Sustainability of the aviation industry: The Key to Success in the Aviation Industry

(Presented by ACI World)

The aviation industry has faced a significant new capacity challenge in recent years, not due to infrastructure or system restrictions as previously, but due to the availability of workforce. According to the latest ACI World forecasts, 2019 (pre-pandemic) global passenger volumes (9.2 billion) are expected to double by the year 2039 to 18.3 billion. The availability of a strong and diverse workforce to cater to and accommodate this future demand is of utmost importance. The significant restrictions experienced on resource availability can have negative impacts on service quality, operational performance, and the overall aviation system's capacity to meet expected growth profiles. These constraints can equate to economic losses for industry and local economies, given the important role aviation plays as an engine of growth for communities and regions around the globe.

In addition to the resource and skills gap, the industry is equally grappling with issues related to diversity, equity, and inclusion (DEI). Women and minority groups remain underrepresented in many aviation fields; this lack of diversity can have negative consequences on the industry's global performance and growth and limit its potential to provide positive and lasting socioeconomic benefits.

Staff and skills shortages are impacting the operations and performance of many industries and companies around the world, including airports and the wider aviation ecosystem. Many workers left their aviation jobs during the COVID-19 pandemic, due to downsizing and early retirement offers or because they chose other pathways and industries. According to the Air Transport Action Group (ATAG), the aviation workforce contracted by 43%, equating to 4.8 million jobs globally, during the pandemic. New employees are difficult to find, as the priorities of many people have changed and competition to attract talent is fierce. This is happening at a time when traffic is bouncing back, potentially creating a widening gap that can cause important operational challenges, particularly during airports' peak periods.

In this context, the industry needs to adopt a strategic and novel approach to workforce planning and development focusing on both short-term and long-term solutions. This includes investing in training and education programs, promoting DEI, fostering a positive work environment, and providing competitive compensation and benefits among the industry and its stakeholders. By addressing these challenges proactively and creating awareness, the aviation industry can build a workforce that is prepared to meet the expected future demand and continue to be driven by innovation and growth.

Current aviation workforce

The aviation industry is a complex ecosystem, consisting of multiple players and processes, that requires the availability of a large and well-trained workforce. With 11.3 million jobs directly linked to the aviation sector, the workforce plays a crucial role in ensuring the safe and efficient operations across the entire aviation industry. A large portion of these jobs, around 60%, takes place at airports, where various roles such as aviation security agents, ground handling personnel, cleaning and maintenance staff, airport operations specialist, customer experience hosts, and staff working in catering and food and beverage outlets are required. Each one of these roles is necessary to keep

delivering the multitude of services required to make the aviation system function on a day-to-day basis across all regions of the world.

The availability of a well-trained and competent workforce is critical to accommodating the increasing demand in aircraft movements, passengers, and cargo operations. As mentioned, the COVID-19 pandemic, and the associated drop in traffic had significant impact on the aviation ecosystem's workforce, compounding previous systemic challenges.

The instability in employment in aviation generated by unpredictable traffic patterns due to the wide variety of health measures and travel restrictions implemented by States had a significant impact on aviation's attractiveness as an employer. In addition, the ongoing debate around the environmental sustainability of the aviation system has further impacted aviation as an optimal career path, particularly for the next generation of professionals. However, the wider changes and challenges are prompting the industry to rethink its employer brand, as its international and fast paced nature, and commitment to fight climate change, are features that can be highlighted to attract job seekers.

To ensure that the aviation workforce remains sustainable and appealing, industry stakeholders must prioritize investing in training and upskilling programs that equip the workforce with the necessary skills and competencies. The industry needs to focus on including DEI in recruitment strategies to keep working towards regaining its attractivity and bringing in new talent from a diverse employment pool.

