

**BRISBANE AIRPORT CORPORATION**  
**ACI ASIA PACIFIC HR EXCELLENCE RECOGNITION**  
**2014 SUBMISSION**

HR201402



# FORWARD

Please accept Brisbane Airport Corporation's (BAC) submission for the 2014 ACI Asia-Pacific HR Excellence Recognition awards.

Brisbane Airport Corporation (BAC) is the operator of Brisbane Airport, the premier gateway to Queensland and the third largest airport in Australia by passenger numbers. BAC acquired Brisbane Airport from the Federal Government under a 50 year lease (with an option to renew for a further 49 years) for \$1.4 billion in 1997. With a work force of around 300, BAC is a relatively small team in terms of employee numbers; however BAC is one of Queensland's largest companies with an estimated value of over \$5 billion.

As BAC looks to the future in a post GFC economic environment, business continues to face many challenges and changes. With the ongoing economic crisis in Europe, the fiscal cliff in the USA, weak growth in developed economies, strong Australian dollar impacting on imports and tourism, falling commodity prices it is clear that volatility and uncertainty have become the new constant.

Over the next three years BAC will need to meet a number of significant business challenges such as:

- New Parallel Runway (NPR) financing;
- runway congestion management;
- ensuring airport capacity through improved asset utilisation and delivery;
- delivering the 20 year Masterplan to the Federal Government;
- stronger competition for passenger growth;
- managing difficult retail and property development market conditions;
- ensuring strong performance in our transport and parking business; and
- increasing compliance in our safety, risk, finance, operational and environment areas.

Within this backdrop, the business market is still expecting strong performance and productivity which requires rapid change and development to respond to challenges and opportunities as they present themselves. This in turn necessitates the development of an adaptable and flexible workforce that has the capability and resilience to manage and handle change.

# THE PEOPLE & CULTURE GROUP

The People and Culture Group (P&C) are responsible for all Human Resources and Work Health and Safety (WHS) functions for the organisation. The Head of People and Culture, Gwilym Davies is supported by a team of nine HR and WHS professionals, who support the business through a range of functions including culture, engagement, performance, training & development, WHS, industrial relations, remuneration, reward and recognition, conditions of employment, workforce strategy, recruitment, payroll and policy compliance.

BAC's vision is to be a world-best airport and the preferred choice for passengers, airlines, business and the community. To ensure BAC delivers on this vision, in January 2012, P&C launched its five year strategic plan. The P&C Strategic Plan outlines a four pronged framework (Figure 1) that seeks to connect financial performance, airport growth and stakeholder return to human resource functions.

P&C Strategic Framework – 4 key areas of focus:

1. Enhancing the safety and wellbeing of our people.
2. Ensuring we have the capability to deliver on business needs.
3. Developing an agile and innovative workforce capable of responding to change.
4. Ensuring we maintain and enhance our culture, focusing on 'Making the most of life'.



Figure 1 –The P&C Strategic Framework: consolidate and build on our current people capabilities whilst providing the ability to develop a safe, agile, innovative and flexible workplace.

For the purpose of submitting an application for the ACI Asia-Pacific HR Excellence Recognition Program, this paper will solely focus on one component of the P&C Strategic Plan, that being component two; 'Capability: ensuring capability to deliver on business needs'.



## CAPABILITY – THE L&D FRAMEWORK

BAC needs to ensure it has the right levels of capability and professionalism to deliver on business needs both today and tomorrow. This is achieved by developing a capable workforce that is able to adapt to the business' changing needs. This means attracting, retaining and developing the best talent by focusing on areas such as learning and development, performance, leadership development and diversity.

Through the development of our people, BAC is committed to building a 'bench of talent' by shaping and developing capabilities in keeping with the company's strategic direction. This has been achieved through the implementation of our Learning and Development framework which offers a broad range of Learning and Development opportunities whilst ensuring linkage between business needs and the needs of our employees, as shown in Figure 2 below.



Figure 2: BAC Learning & Development Framework: Developing our people to deliver world best business outcomes.

