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EXECUTIVE SUMMARY

In this report, I will write about Easy Jet. The first task will be the introduction of my report. The second task will be the background of the company which is Easy Jet. Then I will write about the internal factors and external factors affecting Easy Jet. Then I will write about the organisational culture and ethical dilemma. Then I will give some recommendations I have to help them improve. Then my conclusions on this report on what I have done. Then there will be the reference list of the information I have used in my report.

INTRODUCTION

In June 2023 term, we had to study two modules, one of them is this one: Workplace Culture and its Impact on Organisational Efficiency for the report we had to write about Easy Jet Airline; critically assess the relationship of organizational culture and structure of Easy Jet and explain how these impact on achieving financial and non-financial performance; Analyse Easy Jet internal and external with analytical tools; Their Ethical Approaches; The recommendations I have for them; The conclusion of this report; And the reference list I have used for this report.

BACKGROUND OF EASY JET AIRLINE PLC

(According to Simple Flying) Easy Jet was founded in 1995 by a Greek-Cypriot entrepreneur named Sir Stelios Haji-Ioannou. He chooses to start his mission in Luton, England, United Kingdom to start to offer low-fares flights towards Europe and the United Kingdom. In the Autumn of 1997, they created their website to promote bookings. In 2005, they were the first company to offer online for its UK passengers.

(According to Easy Jet; 2021; What We Do)

Easy Jet has got 308 aircraft and operates in 34 countries, and 153 airports around Europe and UK.

Easy Jet has a strong capital base, of £5 billion, and a net debt of £913 million (in September 2021).

Easy Jet uses Airbus A320 family aircraft (59% of them are owned). They are investing in new aircraft with more fuel efficiency to lower their carbon emission and operating costs.

Easy Jet has more than 13 thousand people that work for them (4 thousand pilots and 7 thousand cabin crew members).

INTERNAL AND EXTERNAL FACTORS OF EASY JET

Easy Jet PESTLE Analysis

PESTLE is an acronym word that stands for Political, Economic, Social, Technological, Legal, and Environmental. Those six steps are mainly used to analyse a business or a company. PESTLE is an external factor tool used to analyse and know what is affecting an organisation.

(According to Momin, Abdul; 2021; EasyJet PESTLE Analysis 2021: Lots of Hits and Misses)

- **Political Factor:** The political factors of a company may be affected by the political position of the country where the company is based. Easy Jet is in the UK and it is affected by Brexit because now UK nationals are not considered European nationals.
- **Economical Factor:** Like almost every company, Easy Jet suffered from the pandemic of Covid 19. They also suffered from the increased prices of fuel in 2019 and also from 2022.
- **Socio-Cultural Factor:** Easy Jet is working to have their company less male-dominated. They do this by letting the hostesses give lectures to the kids to inspire males and females to get into this career.
- **Technological Factor:** Easy Jet launched a feature on their app to help blind people book flights by using their voice. Everyone can use it, but it is a game changer for the less fortunate people. They also have the boarding pass directly from their app, so you can choose to use it instead of printing it. This will also help reduce excessive waste in the long term.
- **Legal Factor:** In 2020, Easy Jet faced a huge problem because they had a cyber attack that compromised the sensitive data and information of 9 million people in their database.
- **Environmental Factor:** They are fully committed to reducing their carbon emission by 50% more than what they are now for the new sustainability policy of the EU and UK. In 2020, they started a collaboration with Wright Electric to create their first carbon-free aircraft. They are also reducing the consumption of waste (like plastic) in their supply chain.

EASY JET SWOT ANALYSIS

SWOT is an acronym word that stands for Strengths, Weaknesses, Opportunities, and Threats. It is mainly used to analyse a person, company, or business in those four steps mentioned. The SWOT analysis tool is an internal factor tool used to analyse and know what is affecting the organisation.

(According to Admin; 2023; Easy Jet Swot Analysis)

STRENGTHS:

Some of the strengths that Easy Jet, as a company has, are: Low-Cost Business Model; Strong Brand Recognition; A Wide Range of Destination; A Strong Focus on Customer Service; And an Emphasis on Sustainability. Now I will discuss them one by one.

