Low-Fare Airline Streamlines Financial Reporting, Increases Fiscal Accountability

Overview

Country or Region: United States
Industry: Transportation and Logistics

Customer Profile

AirTran Airways is a low-fare airline carrier based out of Florida that focuses on the business traveler. In 10 years, AirTran has grown from 10 planes to more than 100 planes.

Business Situation

As the airline continues to focus on growing its business, it recognized it needed up-to-date software solutions to run critical financial systems, such as financials, human resources, and business portals.

Solution

To accommodate AirTran's steady stream of growth, the low-cost airline implemented Microsoft® Business Solutions—Great Plains® with the help of Integrated Business Group, a Microsoft Gold Certified Partner.

Benefits

- Increased reporting ease, access to data
- Eliminated double-processing
- Improved financial accountability
- Improved regulatory compliance
- Achieved seamless integration with other systems

"Now, tax changes and airline fee requirements are updated in our system. Our old system just wasn't capable of keeping up with the times, and that's important when we have auditors."

Kim Meredith, IT Program Manager, AirTran Airways

Based in Orlando, Florida, AirTran Airways is a growing, low-fare airline carrier for business travellers. In the last 10 years, AirTran has grown from a small company with 10 planes to one that currently operates more than 100 planes and offers travel all over the United States. Due to its fast growth, the airline needed a new system primarily to manage its financial functions. AirTran chose Microsoft® Business Solutions–Great Plains®, now part of Microsoft Dynamics™. The airline partnered with Integrated Business Group, a Microsoft Gold Certified Partner, to implement the solution. AirTran has already seen many benefits, including increased ease of reporting and access to financial information. AirTran has also achieved integration with Microsoft Great Plains and its other systems for ease of use. In addition, AirTran eliminated double-processing, improved regulatory compliance and financial accountability, and increased access to critical tax law information, support, and new technology.

Situation

AirTran Airways, headquartered in Orlando, Florida, is a low-fare airline that operates more than 500 flights each day to more than 40 destinations. The airline's hub is Hartsfield-Jackson Atlanta International Airport in Georgia. The airline caters to business travelers, and offers a business class, assigned seats, and a frequent flier program, among other perks. AirTran is also the world's largest operator of Boeing 717 planes, and has the youngest all-Boeing fleet in the United States.

The airline continues to maintain steady growth and recently added its one-hundredth plane. AirTran currently flies mostly to the Midwest and East Coast of the United States, but plans to continue branching out to the West Coast. AirTran Airways employs about 7,000 employees and wants to grow to about 10,000 employees by 2008. In 2004, AirTran's total revenue was U.S.$1.04 billion. Industry changes and rising fuel costs have not inhibited AirTran's current growth pattern and, to accommodate its steady stream of growth, the airline began looking for a new software solution to run its critical, internal business management systems.

Even once it was up to 100 planes, AirTran used the same software that it had been using to manage the operations of its initial 10 planes. This software was an MS-DOS®-based system called CMS. The system performed all of AirTran's functions, from dispatching to human resources. However, it was not a true database—it was a series of flat files, or files containing records that have no structured interrelationship and are difficult to query and report. As the company grew, employees had an increasingly hard time quickly accessing and extracting information, especially at critical times, such as audits.

AirTran Airways evaluated several solutions, keeping in mind cost and functionality as key needs.

"Like many businesses, we don't have unlimited funds to spend on systems now and likely won't in the near future, so price and functionality were two key components of our decision," says Kim Meredith, IT Program Manager at AirTran Airways.

Solution

AirTran Airways chose Microsoft® Business Solutions–Great Plains®, now part of Microsoft Dynamics™, as its business management software. "We looked at several options and decided to go with Microsoft Great Plains—knowing the application would scale to the size of our company, and that the investment would pay off," adds Meredith.

To deploy the solution, AirTran Airways teamed with Integrated Business Group (IBG), a Microsoft Gold Certified Partner and leader in the business accounting software industry. Specializing in Microsoft Great Plains enterprise resource planning (ERP) solutions, business financial management, and customer relationship management (CRM), IBG provides both service and support management to manufacturing, distribution, construction, healthcare, and finance organizations, among others. IBG also provides comprehensive training on the solutions it implements.

Microsoft Deluxe Support Services provided the personalized relationship and technology support that AirTran needed for its solution. "Deluxe Support has made AirTran feel very confident that our questions and concerns will be dealt with in a timely manner. Deluxe Support provides us with dedicated resources. We have developed a great working relationship with those resources," says Meredith. "The specialized service is

well worth the money—we are extremely satisfied with the service."

AirTran purchased more than 50 of the Microsoft Great Plains and partner modules, including extensive capabilities for financial management, reporting and analytics, human resources management, intranet portals, and more.

Standardizing with Microsoft Products

Additionally, AirTran Airways is standardizing on Microsoft products. Says Meredith, "For the best efficiency and economy, it makes sense for us to run as much as possible on the Microsoft platform. Also, we now have more Microsoft products and technologies that interact with each other, as well as our other systems."