The BAC Learning and Development framework has been designed to ensure BAC has the skills and capabilities required to achieve business outcomes today, as well as developing capabilities to meet BAC's requirements of tomorrow and the future. The framework focuses on four key areas; compliance, capability, our tomorrow and our direction. It is based on a partnership approach with both individuals and BAC mutually accountable for achieving these outcomes.

This submission aims to provide an in-depth overview of the BAC Learning and Development Framework, providing information regarding key initiatives, targets and measures and an overview of our achievements to date.

## OUR TODAY – COMPLIANCE & YOUR FOUNDATION



Compliance and Your Foundation training activities are those training activities that an individual must complete and keep up to date as part of their role at BAC. Training is usually undertaken within a few weeks of commencing employment and is required to be completed on a regular basis. Compliance and Your Foundation training activities are often legislative based or specific to BAC policies and procedures.

Examples of the types of compliance based training employees are required to undertake include:

- Fire Safety and Emergency Response training
- Work Health and Safety training
- Drug and Alcohol Management Program (DAMP)
- Environmental awareness training
- Risk and Compliance training
- Media Awareness Training

To support BAC in delivering these compliance based training programs, in February 2014 BAC will launch a new online Learning Management System (LMS). This system will allow greater reporting on training activities undertaken and well as the ability for managers to track their team's performance and compliance against company policies and procedures. The LMS will link in with BAC's performance management and succession planning processes allowing greater analysis of the organisations training needs.

Target	Priority Task	KPI Success Indicator
Purchase and implement new online learning management program to replace current ilearn system.	<ul style="list-style-type: none"> <li>• Select online training provider.</li> <li>• Implement system in conjunction with IT.</li> <li>• Update current induction programs to reflect new system.</li> <li>• Roll out system and internal training program.</li> </ul>	"Articulate" product purchased in December 2013. Project currently underway to convert existing training programs. Full program to be deployed to all employees in February 2014.
Develop and implement Code of Conduct.	<ul style="list-style-type: none"> <li>• In consultation with the business and leadership team develop a BAC Code of Conduct.</li> <li>• Implement online code of conduct training. Roll out to all staff and contractors.</li> <li>• Incorporate training as part of onboarding induction program for new employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Code of Conduct was developed and signed off by the Board in August 2012.</li> <li>• All staff completed the Code of Conduct training within the set timeframe. No breaches of the Code of Conduct recorded since the training was implemented.</li> </ul>

## OUR TOMORROW: CAPABILITY AND YOUR JOB ESSENTIALS



Capability and Your Job Essentials training focuses on ensuring our people have the skills and experience necessary to competently fulfill their position requirements. Our Today & Tomorrow is about ensuring we provide the tools and resources to allow our people to excel within their roles, adapt and grow with technology and to develop for the future. It focuses on the implementation of competency development training activities, to enable individuals to grow in their roles and advance within the organisation.

Building on past competency based training; the L&D Framework has a strong focus on ensuring alignment between position requirements and the training provided. Through the implementation of the strategies outlined below, BAC has been able to provide managers and employees with greater clarity regarding the core capabilities of a position.

### Development of Core Competency Levels:

Core competencies will be developed for the following role categories across the company:

- Administration/Office support roles
- Maintenance/Operational roles
- Supervision roles
- Middle Management roles
- Divisional Management roles
- Senior Management roles

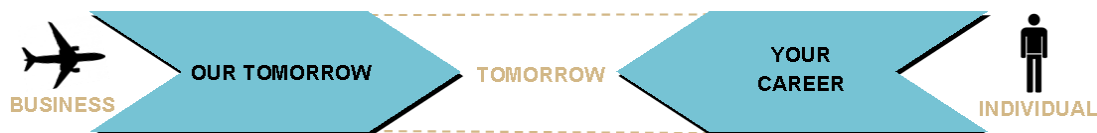
These core competencies will outline the minimum technical, communication and interpersonal skills required for each role category. The development of core competency levels will not only support managers in identifying short term training needs, but will also help facilitate a consistent level of capability across the organisation; resulting in greater flexibility in regards to strategic work force planning. Where the need for training is identified, the Learning and Development Manager will work in partnership with managers to identify appropriate external training programs to support the employees' growth and development.

