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HRM Practices Jet Star Airways

[Name of the Writer]

[Name of the Institution]

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# Introduction

Employment relations is one of the most important aspects that is needed to be managed by the business at the point of time. Specially in terms of how the aviation industry is supposed to work. In this industry, it is quite important to make sure that the organization should have the realization to ensure that they develop good relationships with their employees due to the fact that it is going to have direct impact on the deliveries and their execution of service. In the aviation industry, the low-cost airline companies have to be specifically careful when it comes to the employee relations. There are two reasons for it, the first is that if there is a single incident where the customer experience is disrupted due to the issues faced by the airline, it is going to boil down to disrupt the consumer experience. Not only that, the other major problem is that they cannot afford long stand or disruptions in their operations and thus they have to be specifically careful.

# Key Theories of the Employment Rationale

The first thing that is going to be done is that the theoretical framework is needed to be developed when it comes to making sure that the key theories are developed in terms of how the employment rationale is developed at the particular point of time. The idea must be to make sure that all the organizational stakeholders are needed to be in the position to make sure that they are understanding some of the long term challenges and act accordingly. The passenger air travel industry is experiencing increasing competition between low cost/no frills carriers (LCC) and the more traditional full service carriers. This paper explores the comparative business models with a view to identifying areas where these might be expected to generate different HR and employment relations practices, and checking the findings against available evidence. While some of the expectations are confirmed, unionisation is higher than anticipated in the LCC sector and a relatively high percentage of staff were on regular rather than contingent contracts. Differences in approach are observed among LCC airlines, and the evidence indicates some convergence between the two sectors as competition heightens.

# Globalization and Employ Relations

The globalization has played an important part when it comes to the way management of the employee relations is supposed to be done at the level of the organization at the particular point of time. The key thing that has to be kept in mind here is that how the right perspective is going to be developed in terms of how the right sort of rationale is going to be developed in terms of the facilitation of the employees at the particular point of time. As the businesses are expanding, the workforce that they have their disposal is also getting more diversified with the passage of time and it is imperative for them to make sure that they are very careful when it comes to managing the larger workforces at the particular point of time. In order for that to happen, they need to integrate employees into their fold in an appropriate manner and that only be done with the help of better employee relation management. They have to show consistency at the international level but have to adopt their practices in the manner that tend to work out well for the rationale organizations.

# Convergence and Divergence Theories

This theory talks about the fact that how the capitalism and the employment relation convergence is needed to be looked at the level of the organization. Most of the times, what happens is that most of the theories that are related to the employee relations tend to focus on the convergence and due to that the nature of how they perceive employment relations tend to be deterministic at the given point of time. The nature and the state of the economy is also quite important when looking at the way employment relations is supposed to be looked at the broader level at the given point of time. The ide as that how the convergent and divergent tendencies required complete understanding about how the economy is working at the given point of time. Not only that, the main argument that is set forth when one talks about these theories is that how the rigid conception of the institutions is needed to be kept in mind. The other thing is how the nature of the institutions tend to work out at that given point of time and how flexible they are in terms of how the interpretation is needed to be done at the appropriate point of time.

# HRM Practices for Jet Star

To have an insight about the way HRM practices are carried out in the country, one needs to have an insight about the way overall attitude of the people is towards human resource at the particular point of time. Looking closely at the way things work, the one of the major aspects of how the human resource works is that how human resource management works. Now, in Jet Star, the HRM practices are quite different as compared to the ones that are witnessed in the rest of the organizations around the world. The environment that these people are working is such that they are working in a very consulted and closed end environment. The interaction with the management is quite minimal in its nature and thus it has profound impact in terms of how things are done. The closed culture that they are working in means that the employee interaction with the management is quite on the lower side and there are not many stakeholders who take part in the communications that are going on at the different point of time. Not only that, the other major issue is that how the resolution for some of the issues of the employees is carried out. The core essence of the Jet Star in particular and the HRM practices in Japan is that the long working hours are considered to be a norm and the idea is to make sure that the maximum productivity has to be taken out of each of the individual at the particular point of time. Not only that, the other major issue that is faced by the organization is that as they are a low-cost carrier, if there is any breakdown in the communication, then it means that there is always going to be disruption in the operations. For a low-cost carrier, it is quite a challenge for Jet Star to ensure that they are tackle these issues, there has to be considerable change in the way HRM practices are carried out.

# Development of the Low-Cost Airline Industry in The Last Decade

The aviation landscape has gone through considerable changes during the course of the last decade. The argument can be made sure that most of these changes have taken shape due to the external forces that are shaping up the market at the given point of time. After the 9/11 and later on due to the economic crisis, the aviation industry was the one that was affected the most, As the profit margins declined, the low-cost airlines started to make their presence. These airlines operated on the short routes and due to the lower line haul cost, they were much easier to manage as compared to some of the other airlines. The major challenge for them was to make sure that how they are going to be in the position to sustain their operations for the given point of time as the situation changed. The problem that occurred with the passage of time was that as these airline started to become more competitive, it become imperative for them to make sure that they work towards more organized structure and there is a deliberate effort on their part to make sure that they tend to work on their employee relations and eventually work towards the stabilization of these issues at the given point of time. Brexit aside, the cyclic nature of the industry as a whole continues to create opportunities as well as challenges. The consolidation of the European airline industry is one such opportunity, which, as McAuliffe explains, is driven by the “mismatch” between supply and demand. In comparison to the US market, which has already undergone significant consolidation over the last decade with four main carriers – American Airlines, United, Delta and Southwest – taking up much of the market share, the European industry is somewhat fragmented.

# Qantas Case Study and Country Influence

Jet Star is going to be well advised to make sure that they look at the practices that are carried out by the airline such as Qantas Airways. Usually airlines do not make much headlines as far as their business practices are concerned but same thing cannot be said about Qantas as due to their communication methodology and how the employee relations work in the organization. Now one of the reasons that Qantas has been in the position to make a name for themselves is due to the fact that it is one of the few organizations that has made an extensive effort when it comes to making sure that they engage their employees at the broader level. The communication policy of the organization is open and what it means is that the lines that exist between the management are not such that cannot be crossed at the given point of time. The other major problem that is faced by the business is that how they are going to be making sure that they take into account the diversified workforce that they have at their disposal. They need to make a conscious effort to ensure that all these underlying assumptions are worked out so that there is sense of clarity in terms of the way employee management is needed to be done.

# Challenges for Jet Star in Implementing HRM Practice

There are number of challenges that the organization like Jet Star would face in case they intend to implement these systems for themselves. The major challenge is that the demographics and the dynamics of the both the markets is quite different, There is considerable difference in the business methodology and not only that, there are issues in terms of how the people at the organization are going to react to the changes specially the upper management that is more used to the hands on style of management.

# Conclusion

In the hindsight, it can be said that Jet Star pretty much like any other Low-cost airways have to make sure that they are implementing a method through which it can be made sure that the employee relations are taken care off in a more appropriate manner. They must make sure that they understand the cultural sensibilities of the region and react in the manner that allows them to make the most of the given situation.

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