Business Aviation's Many Benefits

They have been listed in previous reports, but are well worth repeating as some may be more important to a company than others, but all should be considered in the purchase/character/fractional equation.

A Management Multiplier: When a company cuts back in trying times, it simply can't cut back on transportation. At the same time it often has to do more with fewer managers. That is where the business aircraft shines, as it allows executives to set their own schedules and visit several sites in a day, as opposed to becoming enmired in airline schedules and turning a one-day trip into an overnighter. Simply put, it allows a company to get more done with less human resources.

Go Where You're Really Going: For example, if you're flying to the New York area, a suburban general aviation airport such as Westchester County in White Plains, New York or Teterboro in nearby New Jersey may be closer to your true destination. And, besides, who wants or needs the hassles and unproductive waiting associated with a major hub airport such as JFK or Newark? With a business aircraft, you fly on your schedule; not that of the airlines.

Customer Service: While company aircraft can fly to a customer's location, it's worthy to note that they also fly back and an increasing number of companies are realising this and bringing customers to their manufacturing facilities to witness work in progress or – for new prospects – to impress upon them first-hand one's capabilities. And, thanks to the business aircraft, they can be back by dinner time.

Move Middle Managers, Time-Critical Parts or Merchandise: The business aircraft isn't – or shouldn't be – the proverbial 'royal barge'. To get maximum utilisation from this piece of costly capital equipment, think about moving a team of middle managers on a nationwide sales swing or to handle a crisis situation at an outlying facility. Think about getting a production line up and running by shipping a vital component at night via the company jet. Ship merchandise to handle an inventory-out situation. Or carry inter-company mail at night. An aircraft's uses are only limited by one's imagination.

Your Flying, Private Conference Room: Spread out once aloft in total privacy. Work solo. Or have a meeting to strategise your next meeting or sales pitch. Or just read a junk paperback if the boss isn't aboard. Whatever. There are no eavesdroppers or annoying conversationalists, as one would find in a typical bus-like commercial airliner.

Employee Morale, Corporate Image: Clever you. You've put your people on the corporate jet so they're probably working more, but feel better about it knowing they'll be home that evening. At the same time, the aircraft does a great deal to project an image of a progressive, successful company. It's a classic 'win-win' situation.

Inevitably, as company 'grow into' their aircraft, whether owned outright, chartered or shared, they find far more uses for them than contained in the standard list of benefits. They truly open new worlds, new ways of doing business and in many cases entire new markets. As one new aircraft owner noted, "When I bought a business aircraft it was as if I opened a thousand branch offices. To say my horizons were broadened was putting it mildly. I suddenly felt like Superman!" F

Evaluating the Cost Benefit

While the concept of business aviation is certainly alluring to any company, it pays to carefully examine the economic realities. This means diligent research in the form of a company travel analysis. While data may be gathered internally, it's advisable to bring in an outside aviation consultant to steer the study and perform the actual analysis. A typical travel analysis simply tabulates the answers to a variety of questions dealing with the company's travel history and its true travel costs. Typical questions may include:

- What are the travel patterns of top executives, middle managers and technical personnel? How frequently do they travel? Between which city pairs do they travel most often? How often do they travel together?
- How well does schedules airline service complement these travel patterns? Here the analysis might focus on total travel time spend including ground travel, actual flight time, time spent waiting for connections and overnight stays forced by airline schedules. It all adds up.
- Are there regular trips between company-owned facilities? Might a shuttle operation be warranted?
- What are the company's annual travel costs, including airliners, air charter, ground transportation, hotels and related expenses?
- What is the true cost to the company for executive time spent traveling via scheduled airlines? An NBAA-sponsored study suggests using 5.7 times hourly compensation for executives, 3.8 times for middle managers. The point is, airline-related delays are far more expensive than they appear.

The travel analysis results should indicate whether a company aircraft is economically feasible and if so, a category of aircraft that best meets the company's projected travel needs and budget. For example, if most of a company's trips are in a 1,000-mile radius, a turbo-prop or entry-level light jet may work. If the majority of flights are between major hub airports, with occasional off-line flights, the scheduled airlines supplemented by air charter may be the answer. A helicopter may even fit into the equation to beat the traffic in high-density cities, such as London, and work in concert with the company's fixed-wing aircraft. The possibilities are endless, but a properly executed travel analysis can help ensure that a company chooses an aircraft with size and performance that's neither too much nor too little for the missions at hand. F