### Lunch'N'Learn sessions:

One of the main aims of the L&D Framework is to promote ongoing learning as part of our culture. Lunch'N'Learn sessions are a flexible and cost effective means of providing continuous learning opportunities for employees. Lunch'N'Learn sessions cover a wide range of topics which provide a forum for people to learn something new and different. The sessions are one hour in duration and are run on a regular basis during staff lunch breaks. This informal method of training enables BAC to deliver training in areas where formal training programs do not always exist. Topics for the sessions are selected based on employee feedback, changes in technology and emerging trends in the workplace. To date ten sessions have been held, covering topics such as presentations skills, social media and written communication skills.

Target	Priority Task	KPI Success Indicator
Core Competency Framework	<ul style="list-style-type: none"> <li>• Develop and set minimum benchmarks at each level in the organisation in regards to what core skills and behaviours are required.</li> </ul>	<ul style="list-style-type: none"> <li>• Areas of core training needs have been identified with in-house programs rolled out to increase the competency levels of staff in areas such as IT, administration and leadership.</li> <li>• Competency plans have been developed for operational staff with a 12 month aviation competency based training program currently underway.</li> </ul>

## OUR TOMORROW: OUR TOMORROW AND YOUR CAREER



Our Tomorrow and Your Career are those learning and developmental activities that support employee growth and advancement. Section three of the L&D Framework incorporates BAC'S succession planning processes, ensuring our employees have the skills to meet the business requirements of tomorrow.

Identified in the 2011 Employee Opinion Survey, a lack of career progression opportunities at BAC was an area of concern to many employees. BAC's flat and lean organisational structure limits traditional career pathways that see people progress from entry level positions through to supervisory and managerial roles. Given these challenges, one of the key measures of the L&D framework is to extend career paths regardless of whether the next step in an employee's career is internal or external to BAC. Outlined below are the strategies that were implemented across the business, to enable employees to grow and advance.

### Individual Career Development Plans:

After investigating the career development processes that were in place, one of the findings was that limited career development conversations were taking place across the business. Managers and employees were having good conversations regarding the learning and development required in order to fulfil their current role (our today) however there are limited conversations taking place regarding an employee's long term career development (our tomorrow).

To encourage these conversations an Individual Career Development Plan template was developed and rolled out across the business. These plans enabled employees in collaboration with their managers to map out their long term development over a period of time. Information obtained from the career development plans was then transposed into BAC's succession and workforce planning processes. The introduction of the career development plans has been a success, with all employees having current career development plans in place. Since the implementation of the career development plans there has been a 10% increase the amount of developmental training undertaken.

### Succession Planning

With BAC's flat corporate structure and the majority of roles being both distinct (with only one to two incumbents) and professional in nature, effective succession planning processes are integral to ensure the availability of essential resources both now and in the future. BAC undertakes annual succession planning of its management team and key positions to:

- ensure there is sufficient "bench strength" of available and capable employees to fill key roles both now and into the future;
- identify develop and retain high potential employees; and
- identify and mitigate high risk positions and personnel.

Although BAC has always had a robust and rigorous succession planning process in place, outcomes in terms of employee movement were limited due to low turnover, higher than average tenure and challenging economic conditions. Upon identifying this, innovative strategies were adopted to creating more meaningful development opportunities. Examples of such strategies include the development of partnerships with other companies to foster exchange programs, mentoring and coaching programs, internal secondments and leadership training.

In addition a Succession Planning steering group comprising of key members of the SMT was formed. This committee was responsible for identifying high potential employees as well as those employees who if were to leave BAC at short notice would pose a risk to the company. Since the review of BAC's succession planning processes and the implementation of the Succession Planning Committee, internal secondments have increased by 50%. This has also seen an increase in employee satisfaction, with employees rating satisfaction with training and development as high.



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### High Potential Development Program:

BAC's high potential employees are identified through succession planning process and are defined as employees who have demonstrated strong business acumen, high leadership potential and strong performance in their roles.

Upon identification, high potential employees receive access to L&D opportunities to accelerate their development. This includes specialist career planning, greater profile and visibility by senior leaders, exposure to emerging business strategies and the chance to network outside their own business and specialist area. Each year approximately five high potential employees are identified by the Senior Management team. People and Culture then work with each individual and their manager to develop a tailored leadership program based on their individual development needs. High Potential employees are also provided with the opportunity to participate in coaching and mentoring programs.

