REPORT TO THE
HUMAN RESOURCES COMMITTEE

INFORMATION PAPER FOR
STRATEGIC WORKFORCE PLANNING AND DEVELOPMENT

September 2014

Purpose

To provide to the Human Resources Committee the Airports Authority's Workforce Planning and Development strategy.

Current State

- **Accelerating retirements**
  - 35% of employees eligible now; 54% within 10 years
  - Average age of salaried employees=52; trades employees=50

- **High turnover rate**
  - Averaged 8.8% over the last three years

- **Competitive recruitment environment**
  - Low unemployment rates for DC metro area

Challenges

- Transfer of institutional knowledge
    - e.g. operational, technical, and corporate

- Loss of skills and changing skill demands
    - e.g. Electrician, HVAC, Information Technology, Engineering, etc.

- Highly competitive labor market
    - Low unemployment in region
    - High cost of labor

Internal Development Retirement Eligibility

Management and Supervisory Positions		
Position	**Eligible Now**	**Eligible in 5 Years**
Vice President	20%	60%
Department Manager	32%	60%

Internal Development
Initial Supervisor Training

New Supervisors

- Twelve-month blended learning approach
  - Basic supervisory skills
  - Airports Authority policies and procedures
  - Certificate in Managerial Skills

Current Supervisors

- Subset of new supervisor training
  - Focus on employee relations
  - Update on recently changed policy

Internal Development
Leadership Development

- Program consisting of six modules over twelve months

- Improve supervisors and managers leadership skills

- Vice Presidents recommend employees based on demonstrated ability and performance

Internal Development Succession Planning

- Identification of high potential, self motivated employees

- Nominated by functional Vice President and approved by CEO

- Selection based on performance and behavior assessment

- Create two talent pools
  - Corporate Officer
  - Manager

- Individual Development Plan

Entry Level
Management Intern Program

- Recruit for entry level staff positions

- Rigorous eighteen-month development program
  - Functional Skills
  - Airports Authority knowledge
  - On-the-Job Experience

