

Strategic Planning at Toronto Pearson International Airport

Airports of all sizes are constantly challenged to manage complex and ever-changing issues, programs, and customer expectations. Strategic planning determines what airports can do to address these expectations and create their desired future.

Lloyd McCoomb, President and CEO of the Greater Toronto Airports Authority (GTAA) and his Board of Directors clearly “get it”. They understand strategic planning is a critical leadership process that will guide them to the future they desire.

The GTAA is governed by a 15 member board of directors who is responsible for the management, operation and maintenance of Lester B. Pearson International Airport (YYZ). According to McCoomb, “Most board members occupy senior (C-level) positions with private-sector companies. Every board member understands the importance of strategy and every board member recognizes her/his role and responsibility to formulate strategy for the airport authority,” he noted.

The GTAA board is similar to governing bodies at many airports; they possess excellent understanding of strategy. What many GTAA board members need, however, is a greater understanding of airport-specific issues to help formulate the strategies that will propel the Authority and YYZ toward its desired future. “Board members come from a wide variety of industries. While they are extremely knowledgeable about strategy and strategic planning, they need more information, data, and perspectives on airports,” observed McCoomb. “ACRP Report 20 Strategic Planning in the Airport Industry serves as a ready reference that clearly helps board members

pose the proper strategic questions within the context of airports. This report is an excellent piece of work,” McCoomb said.

One of the challenges facing Lloyd and the GTAA is board member transition. As is the case with airport boards and governing bodies throughout the airport industry, board membership ends and new members are welcomed on a regular basis. For many airports, this is an annual occurrence. According to McCoomb, “two or three board members are replaced every year.” This annual addition and subtraction of board members presents challenges to McCoomb, his leadership team, and other board members.

“Board education is an ongoing process,” noted McCoomb. ACRP Report 20 provides us a ready primer for both new and current board members. In the absence of this report, we would be investing significantly more time, money, and energy in board education,” McCoomb said.

ACRP Report 20 provides a step-by-step process for developing the strategic plan. The report reinforces the concepts that strategic planning is a process of managing for results and focusing on the future; discusses the process of analysis, diagnosis, goal setting, and action; and provides information, tools, and techniques that can be used by



Above:
Lloyd McCoomb, Chief
Executive Officer,
Greater Toronto
Airports Authority

Photo courtesy of
Greater Toronto
Airports Authority

Right:
ACRP Report 20:
Strategic Planning in
the Airport Industry



airport professionals, airport policymakers, and related industry associations to develop and understand strategic plans that guide airport-related decisions and actions. Further, the report provides specific guidance that helps airport leaders allocate scarce resources—time, talent, and money—in optimal ways to achieve meaningful results.

In addition to helping McCoomb and his board preserve scarce resources “ACRP Report 20 serves as a ready reference

Strategic Planning—continued

for board members, provides detailed information about airports and the airport strategic planning process, and empowers GTAA board members with necessary information to formulate the right strategic questions,” said McCoomb.

McCoomb and the GTAA board know that strategic planning is an adaptable process that emphasizes a long-range approach and requires regular reviews and updates. Perhaps more importantly, McCoomb and the GTAA board focus on implementing their strategies.

Evidence that YYZ is strategically creating its future is offered by the recognition Lester B. Pearson International Airport received early in 2010 from the International Air Transport Association, which represents airlines across the globe, as the Most Improved Airport.

This report “has been a boon to airport board members” McCoomb noted. A grateful and enthusiastic McCoomb candidly states, “There is a clear and direct link between the ACRP research work and the payoff.”



Aerial view of Toronto Pearson International Airport
Photo courtesy of Greater Toronto Airports Authority

ACRP: SOLUTION CENTRAL

Whether formulating appropriate strategic direction for the future, maximizing safety, accommodating terminal expansion consistent with passenger growth, or maximizing revenue and customer care, every airport has challenges.

For Lloyd McCoomb, President and CEO at the Greater Toronto Airports Authority (GTAA), when he and his colleagues face challenges, they seek solutions from the ACRP. “There is a clear and direct link between the ACRP research work and the payoff to our airport,” said McCoomb.

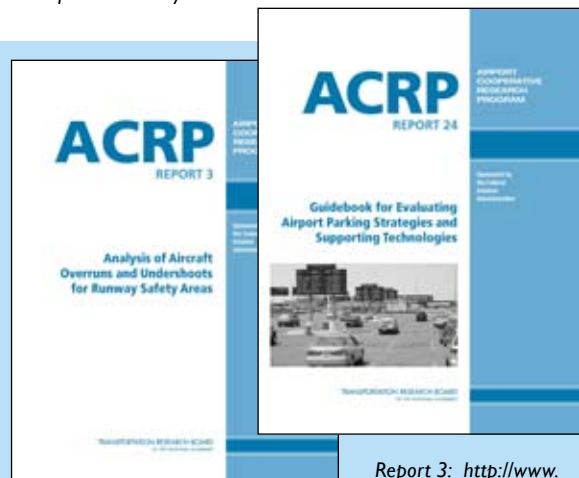
McCoomb enthusiastically talks about how he, his board, and his staff have made use of the findings and recommendations contained in a variety of ACRP research reports and he offers two specific examples of how he and his team at Toronto have used ACRP research results.

Toronto has 5 runways, 10 runway ends, urban development surrounding the

airport, limited resources, and a commitment to maximizing safety and has been searching for guidance regarding “what to do with end of runway issues.”

“ACRP Report 3: Analysis of Aircraft Overruns and Undershoots for Runway Safety Areas created a series of predictive formulae that helped us assess the likelihood of end of runway incidents and determine the most appropriate investments to address this likelihood. The research results provided us information necessary to make end of runway investments that generated optimal payoff. This research report generated big benefits for our community,” said McCoomb.

With over 10,000 parking spaces, Toronto offers a variety of customer options ranging from premium service valet parking to less personalized remote parking. With such a large inventory and a variety of service features, Toronto utilized ACRP Report 24: Guidebook for Evaluat-



Report 3: http://www.trb.org/Aviation/Blurbs/Analysis_of_Aircraft_Overruns_and_Undershoots_for_159849.aspx; Report 24: http://www.trb.org/Publications/Blurbs/Guidebook_for_Evaluating_Airport_Parking_Strategie_162823.aspx

ing Airport Parking Strategies and Supporting Technologies to help determine how best to minimize costs, maximize revenue, and maximize service. “The Parking Strategies Guidebook is very useful. It is helping us optimize our pricing structure to best serve our many stakeholders,” noted McCoomb.

“We are extremely appreciative of the work ACRP has accomplished,” McCoomb stated.

ACKNOWLEDGMENT OF SPONSORSHIP: This work was sponsored by the Federal Aviation Administration and was conducted in the Airport Cooperative Research Program, which is administered by the Transportation Research Board of the National Academies.

DISCLAIMER: The opinions and conclusions expressed or implied in ACRP publications are those of the research agencies. They are not necessarily those of the Transportation Research Board, the National Research Council, or the program sponsors.