### Formal Study Program:

Formal study involves any type of structured education course that results in the attainment of a nationally recognised qualification, accreditation or certification. BAC's Formal Study Program encourages and supports participants by providing benefits such as financial support (reimbursement of course fees) and study leave. Since July 2012 BAC has supported 20 employees in achieving formal qualifications in both technical and leadership fields of study.

### Youth Development:

One of the key goals of the Learning and Development Framework is to provide a bench of talent that has the skills and experience required to support the ever changing needs of the business. As of January 2012, the majority of BAC employees were aged between 30 and 40 years, with less than 10% of the total workforce under the age of 30. BAC has a significantly lower percentage of employees under the age of 25 compared to the Brisbane, Queensland and Australian averages. At the other end of the scale, BAC has a higher percentage of employees over 45 years of age. As a result a Youth Development Strategy was launched in July 2013 which represents a strategic approach to addressing current and anticipated shortages in the number of young workers employed at BAC. The Youth Development Strategy aims to increase the number of youth at BAC through the implementation of a range of schemes including, graduate positions, internships, work experience program, scholarships and youth high potential program.

Target	Priority Task	KPI Success Indicator
Individual Career Development Plans	<ul style="list-style-type: none"> <li>Individual career development plans in place for all employees.</li> <li>Identify and prioritise training needs based on information obtained in career development plans', ensuring all training is delivered within set L&amp;D budget.</li> </ul>	<ul style="list-style-type: none"> <li>All employees have a career development as of July 2013.</li> <li>Participation in development training has increased by 25% with 70% of employee's participating in some form of learning and development activity during FY13.</li> </ul>
Succession Planning	<ul style="list-style-type: none"> <li>Investigate opportunities for internal development secondments.</li> <li>Lock in retirement dates with all managers who have indicated plans to retire within three years.</li> <li>Identify and select high potentials to take part in 2014 Schiphol Exchange program.</li> </ul>	<ul style="list-style-type: none"> <li>Succession plans in place for all key roles within the business.</li> <li>Two high potential employees were providing with an internal secondment opportunity identified as part of the succession planning committee.</li> <li>Two high potential employees selected to participate in Schiphol exchange during 2014 and 2015.</li> <li>Employee satisfaction regarding development opportunities at BAC has increased by 10% in 2013 compared to 2011.</li> </ul>
High Potential Employee Program	<ul style="list-style-type: none"> <li>High potential employees identified.</li> <li>Individual leadership development plans in place for each employee.</li> <li>Retention of high potentials.</li> <li>Development of opportunities for movement of high potentials within</li> </ul>	<ul style="list-style-type: none"> <li>All high potential employees have attended a leadership program in FY13.</li> <li>BAC has been able to retain all high potential employees identified in the last two succession planning processes.</li> <li>Placement of nine high potential</li> </ul>



	the business.	employees in more senior positions in the company.
Youth Development Strategy	<ul style="list-style-type: none"> <li>Develop and implement a graduate program that is adaptable for the varying areas of specialisation across the business.</li> <li>Develop a school based work experience program.</li> <li>Develop internship program for university students.</li> <li>Identify high potential youth within the business.</li> </ul>	<ul style="list-style-type: none"> <li>Increased in the number of youth (defined as less than 30 years of age) by 37%.</li> <li>Two graduates appointed to two year fixed term roles within Property and Marketing divisions.</li> <li>Placement of 20 vacation work and work experience students across the business.</li> <li>Implementation of an Indigenous Scholarship; the recipient of this scholarship, Bryn Owen will receive funding towards his university studies as well as practical work experience at BAC. Bryn's ambition is to become an accountant; as such he will be working within our finance department part-time during his studies and will be mentored by BAC's CFO.</li> </ul>

**OUR FUTURE: OUR DIRECTION AND YOUR PROFESSION**



Our Direction and Your Profession L&D activities include those L&D programs that emphasise collaborative planning, creative visioning, strong communication, transformational leadership, and personal development. L&D activities focus on ensuring we develop our staff to equip them with the strategic and leadership capabilities to support BAC's future direction. Outlined below are the strategies that have been implemented as part of section four of the L&D Framework.