Air Tran uses Microsoft solutions to meet many of its operational needs, including the Microsoft Office System applications for business productivity and collaboration, and the Microsoft Windows Server™ 2003 operating system, which is the foundation of Microsoft Windows Server System™ integrated server software.

Reporting with Crystal Reports and Microsoft FRx

AirTran employees use Microsoft Great Plains financial reporting tools, specifically, Crystal Reports and Microsoft Business Solutions for Analytics–FRx®. Crystal Reports allows employees to maintain data logic and formatting, while the drill-down capabilities in Microsoft FRx provide employees a path from the general ledger to the source documents without requiring assistance from the IT department or shuffling through stacks of paper.

With Microsoft Business Solutions Business Portal–Great Plains and Microsoft FRx Web-based reporting, AirTran corporate-level

executives can access financial information on the company's intranet from any location.

Integrating with Other Systems

Microsoft Great Plains interoperates with other systems still in use at AirTran. For aircraft maintenance, AirTran uses software called TRAX, which interfaces with Microsoft Great Plains with financial information that comes in for part orders. AirTran also can send human resources updates to TRAX so that all of the mechanics' personal information stays current.

For reservations, AirTran uses software called Open Skies by Navitaire that also interfaces with Microsoft Great Plains. Monthly travel agent commission numbers can be sent from one application to another, as well as a daily interface for financial booking numbers.

Accessing Microsoft Support and Technology

Before adopting Microsoft Great Plains, AirTran had an accounting system that was outdated. Employees received limited support for the CMS software they used, and limited advances in technology also kept AirTran feeling as if it were behind the times. To ensure tax law changes were reflected in the most current version, AirTran had to pay for changes in its previous software system.

Benefits

By implementing Microsoft Great Plains, AirTran Airways not only increased ease of reporting, access to information, and eliminated double-processing, but also improved financial accountability and government compliance. By using Microsoft products and technologies, the airline also now has software that seamlessly integrates with its other systems, provides crucial updates, is well supported by Microsoft, and will scale for future growth.

Increased Ease of Reporting and Access to Information

AirTran can extract data from its financial software in a much easier manner, and it develops user-friendly, enhanced financial statements and reports with Crystal Reports and Microsoft FRx.

With Microsoft FRx and the SmartList Favorites tool, the accounting staff now queries and views data in its own way without having to call in IT staff to customize reports. Additionally, drill-down capabilities allow AirTran employees to eliminate countless stacks of paper and allow easy access to information, a capability that ultimately translates to time and cost savings. Business Portals and Microsoft FRx Web-based reporting also allow remote corporate executives to access critical information on the company Intranet.

Eliminated Double-Processing

The airline employees also were able to eliminate much of their double-processing. Whereas, previously, accounts payable clerks would have to enter dates in several different places in an application, now they can enter information once and it populates throughout Microsoft SQL Server™ databases. With one-time data entry, employees not only spend less time on the process, but they also make fewer errors and eliminate possible lost productivity at a later stage in the business process.

Improved Financial Accountability

AirTran Airways increased the efficiency of its operations, serving customers better, charging the right amounts, and booking the right fees. With Microsoft Great Plains, AirTran's software system is constantly up to date because Microsoft provides software updates reflecting any tax law changes. "Now, tax changes and airline fee requirements are updated in our system," says Meredith. "Our old system just wasn't capable of keeping up with the times, and that's important when we have auditors."

Improved Regulatory Compliance

With Microsoft Great Plains, as well as with the Intranet and Microsoft Office SharePoint® Portal Server 2003, the company can ensure regulatory compliance by making business processes more consistent and keeping information available and easier to track at all times.

In addition, AirTran now has the ability to improve its processes and information management so the airline can comply with regulatory requirements and pass audits with a high degree of assurance.

Achieved Seamless Integration with Other Systems

The new solution works well with other systems that AirTran Airways already uses. Meredith adds, "We seamlessly pass information, such as booking and financial data, from Microsoft Great Plains to several different systems, including our reservation system." Additionally, the airline has a maintenance system that its mechanics use and, on the other side of operations, human resources passes new-hire information from Microsoft Great Plains into the maintenance system.

Increased Access to Support and New Technology

Now that AirTran primarily uses Microsoft products and technologies, its employees in the IT department can spend more time focusing on the Microsoft brand. Doing so can lead to IT cost savings because employees are now using the same skills in many different business situations.

Additionally, AirTran's IT department uses highly reliable Microsoft products, so the information becomes more valuable for the company. Meredith adds, "In the long run,

> "Microsoft gave us a comfort level that Great Plains was going to be a solution where we could get support and that would scale to our future business needs."
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> Kim Meredith, IT Program Manager, AirTran Airways

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:
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using the same products and technologies makes it easier for AirTran IT specialists, and makes the entire company run more cost effectively since we've become a Microsoft one-stop shop."

With Microsoft Great Plains, AirTran is using a solution that can grow with the business. "Microsoft gave us a comfort level that Great Plains was going to be a solution where we could get support and that would scale to our future business needs," says Meredith.

Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

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