Business of Airports Conference

Strategic Workforce Planning Working Group Update

Ideas for today and tomorrow

Rosa Beckett
Monday-April 24, 2017
Season 2A
3:00 – 3:50 p.m.
Background

The HR professionals serving on the ACI-NA HR Steering Group recognize that there are several transformational factors underfoot that can potentially have a significant impact on the airport industry’s workforce today and in the very near future.
Today’s Situation

• The impending retirement of a large number of seasoned airport employees,

• The changing demographics of the workforce in general, and

• The evolution of airports into diverse and complex business enterprises.
SWPWG Objective

• Increase awareness of career opportunities at airports.
• Assist in creating a predictable pipeline of trained, qualified and motivated airport professionals through structured programs.
• Provide resources and information on existing programs that could be leveraged by airports to close skill gaps.
What have we done to date?

• Strategic Workforce Planning Guidelines - (January 2014)

• ACRP Report 75 – Airport Leadership Development Program.

• Promoted Internship Opportunities on the ACI-NA Website. (March 2016)
Introduction

Airports are multi-faceted transportation infrastructures dedicated to building a talented workforce to enable them to meet future demands. As such, ACI-NA, a trade association representing North America’s commercial airports, would encourage young professionals regardless of their academic discipline to explore opportunities presented at airports.

This page provides a glimpse into airports, what interns are doing, educational webinar recordings and materials of various airport functions, and internship opportunities. We hope these resources can kickstart your airport career and become the next airport leader.
Efforts Underdevelopment

- Consolidated Leadership Competency Inventory.
- Development of an Executive Leadership Exchange Program Model.
- Promotion and Participation in the ACRP 06-04 Study on the Changing Demands and their Impact on Airport Workforce Needs.
Questions

• Contact one of the Strategic Workforce Planning Working Group member.

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Strategic Workforce Planning

Connecting Business Strategies with Talent Management
Objectives of the Guide

- The purpose of this guide is to provide Airport HR Professionals and their business leaders with a framework to document current state and define future state workforce needs

- Illustrate how regardless of size and budget, an effective workforce plan can support an airport’s strategic business plan and economic strategy
- Offer a common definition of workforce planning
- Provide tools and techniques to engage senior leaders in the process ultimately enabling them to become self-leaders
Strategic Workforce Planning Definition

- A practical framework for business leaders to evaluate the current status of the workforce and to develop a 3 to 5 year strategy to address the future talent and staffing needs based on business strategies.
- Create and sustain a Strategic Workforce Plan that reflects the needs of the business by:
  - Documenting organization / division current business strategy
  - Defining the current state and future state talent needs
  - Identifying strategic, core, non-core and misaligned roles
  - Determining key skills currently lacking and needed for future state planning
  - Recommending best-in-class organization / division structure based on strategy
  - Implementing an Action Plan to close identified talent gaps and monitor progress against goals
The Big Picture

- Strategic Workforce Planning connects corporate business strategies to talent management strategies
- Sets the strategy for Talent Management components

Corporate Business Strategy

Mission, Vision, Primary Business Goals

Strategic Workforce Planning

Talent Management Strategy

Performance Management / Total Rewards

Talent Review / Succession Planning

Learning & Development
The Framework

- The framework ensures leaders can evaluate the status of the current workforce and determine a 3 to 5 year plan to address future staffing needs.
- The overall process can take between 2 to 3 months depending on the availability of senior leaders for meetings and follow-up actions.
- This is to be viewed as a long-term business plan – work in progress – not an HR plan.

1. Engage Leaders in Business Strategy & Current State Analysis
2. Translate Business Goals into Organization Design Principles
3. Develop Scenarios & Assess Workforce Impact
4. Validate & Finalize Plan
5. Implement & Integrate with Talent Management
**Framework**

- **Definition**
  - Interviewing senior leaders to gain their buy-in to the process and ensure they understand the importance and value of the planning exercise (see Appendix for Interview Guide)

- **Key Outputs**
  - A current workforce profile on the organization’s talent; number, demographics (age, gender, race), job levels, education, status (full time / part time)
  - Industry benchmark information on airport positions, headcount ratios, span of control, etc.
    - May need to segment by size of airport – small, medium, large
  - Historical trends of talent movement; turnover, retirement, exit interviews
  - Documented strategic, core, non-core and misaligned roles
  - Documented Business Strategy; current and future outlook
    - Current department strategy & 3-5 year outlook
    - Talent key strengths, weaknesses opportunities and threats based on the strategy (SWOT Analysis)
    - Key skill sets currently lacking (need to acquire or develop)

- **Helpful Hints…**
  - Initial interview should be with senior executive leader to create top down buy in
  - Incorporate with annual budget cycle
  - Provide senior leaders with interview guide questions prior to the meeting
  - During the interview, keep leaders focused on strategy and vital knowledge, skills an abilities (KSAs) needed for the future – not the people that are in the current roles
Framework

- **Definition**
  - Establishing a set of organization design principles – workforce characteristics -- based on the senior leaders future vision

