Value team. In collaborating with each other, the team was able to create strategic direction and form a holistic, unsiloed view on which cross-functional activities would shorten various parts of the Program Lifecycle without compromising project quality, while accelerating return on investment for Sabre's airline partners.

These inputs were aggregated and broadly categorized to develop individual work streams that were assigned resources and ran as internal projects under the umbrella of the larger project/initiative. When mapped to the Program Lifecycle, the work streams represent a group

**Early Time 2 Value Results**



decrease in typical implementation times



increase in first contact resolution within customer care



increase in customer satisfaction with implementation services



Increase in customer satisfaction with customer care

Time 2 Value has resulted in tangible improvements from the time an airline signs a contract for a solution through to implementation and customer care.

of activities, cutting across various phases (and business units), but focused on a common theme of improvement. Areas of primary focus include:

- Signature-to-labor code cycle time — The time it takes from when an airline signs a contract to the labor code being available for delivery teams to begin work and implement the requested solution.
- Implementation cycle time — The total time it takes delivery teams to implement a solution from the first day of the project to solution adoption and transition to customer care.
- Severity resolution cycle time — Average time it takes for customer care to resolve airline issues.
- Tools and automation — A holistic look across all of the aforementioned work streams and organizations to define a prioritized investment case for new tools to enhance both deployment and maintenance of solutions.

### Signature-To-Labor Code Cycle Time

Surprisingly for some, once an airline signs a contract for a Sabre solution, it is not a simple matter of implementing the solution immediately and starting work the next day. Rather, there are myriad checks, balances, processes and legalities to navigate before delivery teams can begin work.

The first half of 2015 was spent mapping that intricate process and identifying critical handoffs and dependencies between activities, while looking for opportunities to streamline. The signature-to-labor code cycle time team ended the year with a detailed list of recommendations and a plan to implement. To date, the implementations of the recommendations have resulted in a 50 percent decrease in cycle time.

### Implementation Cycle Time

Many complex dependencies are managed

during solution implementation. Sabre delivers more than 200 solutions to more than 140 different airlines and related companies per year. The Time 2 Value team set out to reduce times for specific solutions with the expectation that doing so would steadily move the needle of efficiency for the broader Sabre portfolio.

To date, results have been outstanding, yielding an average 27 percent decrease in implementation cycle time for several solutions last year and nearly 30 percent this year. All of which continues to be done via the following avenues:

- Process improvement via define, measure, analyze, improve and control (DMAIC) activities — A team of industrial engineers within Sabre who go from one solution team to another, making recommendations based on a Six Sigma methodology.
- Solution essentials — For less-complex, more-standardized airline projects, teams assessed some of Sabre’s more popular products and created “essential” versions; solutions with base capabilities, where airlines can add-on additional functionality post implementation. In doing so, the cycle time was reduced by up to 50 percent, while the airline was more apt and able to scale and flex its technology according to operational needs. For many airlines, this enables a guided first step onto an initial Sabre solution.
- Other improvements — Project timelines can shift due to a number of reasons, but as the Time 2 Value initiative has grown, teams have been able to mitigate constraints through assessments, allowing for a significant reduction of project delays in the standard lifecycle. For example, by completing assessments early on, teams are now entering the validation testing phase of the implementation with a higher level

of customer preparation, allowing for testing to begin and end quickly, resulting in on-time product deliveries.

### Severity Resolution Cycle Time

Ongoing relationships involve continuing interactions between airlines and Sabre’s customer care department. When an airline contacts the customer care department, critical issues, categorized as severity 1 or 2, are prioritized and handled quickly. This is standard operating procedure for any IT company; however, the majority of support is outside of severity 1 or 2, but still may have some measure of impact to the airline. As a result, team members set out to drive incremental reductions in cycle time for all issues, but with concentrated efforts on severity 3 issues. This has reaped a 9 percent reduction in mean time to resolution.

### Tools and Automation

To date, one of the largest wins from this work is the launch of an automated-data-collection tool earlier this year. Looking to improve the data collection and migration process, the tool:

- Effectively simplifies the migration of multiple operations into one,
- Significantly reduces the level of effort to migrate data from a legacy product to the next-generation solution,
- Increases reliability of the data as it halts the possibility of errors caused by manual data transfers.

While the solution is in the infancy stages (with plans to significantly grow and expand capabilities going forward), early results are positive with an average cost savings of US\$100,000 per implementation for airlines. In addition, the hours it took to complete the data-collection process have been reduced by more than 500 percent.

Collectively, the above operational statistics are inspiring, and many airlines have noted positive changes and improvements. Sabre has taken the Program Lifecycle and improved the speed of execution across all its partner airlines’ touchpoints in parallel of incremental improvements in quality. The end result is such that airlines have an expedited path to realizing tangible value from Sabre solutions and accelerated return on investment via partnerships with Sabre teams focused on quality engagement and driving solution adoption.

Given a culture of continuous improvement, Sabre continues to monitor and prioritize important areas of focus to further elevate the customer experience and differentiate the value airlines gain — quicker. And it’s not finished yet.

Sabre’s cross functional collaborative efforts to drive multi-faceted improvements will go on forever. That is to say, there is still much more Sabre can do for its airline customers. **F**

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## Airline Successes: Implementation Cycle Time

Airline	Solution Implementation	Results
Bahamasair	Revenue Integrity upgrade	<ul style="list-style-type: none"> <li>• 35 percent reduction in hours and cycle time</li> <li>• two months of accelerated savings</li> </ul>
Jet Time	Flight Plan Manager	<ul style="list-style-type: none"> <li>• 58 percent reduction in cycle time</li> <li>• 48 percent reduction in implementation hours</li> <li>• US\$701,000 in accelerated return on investment</li> </ul>
Aeroflot	Sabre Intelligence Exchange	<ul style="list-style-type: none"> <li>• 32 percent reduction in cycle time</li> <li>• 41 percent reduction in hours</li> </ul>
Alaska Airlines	Sabre Intelligence Exchange	Three-month project completion; 33 percent faster than the standard time

Time 2 Value improves the speed at which Sabre solutions are implemented, providing numerous benefits to airlines such as accelerated return on investment and cycle-time reduction.