**Mentoring Program:**

BAC's mentoring program is designed to provide opportunities for employees to be mentored by highly experienced managers in a relevant field. The mentors may be from within BAC or external to BAC. Mentoring is a highly effective means of providing employees with a breadth of experience and is proven to be one of the most successful methods of employee development. Mentoring programs allow the learner to build skills and knowledge while attaining goals for career development. Conversely, mentoring also provides the opportunity for the mentor to further enhance their skill and knowledge areas by continuously reassessing and building upon these skills. Since the implementation of BAC's mentoring program five employees have successfully participated in mentoring arrangements with a range of external stakeholders.

**Coaching:**

The coaching methodology is a structured framework designed to facilitate positive change within any individual. Coaching is an interactive process of observation and reflection. In this process the coach encourages self-observation, self-correction, and an ongoing refinement of the learner's knowledge and skills. Coaches focus on empowering the individual to develop their own answers, maintain a firm focus on solutions and then challenge them to be the best they can be. The coaching process itself consists of a series of one-on-one conversations. BAC's coaching program will be used to assist high potential employees in clarifying career goals and unlocking their leadership potential. To date BAC has supported the development of 20 employees through participating in coaching programs.

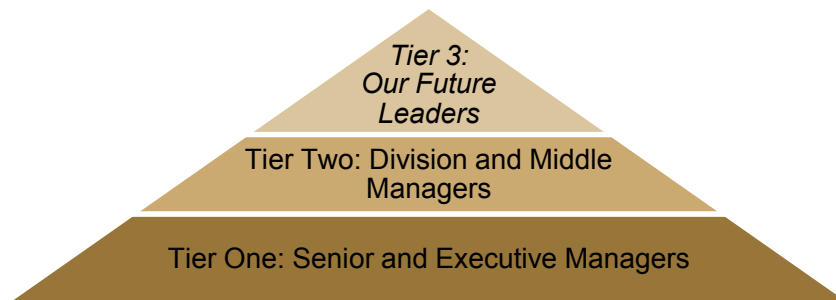
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### Exchange Program:

BAC has partnered with Schiphol Airport to provide an opportunity for employees to participate in an exchange program. The exchange program provides individual employees with professional and personal development opportunities to expand their knowledge and experience. It also provides value to BAC through exposure to other methodologies and approaches and provides value to Schiphol Airport through the provision of a high caliber employee with specialist knowledge developed at BAC. Further to this the exchange program assists in building cultural awareness and increasing diversity within the organisation. To date three employees have participated in the exchange program, two of which have received promotions since returning to BAC.

### Leadership Development Program

BAC's L&D strategy recognises the importance of investing in leadership at every level of the organisation - not just the top. Therefore a three tier leadership development program has been implemented; the aim of this program is to develop our people to be effective leaders who have well-rounded leadership experience and capabilities, can make decisions in line with corporate values, and demonstrate innovative thinking and leadership.



### Tier One: Senior & Executive Managers

Training programs for senior managers and executive managers focus on high level strategic activities. Managers at this level should not need training in how to be a leader rather the L&D activities should focus on new models of leadership, the ability to influence culture through leadership and the evolution from management to strategic thinking.

Over the coming years it is expected that each of our Senior Managers will attend at least one leadership training program. The specific courses will be identified based on the individual's training needs and in consultation with the CEO and Managing Director and the Head of People and Culture.

### Tier Two: Divisional and Middle Managers

Training for Tier Two Managers will focus on interpersonal leadership skills as well as business planning capability. Training at this level will be designed to ensure Divisional and Middle Managers are providing a high level of leadership. To determine individual L&D needs a leadership capability analysis is undertaken for all Tier Two Managers. The specific training are determined based on the L&D needs identified via consultation with the individual's manager and the Learning and Development Manager. Since the implementation of BAC's leadership program, employees have participated in over 126 leadership development activities which represent a 23% increase in leadership development.