Many of the core aviation jobs are highly skilled professional roles that require significant amounts of investments to train candidates and bring them up to the required levels of skill and competence. These tend to be well-paid and highly sought-after roles but are not accessible to all individuals. There is however a significant portion of the aviation ecosystem's jobs that require lower levels of training and qualifications, and may tend to have less job security and lower levels of remuneration, but that are equally as important for the industry. These jobs, such as check-in and gate agents, baggage handlers, ground operations agents, airfield maintenance, and many more, found across the different sectors of activity, need to have equivalent terms and conditions to similar jobs in other sectors, and be recognised and understood for the critical support they provide to aviation as a whole.

The reality of the pandemic has changed many aspects of day-to-day life as a whole as well as of employment conditions in general. The aviation industry has equally been affected with new concerns by employees around job security, fair pay, working conditions and equity of treatment. A range of strategies are needed in the future to retain and develop employees already in the industry and keep cultivating an attractive industry. Some of the key considerations to achieve these goals are:

- **Providing growth opportunities and career paths.** Employees want to feel like they are learning and growing in their jobs. Having sufficient training and development opportunities to enhance employee's skills and knowledge will allow them to become more effective in their current roles but also be prepared for future career opportunities.

- **Foster a positive work environment.** Creating a positive work environment in which the baseline culture values employees and their successes, ensures appropriate wellness measures are present, achieves a work-life balance and seeks to meet social conditions will help generate a positive work environment in which employees will thrive.

- **Emphasize communication.** Overall ensuring a sufficient level of transparency and communication on the organization's success and failures, on the state of the industry and any changes that may impact their jobs will develop trust and understanding.

- **Create flexibility.** Providing employees with appropriately tailored flexibility to their schedules or through other arrangements will help creating an environment in which employees want to remain and grow.

- **Offer competitive pay.** Where possible, aligning pay scales with other sectors creates a more competitive and attractive workplace reducing the rate of attrition and turnover.

  Workforce skills

  The accelerated rate of innovation, introduction of new technologies, and automation are other challenges the industry will have to face. Partnerships with universities or technical institutes can allow for and support the needed upskilling of the workforce. In addition, the establishment of aviation programs adapted to younger-age populations, such as high schools or pre-university schools, creates additional visibility and understanding of aviation for the next generation of talent. These types of partnerships between industry and education institutions, ideally supported by State policies, will grow the visibility of and generate interest in the industry and its appeal as a career path.

As the workforce's requirements and expectations continue to evolve and aviation professionals seek opportunities across different sectors or in different States, facilitating the workforce's global mobility is becoming increasingly important. Mutual recognition of training certificates, industry designations, and validation of competencies across States, as well as accelerated security vetting processes, while maintaining high levels of safety and security oversight, will facilitate the integration of workers into new environments in a faster and more seamless manner.

DEI is vital for the aviation workforce as it is essential to ensure the industry is accessible to all individuals, regardless of their background or circumstances. The aviation industry should strive to attract a diverse range of employees, including individuals from underrepresented groups. One of the primary benefits of prioritizing DEI in the aviation industry is that it can help to create a more innovative and creative workforce. When employees come from diverse backgrounds, they bring a range of perspectives, ideas, and experiences to the table. This diversity of thought can lead to more innovative solutions, better decision-making and stronger competitive advantage.

The industry must prioritize DEI in its recruitment, training, and promotion practices to create a more equitable and inclusive work environment as a core development. Through proactive DEI practices, organizations can provide opportunities for their employees to develop new skills and advance their careers regardless of age, gender, ethnicity, or disability etc. By creating a diverse and inclusive workforce, the aviation industry can benefit from different perspectives and experiences in leadership.

In addition to DEI, the aviation industry must focus on the labour needs of Generation Z. As the first generation to grow up entirely in the digital age, they have unique skills and perspectives that can benefit the aviation industry in many ways. However, in order to bring this new generation into the industry, it is necessary to increase the visibility of the industry through partnerships systems and program schools as examples. Increasing visibility is the first step in improving the recruitment process, while also following the workforces' evolving needs and adapting policies and ways of working to remain a relevant industry.