- Bachelor's degree with two years experience or Master's degree

Entry Level
Trades Apprentice Employment Program

- Trades apprentice program to recruit highly-skilled workers

- Open to internal and external candidates

- High School diploma or equivalent

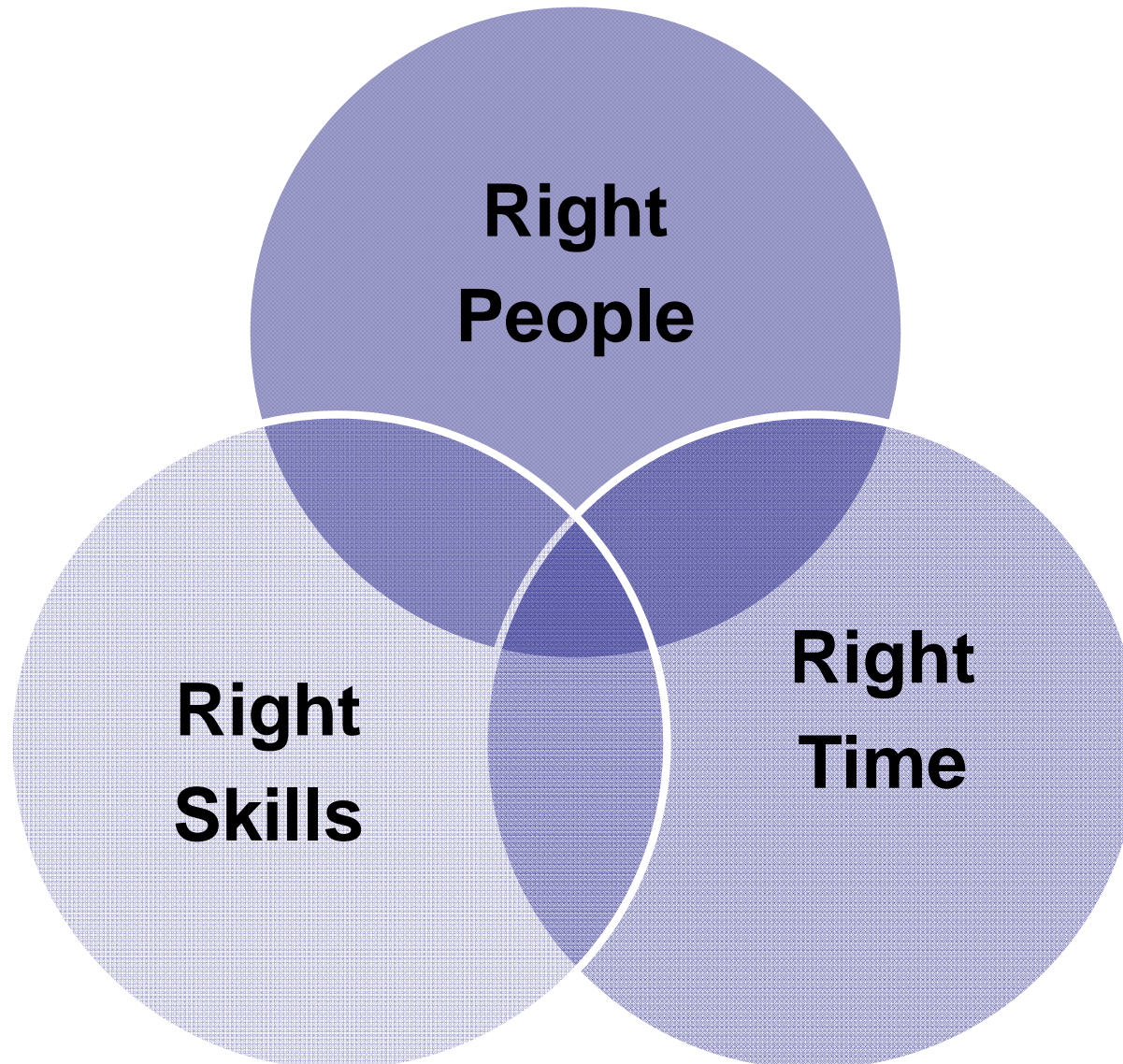- Licensed in multi-jurisdictions

Entry Level
Trades Apprentice Employment Program

- Written apprentice agreement

- Structured on-the-job and technical classroom training

- Placement in journey level position upon successful completion

Human Resource Focus

Ronald Reagan Washington National Airport

Dulles Corridor Metrorail Project

Dulles Toll Road

Washington Dulles International Airport

METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY

INFORMATION PAPER FOR THE
HUMAN RESOURCES COMMITTEE
STRATEGIC WORKFORCE PLANNING AND DEVELOPMENT

SEPTEMBER 2014

PURPOSE

To provide the Human Resources Committee of the Board of Directors with the Airports Authority's Workforce Planning and Development Strategy.

DISCUSSION

Within five years, 35 percent of today's Airports Authority's workforce will be retired or eligible for retirement. To address this near-term skill and knowledge gap, the Airports Authority is implementing a Workforce Planning and Development Strategy. The goal is to ensure that the right employees with the necessary competencies, knowledge and skills are in place at the right time. This plan will focus on the development of existing employees and implementing hiring programs to build bench strength.

Internal vs. External Hiring

Research shows a high correlation between developing and retaining internal talent. It is also less expensive to invest internally versus hiring from the outside. The Saratoga Institute reports the average cost of hiring someone from outside a company is 1.7 times more than an internal hire ($8,676 vs. $15,008). The data reveals between 40 percent and 60 percent of external hires are not successful compared to only 25 percent for internal hires. In addition, organizations accrue a number of other benefits from internal hiring and promotion including:

It is Faster. The entire hiring process from reviewing a job description to completing an actual hire easily takes months for external hires. For an internal hire, the process can be completed in four weeks, since managers know the strength of the candidates within their organization.

It is Less Expensive. Companies who hire internally save money on recruiting fees, training, advertising, incentive packages, travel and relocation costs.