- **Low-Cost Business Model:** Due to their lower prices, customers tend to choose Easy Jet to travel for economic reasons. Because they tend to be cheaper than the other companies.
- **Strong Brand Recognition:** Easy Jet is known for its white and orange colours. And they are also recognized for being one of the companies to reduce their waste and augment their sustainability. This helped them create a loyal customer base and also attract new customers in the long run.
- **Wide Range of Destinations:** They operate in 36 countries and to over 150 destinations. So this helps them to be chosen. Because they are affordable and work all over Europe and UK.
- **Strong Focus on Customer Service:** Easy Jet focus on getting better relationship and interacting more with their customers. This will help them be more trusted and have more positive feedback.
- **Emphasis on Sustainability:** Easy Jet is committed to being net zero carbon by 2030. They also reduced their use of plastic and use more sustainable materials,

WEAKNESSES

Some of the Weaknesses that Easy Jet as a company has are: Limited Focus on Premium Services; Dependence on the European Market; Exposure to External Risks; Limited Brand Differentiation; And Negative Customer Perceptions. Now I will discuss them one by one.

- **Limited Focus On Premium Services:** Due to their focus on offering low prices, they do not offer a premium service like other companies. So, travellers looking for comfort and luxury most probably will choose other companies.
- **Dependence On The European Market:** Easy Jet focus on the European market, so if anything happens between the EU and the UK, it will affect the company, because they do not work outside of the UK and Europe.
- **Exposure To External Risks:** Those external risks are various, like changes in fuel prices, currency exchange rates, and weather disruptions.
- **Limited Brand Differentiation:** Easy Jet and other low-cost companies, have similar branding and strategies. So, they need to be able to offer new things other companies do not have. For example: pay 5-10£ more for the ticket and offer food and beverage/
- **Negative Customer Perception:** Easy Jet receives a lot of criticism because of their baggage policies, long queues, and delays. This can impact their reputation and make it difficult to attract new customers.

OPPORTUNITIES

Some of the opportunities that Easy Jet, as a company has, are: Expanding Into New Markets; Growing Demand for Sustainable Travel; Digital Transformation; Strategic Partnerships; And Emerging Technologies. Now I will discuss them one by one.

Expanding Into New Markets: Easy Jet can try to expand outside the UK and Europe. They can expand in America, Asia, and Africa. By doing it they will not depend only on the EU market.

Growing Demand For Sustainable Travel: Now that everybody become more conscious about the environment, they started to look for more sustainable travel options. Easy Jet can use this opportunity to help them gain more new customers.

Digital Transformation: Easy Jet can invest more in new technologies such as AI to help improve their customer experience.

Strategic Partnerships: Easy Jet can form a partnership with other airlines and travel companies to expand into other markets.

Emerging Technologies: Easy Jet can start investing in more sustainable aircraft to reduce carbon emissions.

THREATS

Some of the threats that Easy Jet, as a company has, are: Economic Downturns; Increased Competition; Political Instability; Changing Consumer Preferences; And External Risks. Now I will discuss them one by one.

Economic Downturns: If a recession or a pandemic happens, it will affect Easy Jet and all airline industries. So, they need to be prepared to not face a huge financial loss.

Increased Competition: Easy Jet faces competition from traditional airlines and low-cost airlines.

Political Instability: Brexit and any other conflicts the UK can have, will affect Easy Jet's business because they depend on the UK and EU markets.

Changing Customer Preferences: If a customer wants to travel with a luxurious option, he/she will choose another company because Easy Jet does not offer this option. If in the future another company will offer a more sustainable option to travel, the customers may tend to choose them instead of Easy Jet.

External Risks: Those risks can happen anytime, and they can affect the efficiency and the profitability of Easy Jet.

EASY JET PORTER FIVE FORCES

(According to Case48; (n.d.); EasyJet PLC Porter Five Forces Analysis)

This tool was proposed by Michael E. Porter in 1979. This tool is used to assess and evaluate the competitive positioning and strengths of business organisations. It is composed of 5 different forces: The Bargaining Power of Buyers; Threats of Substitutes; Competitive Rivalry; Threats of New Entrants; Bargaining Power of Suppliers. The Porter Five Forces tool is an external factor tool used to analyse and know what is affecting an organisation.

(According to StudyCorgi.com; (n.d.); EasyJet Airline: Strategic Management)

Threats of New Entrants

For Easy Jet the threat of new entrants is low because:

- Entering this industry requires a big capital.
- Low threat of new entrance for the huge capital required, laws, and challenges.
- New entrants will be discouraged if access to the distribution channels is required.
- Low threats because they already have established a loyal customer base.

It is really hard and very expensive to start this business these days because you will need: an airport, permissions, aircraft, and gaining a loyal customer base. Because there are already a lot of companies that offer low-cost fares.

The threat of Substitute Products or Services

For Easy Jet the threat of substitute products or services is moderate because:

- Even if there are substitutes for the aeroplane, “they are more time-consuming”.
- Choosing another company.

If a person wants to travel to any place, there are substitutes for Easy Jet. For example: cars, ships, buses and any other method of transportation available.