Indeed, Generation Z bring valuable skills to the aviation industry, such as high digital literacy needed for a variety of areas such as customer relations, communications and marketing, and cybersecurity. It is also the most diverse generation in history with a strong emphasis on inclusivity and acceptance of diverse cultures and background. Their desire for flexibility is core to their work-life balance with an interest to work in environments that offer flexible work arrangements such as remote work, flexible hours, and job sharing. For the most part, the aviation industry is able to offer and provide such arrangements which can also help attract and retain talent.

This generation also values organizations that promote innovation, personal growth trajectories, and sustainability with a conscious approach to environmental protection. Promoting these core values through the industry should be prioritised to help with the recruitment of this generation.

With the global transition to greener economies and evolving technology, jobs will change and meeting the future skills needs is going to be a challenge the industry needs to anticipate. Stakeholders should already be investing in reskilling their workers to meet the needs of tomorrow. An initial comparison between the nature of their workforce today with the skills they will need in the medium- and long-term is needed to identify the possible skill gaps. This gap analysis should result in a strategy for human capital to meet future needs, based on this high-level organizational strategy.

Reskilling can be costly. Incentives and support schemes from States may help offset some of the costs, but they should also be seen as an investment which will provide returns in the longer term. Pre-pandemic research from the World Economic Forum revealed that across a wide range of scenarios, investment in workforce reskilling and human capital development is a "no-regret action," i.e., it will be a beneficial investment even in the absence of skills shortages. It also means giving staff the time to learn new skills. Some organizations have set aside a day of the week dedicated to learning and development. This time needs to be purposeful and utilized for professional development that fits under the employee's pre-agreed career pathway.

The need for collaboration

Collaboration and coordination to address current and future workforce challenges is particularly important. Working across the industry with industry partners, aviation worker's representatives, and employers' representatives to create a sustainable working environment for all aviation workers is key to finding solutions and re-establishing the industry as an attractive place to work.

During the ACI World General Assembly in October 2022, a resolution on *Creating a strong and diverse airport workforce to meet future demand and ensure the long-term sustainability and resilience of the aviation system* was approved. This resolution highlights and recognizes the

importance of collaboration among all stakeholders and industry sectors while calling for dialogue and joint initiatives to achieve this objective.

In a joint working paper submitted to the 41st ICAO Assembly (September 2022), ACI and seven other international organizations issued a call to action to States and ICAO to identify strategies and actions that could be taken to increase the attractiveness of the aviation sector for the next generation of aviation personnel.

The submission called on States to collaborate with Ministries of Education and Employment by identifying future skill gaps, including technical and higher education aviation programs, as part of the broader national education policies, to support collaboration between educational institutions and the industry on a national and local basis to develop skills labs and other forms of aviation training institutes. It also called on States to take the necessary measures to ensure the recruitment and retention of adequate numbers of aviation workers.

The ICAO Assembly recognised that States, international organizations and industry must take necessary measures to facilitate the vetting, recruitment, training, mobility, and retention of aviation workers to ensure that the aviation industry remains an attractive sector to its workforce.

Aviation is a resilient industry. Having faced multiple shocks over the last decades, from 9/11 to COVID-19, aviation has been able to recover, rebound, and come back stronger every time. The current shortages of staff and the severe operational challenges they are bringing to many airports worldwide present the industry with an opportunity to rethink and take strategic actions to correct its trajectory and build the workforce of the future.

These strategic actions should focus on three main axes: accelerating the introduction of technology, placing humans back in the centre of aviation, and creating an attractive aviation industry for present and future aviation personnel. These axes are not contradictory. Together, they can help bring about a better travel experience, more satisfied customers, happier and more engaged staff, and more efficient processes that will be essential to meet future traffic growth and ensure the long-term sustainability and resilience of the aviation ecosystem.

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