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**ACI World and Asia-Pacific
Conference and Exhibition
Kuala Lumpur 2009
'Sustaining Human Capital'**

Leadership Matters

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Chairperson, This Is

4 November 2009

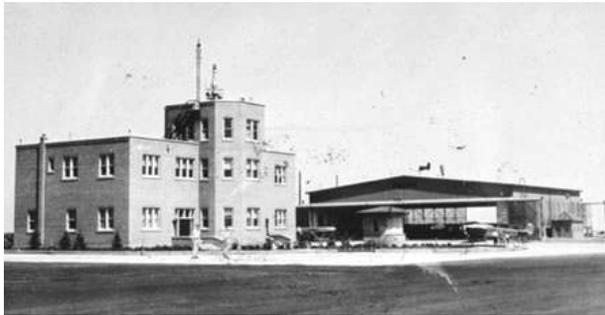


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Airports have come a long way ...



Not just 'strips of concrete' -
but drivers of economic growth

- Large businesses
- Multiple functions
- Complex operations

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How well are airports being run?

Our survey of leading CEOs* (Airport World, May 2009)

- Leadership a major challenge
- Many airports lack succession bench strength
- Issues with 'headroom', breadth and depth of skills
 - Strategic thinking
 - Political savvy
 - Financial awareness
 - Generalist business experience
 - Managing dilemmas and ambiguity

* Larry Berg (Vancouver); James Cherry (Montréal); Declan Collier (Dublin); Larry Cox (Memphis-Shelby); Maarten de Groof (Schiphol Group); Jeff Fegan (Dallas/Fort Worth); Jeffrey Hamiel (Minneapolis-St Paul); Herbert Kauffmann (Vienna); Dr Yiannis Parachis (Athens) and Olle Sundin (Goteborg Landvetter).



**AIRPORTS COUNCIL
INTERNATIONAL**

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Why a gap in leadership capability/capacity?



Rapid growth in the sector (as in post war oil industry) leading to different demands

Industry has traditionally attracted operators, 'techies', those looking for safe and secure employment

Investment has been directed to infrastructure and hardware rather than people

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How much should be invested in human capital?

If you were to make a decision to invest in new infrastructure and facilities that cost around \$2b, roughly how much (in parallel) do you think should be earmarked for investing in human capital ?

- a) ~ 10% (\$200m)
- b) ~ 1% (\$20m)
- c) ~ 0.1 % (\$2m)
- d) ~ 0.01 % (\$0.2m)
- e) Nothing

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A systematic approach to improving leadership

1. Revamp and upgrade the organisation

2. Upgrade talent management supply chain



3. Target coaching and development at high potential staff

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Our Experience with DAA

Shaping the Future*

*Vision, Mission, Values
Strategic Objectives
Business Scorecards
Business Cycle Process
Performance Management
Leadership Competencies
Leadership Development
Director Development
Talent Management
Change Network
Communication*

** Airport World
July 2008*



“Transforming the airport means transforming the infrastructure, transforming the organisation and transforming the leadership”

Declan Collier CEO
Dublin Airports Authority

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Improving the talent management process



- Ensure organisation planning process linked to business need
- Refresh organisation with graduate and high potential recruitment
- Hold regular formal staff planning meetings at the top level
- Deploy best staff to key roles and provide them with real challenge
- Encourage the less talented and poorer performers to leave
- Continuously improve knowledge of staff aspirations & capabilities
 - Assess performance, potential, promotability
 - Articulate and assess leadership competencies

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Airport leadership competencies* developed and mapped to powerful psychometric, assessment and feedback tools

Think Strategically

Build Networks and Teams

Lead Others

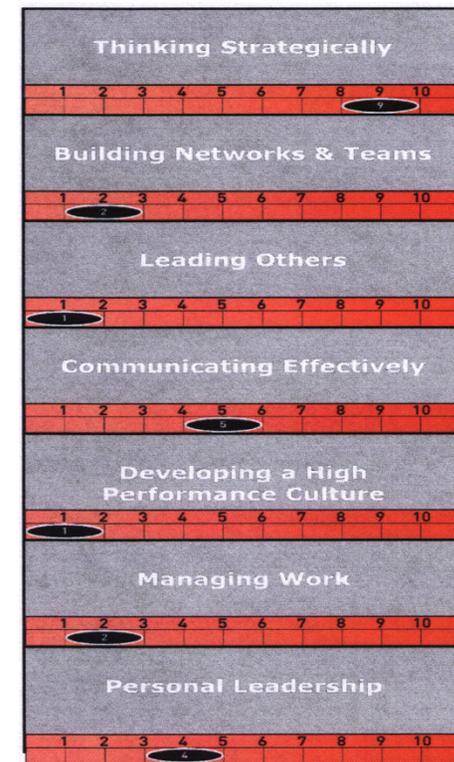
Communicate Effectively

Develop High Performance Culture

Manage Work

Show Personal Leadership

DIMENSIONS Psychometric



* © developed by This Is and used in DAA

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Implications for Best Practice

- Investment in human capital is critical for success
- Systematic approach
 - Upgrade the organisation
 - Address supply chain at each point of the process
 - Identify coach and develop high potentials
- Focus on leadership competencies, behaviours and skills
CEO role model and champion
- Don't do anything that doesn't have an ROI effect

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Some Parting Thoughts

Can you afford it in the current climate?

Can you afford not to?

‘A leader takes people where they want to go.
A great leader takes people where they don't
necessarily want to go, but ought to be. ’

Rosalynn Carter