If a person wants to travel with comfort and save time and save money, he/she will choose the aeroplane method of transportation. If the person is loyal to Easy Jet, he/she will choose it.

Rivalry Among Existing Firms

For Easy Jet the rivalry among existing firms is high because:

- Competition between local and international airlines
- Better quality prices from others.

This means that if someone needs to travel and is not a loyal customer of Easy Jet, he/she can choose to travel with any other company that can offer the same price but with better quality, or by adding a little extra money but will offer food and beverage included in the price.

Bargaining Power of Suppliers

For Easy Jet the bargaining of suppliers is moderate because:

- Not many fuel suppliers, because it requires a lot of money.
- Cannot operate without fuel.

This means that they need to be on good terms and in a good relationship with the company that sells them the fuel to continue to operate without any problems.

Bargaining Power of Buyers

For Easy Jet the bargaining power of buyers is moderate because:

- Other methods of travel.
- Other companies to choose.

Customers know that there are many ways to travel from one place to another one, and many companies you choose for each method of transport. So that means that if a person is not a loyal customer of Easy Jet and wants to travel via aeroplane, he can choose from many different companies and choose what offers the best quality price.

EASY JET MCKINSEY 7S FRAMEWORK

(According to Pro, E.; (2023); EasyJet McKinsey 7S Analysis / Framework)

This tool model was developed in the 1980s by McKinsey consultants Tom Peters, Robert Waterman, Julien Philips, Richard Pascale and Anthony G. Athos. It is used to analyse the complexity of an organisation. The McKinsey 7S Framework tool is an internal factor tool used to analyse and know what is affecting an organisation. The 7S framework tools are: Strategy; System; Skills; Staff; Shared Values; Structure; and Style.

Strategy

Easy Jet needs to be careful about how they spend their money. Because if they want to get more customers with their low prices, they should be careful to not cut the costs of their products or services by making them worse.

Structure

The pandemic made Easy Jet realize they need to change some things:

- Get their supplies from different places around the world, so if problems happen in one place, they will have a backup to it.
- They should not rely too much on getting their things from China because of the problems between China and America. This will help to not create problems between each other.

For this to happen, Easy Jet needs to change how its teams are set up. They should be smaller so it will be easier to manage them, and they should be able to talk easily to the main office.

Systems

Easy Jet should pay attention to a few important things:

- Improve their website, make data easy to read for everyone in the company, and manage relationships with customers.
- Stronger system for employees who work from home. This will also help employees who work physically in the office to work better and safer.

Staff

Because of the pandemic, a lot of people started working remotely, and because of that, the new employees that started working during that time maybe had some difficulties understanding well their job. Easy Jet can do a program to study for new employees with no experience to understand better their job and what to do. This can be done by making short videos, small groups of people talking to each other and showing them how to properly use the tools they need.

Skills

Easy Jet can create a structured training and development program for people working from remote locations. This could help them find new people to hire from all over the world and not only from the UK.

Style

Leadership in a physical environment work differently than the remote one. Because in the physical one, your leader can show you and explain to you how to do the work in a certain way and see how you are doing. But when you are working remotely or in a different place, it is a bit more difficult. The leaders need to use a different way, like creating small teams instead of big teams to make it easier to communicate and work better together.

Shared Values

Easy Jet's business model is successful due to their values, vision, and mission. Now they are focusing on improving their sustainability for the environment and investing more in this field to lower their carbon emissions.

EASY JET ORGANISATIONAL CULTURE

(According to Easy Jet; (2019); EasyJet Careers)

At Easy Jet, if you like challenges and care about your job, you will fit in. Because they love new ideas, making customers happy, and doing well. They are positive, creative, and focused on improving things for everyone. They work as a team and treat each other well, without seeing the boss as someone to fear. That is why they call themselves Orange Spirit and that is why people love being part of Easy Jet.

EASY JET ORGANISATIONAL STRUCTURE

(According to [Marinasmediterraneo.com](https://www.marinasmediterraneo.com); (n.d.); EasyJet Organisational Structure)

Easy Jet uses a decentralized structure for its organisational structure. That means that every subsidiary operates as a standalone business. Which means they operate by themselves.

EASY JET LEWIN'S THREE-STEP MODEL

(According to MBA Management Models; (2021); Lewin's Three-Step Change Model)

This model was developed in the first half of the 20th century by Kurt Lewin. Lewin's model is based on the premise that the driving forces within a business must outweigh the resisting forces for a change to occur. This model has three main steps that are:

- **Unfreeze:** Start by showing everyone why changes are needed and getting rid of old ways that are not helping and are not necessary.
- **Move:** Make the changes happen by stopping old habits and starting new, more helpful ones.
- **Refreeze:** By making sure that the new changes stick so you can do things better.