### Tier Three: Managers of the Future

A key aim of this strategy is to build capability for the future, in order for this to happen it is important that we invest in our up and coming employees to provide them with the tools to exceed as effective leaders. Tier Three Managers are those employees within BAC who are beginning their leadership journey; this includes managers who are currently supervising and managing employees and any individuals that have been identified as likely to move into a supervisory or management role in the near future. The identification of these employees may occur through succession planning processes or due to changing business needs/organisational re-structures. Training for Tier Three Managers will focus on core leadership functions such as managing performance, effective communication, motivating and engaging employees and providing feedback.

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<b>Target</b>	<b>Priority Task</b>	<b>KPI Success Indicator</b>
Mentoring and Coaching	<ul style="list-style-type: none"> <li>Develop mentoring program partnering with members of the senior management team, Board, local universities and key stakeholders.</li> <li>Identify high potential employees most suited to participate in mentoring program.</li> </ul>	<ul style="list-style-type: none"> <li>Mentoring program implemented in 2012. Since its implementation five employees have participated in mentoring program with both internal and external mentors.</li> <li>Two of the five employees who undertook mentoring in 2012 were promoted into more senior leadership positions in 2013.</li> </ul>
Leadership Development	<ul style="list-style-type: none"> <li>Work with Senior Management Team to identify leadership development needs.</li> <li>Determine leadership values for BAC and core leadership skills at each level in the organisation (mapped to core competency framework).</li> </ul>	<ul style="list-style-type: none"> <li>Over 120 leadership programs were attended over the past 18 months, which represent a 23% increase in participation rates of leadership development.</li> <li>Tailored in-house leadership development program developed and implemented for tier three leaders, resulting in the promotion of two Officers into Supervisory positions.</li> <li>More than half of the Senior Management team has participated in an executive leadership program over the past 18 months.</li> </ul>

## MEASURES OF SUCCESS

The implementation of the L&D framework has fostered an appetite for learning across the company, which in turn facilitates continuous improvement across all aspects of the business. All initiatives implemented as part of the Learning and Development Framework are monitored and evaluated using a range of measures, including: Employee Opinion Survey's, Performance Review processes and outcomes, number of completed Career Development Plans, percentage of staff undertaking training, and general feedback processes. Annual reports are provided to the Board, CEO and Managing Director and Senior Management Team regarding the progress of the BAC Learning and Development Framework. Since the L&D framework was launched January 2012 it has been successful in delivering on four key objectives:

1. **Support the development of a positive workplace culture that values ongoing learning and continuous improvement.** Since the implementation of the Learning and Development Framework training participation rates have increased by 25% with 70% of employee's participating in some form of learning and development activity during FY13 (refer Figure 4). This has also seen an increase in the nominal spend per employee increasing from \$858.00 in July 2011 to \$1,523.00 per employee in July 2013.

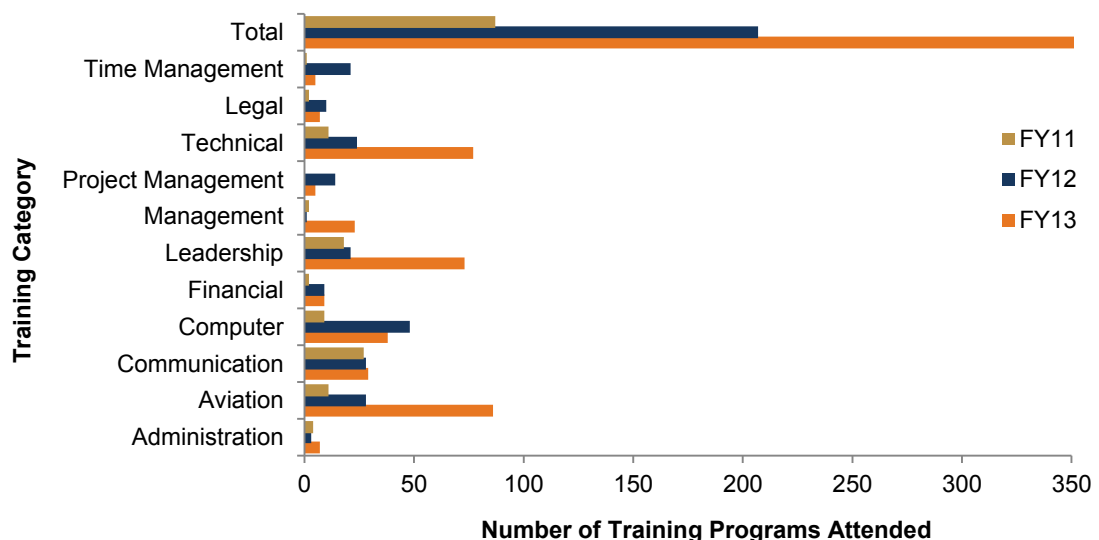


Figure 4 - Comparison of number of training programs attended per training category