- **Key Outputs**
  - Preliminary set of organizational design principles based on future vision
    - **Organization Size** (i.e., X% annual growth over 3 year to meet annual business growth of X%)
    - **Workforce Mix** (i.e., X% of the workforce is full time internal; X% part time internal, X% Temps, X% outsourced)
    - **Span of Control** (i.e., Average span of control of 10 at Grade X, at Grade X and above; no people managers below Grade X)
    - **Level Mix** (i.e., Equal mix of people managers and individual contributors at Grade X; no same level reporting relationships)
    - **Staffing Mix** (i.e., X% open positions filled through external recruiting)
    - **Skills Mix** (i.e., New organizational capabilities include vendor management, process reengineering, environmental regulations)

- **Helpful Hints…**
  - Provide senior leaders definition of organization design principles
  - Explain how this step in the process is critical in showing how organization design is integrated with business goals and workforce impact to maximize success
Framework

Definition
- Developing scenarios with senior leaders to understand talent supply and demand issues and any workforce impact issues based on Organization Design Principles

Key Outputs
- Validation of future scenarios and projections
- Strategies to close talent gaps
- Assessment of internal people to see if can meet need and how internal sourcing will be handled
- Agreement on overall skill needs, ranking of criticality of skills, compensation structure
- Determine need for external recruiting support

Helpful Hints...
- Don’t get too attached to the accuracy of the projections and outcome of the analysis; it may change and you need to be flexible
- Leverage technology as much as possible to evaluate potential impact
- Be prepared to rigorously manage this as a strategic project
Framework

- **Definition**
  - Finalizing the future state of the organization after the plan has been sanity checked and all employee impacts have been carefully considered (see Appendix for Executive Summary Template)

- **Key Outputs**
  - Recommended organization / business structure based on business strategy
  - Documented gaps and priorities between current state and targeted future state
  - Informed decisions on how to structure current workforce to meet business growth
  - Agreement on talent acquisition approach
    - Internal candidates can meet future state needs
    - Need for external recruiting support

- **Helpful Hints…**
  - Look broadly at the internal talent pool quality
  - Be aware of regulatory work needs, cultural nuances, internal staff distraction and disruption of internal postings
  - Be prepared to rigorously manage this as a strategic project
Framework

Definition
- Owning the implementation and monitoring of organization design principles and integrating decisions with talent management programs

Key Outputs
- Executive Summary detailing decisions made throughout the process
- A detailed Action Plan that includes all tactical activities required to implement the workforce plan
  - Roles and Responsibilities during implementation and on-going
  - Communication and Training and Development strategy
  - Talent Acquisition needs
  - Measures of Success during implementation and on-going
- Updated plans based on business trends and changes

Helpful Hints…
- Implementation requires time and resources; make sure the hard work on analysis is not when there is no resource for execution
- Keep the whole process simple; focus on the key roles first, not all of them, identify the likely new roles and skill-sets
- Be mindful that competing priorities and “fire fighting” can push implementation to the bottom of the priority list
Lessons Learned

- The process needs to be owned by business leaders – not seen as an HR process
- Provide leaders documentation to review or pre-work so they come prepared to the meetings
- Create top down buy in early in the process
- Engage top leaders – don’t let them dictate the process to direct reports
- Partner with Finance
- Incorporate the process with annual budget process
- Don’t overwhelm the leader – keep it simple while helping them search for the right answers
- Communicate that this is an on-going, dynamic process; not a one-time static approach
- If the Airport organization is small, implementing the whole process is doable; if the organization is large, consider implementing a pilot for one group and use results as the business case to rollout airport-wide
Senior Leader Interview Guide

Engaging Leaders in Current State Analysis & Identifying Future State Needs

Purpose

- Determine business issues that drive the remainder of the Strategic Workforce Plan activities

Process

- Complete the attached worksheets
  1. Documenting current department strategy and highlighting 3-year outlook
  2. Identifying key strengths, weaknesses, opportunities based on strategy
  3. Determining key skill sets currently lacking (need to acquire or develop)
  4. Recommending best-in-class department structure based on strategy

Benefit

- Able to link the business issues with your associated human resource issues
- Ensures the Strategic Workforce Plan supports the accomplishment of overall business objectives
Business Strategy & Direction Questions

- What are the key business goals for the next 3–5 year?
- What part of the business will grow?
- What part[s] of the business will decline or change?
- What will be the key challenges?
- What will be the key drivers of success?

Organization Structure Questions

- Will there be a need in the future for job types and/or roles to significantly change within your division?
- How will the workload for these activities change over the next 3-5 year?
Roles
What roles are essential to executing the mission / strategy of the organization?

- What jobs are CRITICAL to the department / organization’s success?
  
  (20-30% of jobs are critical at most organizations)
  
  - Who provides the customer experience?
  - Who has the great influence on repeat business?
  - Directly related to operational excellence
  - Potential risk of top- or bottom-line performance if not filled with the right talent
  - Create competitive advantage
  - Typically related to generation of sales, revenue, product development or service delivery

- What jobs are CORE to an organization / department success?
  