It is More Successful. It is easier for employees to succeed at a new job in the same company because they already have workplace networks and knowledge about how work gets done.

It Engages Employees. Promoting internally encourages employees and confirms they are valued and have a future at the company, therefore serving as a retention tool.

The following sections of this paper provide the integrated workforce planning and development strategy.

I. Internal Development Programs:

Initial Supervisory Training

Description: Provides a combination of basic supervisory skills development training and Airports Authority systems knowledge to include: information technology, human resources, budgeting and performance management.

Participation/Selection: New supervisors and current supervisors hired or promoted within the last two years and any current supervisor nominated by their Vice President.

Program Requirements: Completion of a Certificate in Managerial Skills program within the first 12 months of employment as a supervisor. All participants will be required to have an Individual Development Plan.

Leadership Development

Description: Leadership Development Program provides six modules over 12 months to improve supervisors' and managers' leadership skills.

Participation: The Leadership Development Program participants will be identified through the succession planning nomination and selection process.

Program Requirements:

- Management skills assessment to provide participants with realistic views of strengths, weaknesses and skills gaps.

- Experiential development – job shadowing, coaching, task force or committee leadership or participation, special projects/assignments, time-limited job rotations (details), and conferences, etc.

- Formal education – may include formal education at secondary level for some participants based on identified individual developmental needs.

Succession Planning

Description: Identification of a cadre of high-potential, self-motivated, diverse group of employees capable of taking on higher levels of responsibilities. A nomination and screening process will create two talent pools for critical management positions:

1) Corporate Officer - Vice President and Deputy Vice Presidents; and
2) Manager - pay levels S20 to S24.

Participation/selection: Management employees nominated by their Vice President. Final selection approved by the President and Chief Executive Officer.

Program Requirements: The Succession Program provides targeted developmental activities to include:

Leadership skills assessment - to determine and understand leadership styles and application.

Topic Intensive Training - to acquire a skill that supplements existing education or experience. An example of topic intensive training is the Airport Council International (ACI) Certificate in Airport Business Operations.

Formal education - may include formal education at secondary level for some participants.

II. External Recruitment Programs:

Management Intern Program (MIP)

Description: The Intern Program is designed to provide a continuous source of diverse, highly trained personnel for professional staff level positions in critical functional areas. The interns will complete 18 months of a structured training program and upon successful completion, they will be placed noncompetitively into an S19 position in their function.

Participation/selection: Generally, up to ten positions will be designated for staffing the program. Candidates will be recruited from local jurisdictions.

Program Requirements: Interns must successfully complete the required training; maintain acceptable performance; and receive favorable recommendations from their immediate supervisor, functional Vice President and the Organization Development Department.

Trades Apprentice Employment Program

Description: The Trades Apprentice Employment Program is a job-related education program to cultivate a diverse group of highly-skilled workers from local jurisdictions. Upon successful completion of the program, the apprentice will be placed into a full-time career journey level position.

Eligibility/Selection: Apprentice positions are open to internal and external candidates. Apprentices will be selected based on their demonstrated ability for the specific occupation and must meet the minimum educational requirements.

Program Requirements: While specific training and work experiences will differ according to the particular trade, there are basic program requirements that include:

1. **Apprentice Agreement:** A written agreement between the apprentice and the Airports Authority that specifies the length of the training, education requirements, skills of the trade to be acquired, and wages.

2. **Structured Training:** The program combines supervised, structured on-the job training with technical classroom instruction from an appropriate community or technical college program or trade association.

3. **Credentials:** An apprenticeship leads to a certificate of completion and official/recognized journey worker/skilled status.

CONCLUSION

The most important result of effective workforce planning and development is optimizing the performance of employees and thereby the Airports Authority. Implementing these programs will help the Airports Authority to:

- Support the personal and professional development of employees;

- Address current and future workforce needs;

- Grow a diverse workforce and enhance inclusion; and

- Ensure that the competencies and skills required for success are addressed now and available in the future.

Prepared by: Office of Human Resources

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