



طيران الخليج
GULF AIR

Tutorial One

Reflection on 'Cost Savings in Gulf-Air'

1. Why did Gulf-Air implement aggressive cost-control?
2. How did Gulf-Air cut costs?

(Please note: This question doesn't ask you to list what costs were cut (you will do this in the next question – Q3). Instead it asks how costs were cut – i.e. what techniques were used?)

3. What costs were cut?
4. Besides cost, what *other factors* were taken into consideration?
5. What *skills* does a management/cost accountant need to embark on a cost-cutting project similar to Gulf-Air's?

(Hint: It may be useful to watch the videos uploaded on Moodle (Week 1)).