2. **Development of an agile workforce that is capable of responding to changing organisational and personal needs.** Through the implementation of key initiatives such as succession planning and the leadership development program, BAC has been able to achieve a more adaptable and flexible workforce. Over the past two years BAC has seen two longstanding General Managers retire and two significant organisational restructures. Throughout this period of change and uncertainty BAC was not only able to retain all key employees but was also able to increase employee satisfaction ratings across the board.
3. **Ensuring that as a business and as individuals we have the capabilities to achieve our strategic directions and priorities.** In 2013 BAC committed to funding the second phase of the New Parallel Runway (NPR) project. The runway is a critical part of a multi-billion dollar investment into capacity-building infrastructure and will take over 8 years to build. As a result of this project going ahead it was necessary for a number of BAC's senior project managers and engineers to be assigned to this project.

This saw the movement of a number of employees into specialist roles within a three month timeframe. Not only were each of these employees adequately skilled to take on the roles within the NPR team, but through effective succession planning and development processes there was minimal impact to the existing infrastructure teams.

4. **Identifying high potential employees and provide them with relevant development opportunities to enhance and grow their leadership capabilities.** Although BAC had always undertaken succession planning activities including identifying high potentials, there had been very limited internal movement of key employees, which was resulting in frustration regarding the lack of career development opportunities. Through the implementation of the L&D Framework, there has been more than a 70% increase in the number of internal promotions and opportunities for development of high potential employees. BAC's philosophy of supporting employees to extend their career paths regardless of whether the next step in an employee's career is internal or external to BAC, has seen employees take a greater interest in development opportunities at BAC and has contributed to increased employee engagement ratings as seen in figure 5 below.

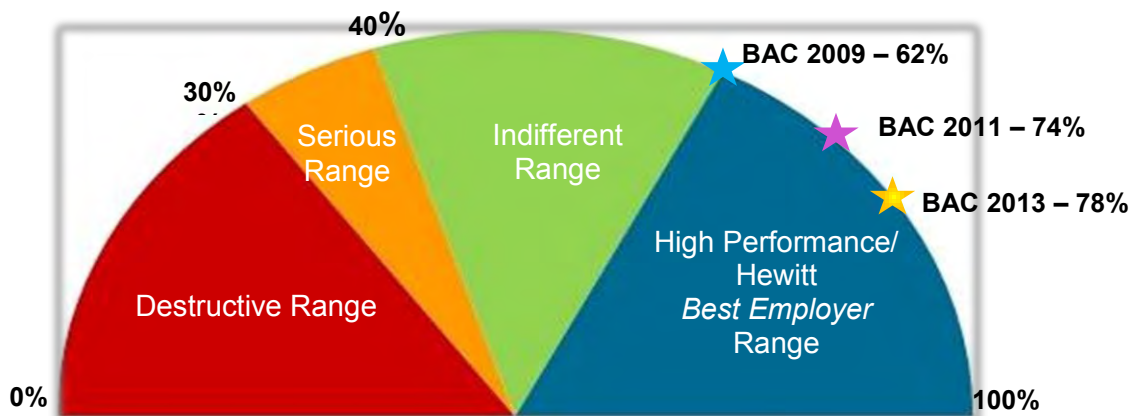


Figure 5 - Hewitt Best Employer Engagement Rating Scale

At BAC, we know success begins with our people, because it's people who shape our unique culture and reputation. BAC is committed to ensuring we bring out the best in our people and is proud of the achievements to date in regards to learning and development.

Moving forward BAC will maintain its commitment to L&D, where the focus will be on implementing and refining strategies within the L&D Framework. Whilst continuing to monitor the effectiveness and impact these strategies have on employee growth and development, to enable us to achieve our vision of being a world best airport.