

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

FINAL EXAMINATION SEMESTER II SESSION 2016/2017

COURSE NAME

AVIATION ECONOMY &

MANAGEMENT

COURSE CODE

: BDU 30202

:

PROGRAMME

3 BDC

EXAMINATION DATE :

JUNE 2017

DURATION

2 HOURS

INSTRUCTION

: ANSWER FOUR (4) QUESTIONS ONLY



THIS QUESTION PAPER CONSISTS OF FOUR (4) PAGES

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- Q1 (a) Management is the process of achieveing goals and objectives efectively and efficiently through and with the people.
 - (i) Explain briefly the roles of managers in the organization.
 - (ii) List four (4) principles of Management as described by Henri Fayol.

(10 marks)

(b) State five (5) management functions and arrange the priority based on its importance to the different level of managers.

(8 marks)

(c) Outline the relationship between Full Service Carrier and Low Cost Carrier with regards to the tiers in network carriers.

(7 marks)

Q2 (a) State FIVE differences between Low Cost and Full Service Carriers.

(10 marks)

(b) These data are obtained from a series of activities carried out during the execution of a simple project:

Table 1: Aircraft Preliminary Design Activities

Activity Number	Start Node	End Note	Completion time(weeks)
1	1	2	2
2	1	3	4
3	2	4	7
4	3	4	3
5	3	5	7
6	4	5	3
7	5	6	4
8	4	6	6
9	6	7	2
10	4	7	7

In addition to the above information, activity 5 cannot start until three weeks after the end of activity 1.

- (i) Construct the network diagram for the data given in Table 1.
- (ii) Find the minimum overall project completion time.

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- (iii) Calculate the float time for each activity and based on the calculation, identify the critical path.
- (iv) Based on your answers in Q2(b)(iii), analyze the effect on the project if the completion time of activity 4 is increased by two weeks.

(15 marks)

Q3 (a) Illustrate the stages of the passenger journey from the origin airport to the destination airport.

(5 marks)

(b) Gives five (5) examples in airport security changes after the 911 incidents.

(5 marks)

(c) Outline four (4) risks that can be covered by insurance and provide real case examples for each risk.

(10 marks)

Q4 (a) Explain the functions of International Civil Aviation Organization (ICAO) and gives TWO countries that is a member of ICAO.

(5 marks)

(b) Calculate the total direct operating cost of a commercial transport based on Liebeck's equation for the charge based on the values given in Table 2, assuming that there are two flight crew and eight cabin crew on this flight.

(16 marks)

Table 2: Detail elements in aircraft direct cost

No	Items	Quantity
1	Number of trip	3
2	Airframe weight	60 tonnes
3	Gross weight	78 tonnes
4	Number of trips	2
5	Number of engine	2
6	Thrust per engine	120 kN
7	Airframe cost	1 500 000 USD
8	Period	15 years
9	Residual	0.1
10	Airframe spares	0.06
11	Engine spares	0.23
12	Interest	130 000 USD
13	Block hours	4 hours

- (c) Define the following terms:-
 - (i) Aviation law
 - (ii) Sovereignty

(4 marks)



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Q5 (a) Life cycle cost is a method to appraise capital cost of a project, manufacturing costs of the construction materials, operation and maintenance cost. Formulate and define the costs involves in the calculation of Life Cycle Cost.

(6 marks)

(b) Freedoms of the Air are referring to the type of international services permitted between two or more countries. Apply five (5) principles of the Freedoms of The Air by giving appropriate examples of the airlines operating and illustrate the home country and the airline's destinations. Gives the importances of Cost Benefit Analysis.

(10 marks)

- (c) Suggest four (4 factors) to consider during the Cost Benefits Analysis of a project. (4 marks)
- (d) Based on your opinions, suggest the advantages and disadvantages of the current scenario in the global and local aviation industry.

(5 marks)

- END OF QUESTION -