How Easy Jet Can Apply It

- **Unfreeze:** For example, their customer service needs improvement. Because customers complain about long wait times when trying to reach customer support.
- **Change:** They will start making changes to how their customer service works. Investing in new technology allows customers to reach support faster through online chat and quick response times. Also, they will train their customer service team to be more efficient and friendly.
- **Refreeze:** Customers will be happier by noticing the better service, assistance and responsiveness offered to them after some time. And they need to be able to make sure that these improvements become the new normal at Easy Jet.

ETHICAL APPROACHES OF EASY JET

(According to Code Of Business Ethics)

Easy Jet treats everyone equally and makes no distinction between anyone. They have five different ethical principles which are: Safety First; Integrity; Conflict Of Interest; Compliance With Laws; Speaking Up.

- **Safety First:** Work safely, protect customers and colleagues, and tell someone if you see anything unsafe or against the rules.
- **Integrity:** Act and behave honestly with everyone (team, customers, partners, and community).
- **Conflict Of Interests:** Do not use your position in the job to take unfair advantages for yourself, your family or for anyone else.
- **Compliance With Laws:** Comply with and act within the applicable laws and regulations.
- **Speak Up:** If you see something wrong (illegal, unethical behaviour, or a strange situation), ask questions and share your worries.

ETHICAL DILEMMA

(According to Peterdy, K. (2022); Ethical Dilemma)

An ethical dilemma is like a tough situation where you have to choose between two options, but neither choice feels completely right from a moral point of view. While we encounter many ethical problems in our life, most of them will have clear solutions. But when we are talking about ethical dilemmas, it is not so easy to find a proper solution that will satisfy both sides.

Examples of Ethical Dilemmas for Easy Jet:

- **Customer Safety vs Max Profit:** Easy Jet might face a situation where they have to choose between cancelling a flight for the safety of the passengers because of the bad weather conditions or operating with the bad weather to minimize their financial loss but risking having problems of safety for the passengers and the staff members.
- **Pandemic:** During Covid 19 pandemic, Easy Jet had to face a situation where they have to choose between stopping their operations or working with higher costs of tickets because of the transit in other countries because of the so-called red, orange, yellow, and white zones there was during the pandemic when nobody was able to travel if there was not a valid reason (for example work, family, and health).

RECOMMENDATIONS

Some recommendations I have for Easy Jet related to my report could be:

SWOT Analysis: start implementing AI in their customer service because when there are some delays and not all the staff are working when contacting customer service by phone or email, they tend to answer after a long time. So, implementing AI could help with this.

Partnering with other airlines and travel agencies will help to expand not only in Europe and depending on it but will be able to expand all over the world.

Offering a ticket with an extra cost of £5- £10 and giving food and beverage, will let the customers choose them instead of another low-cost company.

PESTLE Analysis: Even if this model of analysis is external and does not depend on Easy Jet, they need to be careful and ready for anything that could happen.

Porter Five Forces: They need to analyse their five forces and see where they need to improve and how they could if it is internally, because like PESTLE, this is a tool used for external factors.

McKinsey 7S Framework: To improve here, Easy Jet need to provide a better program training by doing small teams of bigger teams. By doing this, it will be easier to manage the people and help them understand better what they need to do and to give them feedback on how they are doing.

Lewin's Three-Step Model: Start implementing changes with this model like the example I gave above about how they could improve their customer service.

Ethical Dilemma: By the examples I gave, we can understand that it is not easy to choose between one or another, because in the decisions we put emotions and sometimes we do not think critically. So, I think it should be better to not choose something only by yourself but get some feedbacks from others in your same field before making the final decision.

CONCLUSION

This was my report where I wrote about Easy Jet and the background of it. I analysed the company with some internal and external factor tools such as PESTLE, SWOT, Porter's Five Forces, and McKinsey 7S Framework.

Then for the Organisational culture, I wrote the definition and the three steps of Lewin's Three-Step Model, then I used this model and gave an example of how Easy Jet can use it.

Then I wrote about the Ethical Dilemma, wrote the definition of it and then gave a few examples of the Ethical Dilemmas that Easy Jet may face or have already faced.

Then I also gave some recommendations for Easy Jet on where they can improve and what they can implement to improve where they have problems.

In this report, I used some websites and articles to find information and referenced them, tried to write with my own words where possible, and gave my thoughts that were not referenced by any website or article, but by myself using my own words. For the examples I have used some that I have faced or heard about by friends, family, or by teachers in class. That is why they are not referenced.

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