  (50-60% of roles are core at most organizations)
  
  - Valuable and required to sustain day-to-day operations
  - Focused on transactional, process or administrative support work
  - Short-term or isolated organizational risk if not filled with right talent

- What jobs are NON-CORE or MISALIGNED?
  
  (0-10% of roles are misaligned at most organizations)
  
  - Can occur because of changes in business strategy, market conditions or other factors
  - Limited to low value to the organization’s operations
  - Jobs can be easily redeployed or outsourced; people should be retrained, reassigned or eliminated
  - No organizational risk if not filled with the right talent
Attrition/Promotion Rate

- What is the maximum attrition rate the organization can tolerate?
- What promotion rate would the organization ideally like to have?

Workforce Mix

- What is the ideal span of control for your division leaders (managers and above)?
- What mix of internal vs. external hiring needs to be achieved for the organization?
- What do you anticipate the workforce mix to look like?
  - Regular Full time
  - Part time
  - Temp
  - Contractor
  - Outsourced
**Senior Leader Interview Guide**

**People SWOT Analysis**

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>- What unique value does the organization / division provide to customers and employees?</td>
<td>- Where can the organization create an advantage with the right people in the right place?</td>
</tr>
<tr>
<td>- What do people do well?</td>
<td></td>
</tr>
<tr>
<td>- What does our competition see as our organization’s strengths?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weaknesses</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>- What skills are currently lacking that the organization / division need to acquire or develop?</td>
<td>- What obstacles does the organization face in attracting top talent?</td>
</tr>
<tr>
<td>- What can be developed?</td>
<td>- What talent does the organization / division foresee losing to others in the marketplace?</td>
</tr>
<tr>
<td>- What does the competition’s talent do better?</td>
<td>- How is the external labor market influencing the organizations / divisions 3-5 year outlook?</td>
</tr>
<tr>
<td>- What needs to be improved?</td>
<td></td>
</tr>
<tr>
<td>- What is required to achieve the 3 – 5 year outlook plans?</td>
<td></td>
</tr>
</tbody>
</table>
# Executive Summary Template

<table>
<thead>
<tr>
<th>Business Strategy Analysis</th>
<th>People SWOT Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision and Strategy over the next 3-5 year</td>
<td><strong>Strengths</strong> (unique value department provides to Airport, what people do well)</td>
</tr>
<tr>
<td>Key Drivers of Success</td>
<td><strong>Weaknesses</strong> (skills currently lacking, what is required to achieve 3-5 year outlook)</td>
</tr>
<tr>
<td><strong>Structure Analysis</strong></td>
<td><strong>Opportunities</strong> (advantage if the right people were in place)</td>
</tr>
<tr>
<td>Major Activities and Functions in Department and How Will They Change</td>
<td><strong>Threats</strong> (obstacles in obtaining talent, external market influencing 3-5 year outlook, retirements)</td>
</tr>
<tr>
<td><strong>Essential roles needed to execute the mission / strategy</strong></td>
<td></td>
</tr>
<tr>
<td>Critical</td>
<td>Core</td>
</tr>
<tr>
<td>Attrition / Promotion Rate Goals</td>
<td></td>
</tr>
<tr>
<td>Ideal Span of control for your leaders</td>
<td></td>
</tr>
<tr>
<td>Anticipated Workforce mix (regular full time, part time, temp, contractor, outsourced)</td>
<td></td>
</tr>
</tbody>
</table>
Communication Guidelines

Success Criteria – A Change Management Strategy


A **SUCCESSFUL** change [whether a reorganization or implementing new technology] is realized when two goals are achieved

1. The organization realizes the full implementation of the change so that business goals are met
2. Organization leaders use each element of the ADKAR model so employees are able to accept change and reinforcements are in place to sustain the change
| Creating **Awareness** of the need for change | What needs to be communicated?  
What is the change or project? |
|---------------------------------------------|------------------------------------------------------------------|
| Building **Desire** to support and participate in the change | What are the benefits to the employee?  
What are the benefits to the Airport, the organization, the department? |
| Developing **Knowledge** of how to change | Review of a policy?  
Examples of the new program or initiatives that are being implemented?  
Is there a new working relationship?  
Will new business tools be introduced? |
| Fostering **Ability** to implement required skills and behaviors | How to incorporate the changes into day-to-day activities?  
On-the-job or formal training to be offered? |
| **Targeted Reinforcement** to sustain the change | How will we as a department, an organization know we are successful with this implementation?  
Do I need to update my business goals? |
References

- Prosci Change Management Principles – Seven principles of effectively managing change [http://www.prosci.com](http://www.prosci.com)
- Corporate Executive Board [https://clc.executiveboard.com/Members/Default.aspx](https://clc.executiveboard.com/Members/Default.aspx)
- *Talent on Demand – Managing Talent in an Age of Uncertainty* by Peter Cappelli
- *Bench Strength – Developing the Depth and Versatility of Your Organization's Leadership Talent* by Robert Barner, Ph.D.