

The Perfect Storm **Beginning to Address the Declining Aviation Talent Pool** Moderated by Sheryl Barden, President and CEO of Aviation Personnel International

The Perfect Storm *Beginning to Address the Declining Talent Pool*



Oct. 31 – NBAA 2012 - Orlando

PANEL TRANSCRIPT:

Sheryl Barden:

Good Morning. I am Sheryl Barden, President and CEO of Aviation Personnel International, an HR consulting and talent search firm specializing in business aviation. API has been in business serving the business aviation industry for over forty years. I was delighted to be selected to present this topic because it is something that I have incredible concern and an undying passion about.

Getting started, back in 2008, I was at the Corporate Aviation Safety Seminar where Bill Voss, Chairman of the Flight Safety Foundation opened that seminar with the comment that said something to the effect of, *“The future shortage of trained aviation professionals, especially pilots and aviation maintenance technicians will be the greatest threat to Aviation Safety that we will face.”*

In the Spring of 2008, business aviation employers – especially those with the less attractive jobs to offer – were finding it difficult to retain talent. The airlines were solving that problem themselves by extending the retirement age from age 60 to 65.

But then the economy turned, Congress portrayed business aviation as an excessive expense rather than a necessary strategic tool, and the use of business aviation significantly decreased, putting many trained professionals either out of work, or underemployed. So, the problem “*kind of went away...*”

Earlier this year, John Duncan, Deputy Director of Flight Standards for the FAA (Federal Aviation Administration), addressed the National Air Transportation Association Air Charter association with a very similar message.

Yet many still say, “*We’ve been hearing about this for years; it’s like ‘Chicken Little’ and ‘the sky is falling.’ But it will ever really come to pass?*”

In the next hour, we will examine the forecasts and the changes in our industry, which perhaps constitute the ‘perfect storm’ that may, indeed, be upon us. I thought it was quite fitting to put a picture of the current perfect storm [Hurricane Sandy] in our slideshow.

Today, we have assembled before you a panel representing various disciplines and expertise in the industry to talk about the trends in labor supply and demand, in education and development, the realities of diversity in the business aviation labor pool and to give you examples of creative solutions for business aviation talent development.

Introducing our Panel of Experts





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*** **API** It's About People.
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Sheryl Barden: It is my honor and pleasure to introduce to you our panel of industry experts:

Kevin Hiatt is COO of the Flight Safety Foundation, and a former Captain with Delta Airlines. Kevin will address the confluence of factors that define the imbalance of supply and demand for personnel and its potential effect on aviation safety.

Mark Malkosky is the Assistant Director, Maintenance Business Development at Flight Safety International. He will highlight how aviation maintenance roles are evolving and explore the skills gap between newly licensed A&P mechanics and the basic needs of business aviation flight departments, as well as the new competition for maintenance talent.

Cassandra Shelby is Past President of Women in Corporate Aviation and is an International Captain for The Coca-Cola Company in Atlanta. She will share with us the employment factors and choices that female pilots and maintenance personnel make in business aviation.

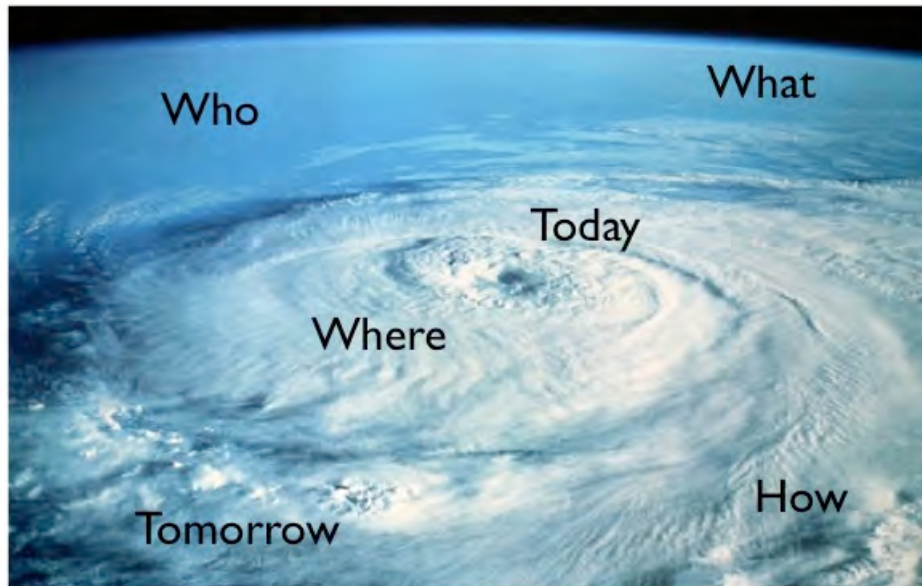
Captain Lonnie Robinson is Chairman of Aviation Career Enrichment, a mentorship and education program for black youth based in Atlanta. He is a Captain for US Airways for over 30 years and was an Airforce trained pilot. Lonnie is also the past chair of Recruitment and Professional Development for the Organization of Black Airline Pilots. He will address the career goals for African American pilots, the need for mentoring African American youth interested in aviation careers as well as some of the strategies currently being deployed.

Dan Woodard is Chief Pilot for Conoco Phillips Aviation in Houston. He will share with us about Conoco's new, and what I consider to be a very innovative, program for using interns as co-pilots.

Dr. Guy Smith is a Past President of the University Aviation Association (UAA), and currently a Professor and Department Chair of the Applied Aviation Sciences department at Embry Riddle University. Guy will share the development path and its challenges for developing educated and trained personnel.

I am so honored to have been able to put together such a fabulous panel and know you will all be enlightened by what they have to share with us.

The Perfect Storm



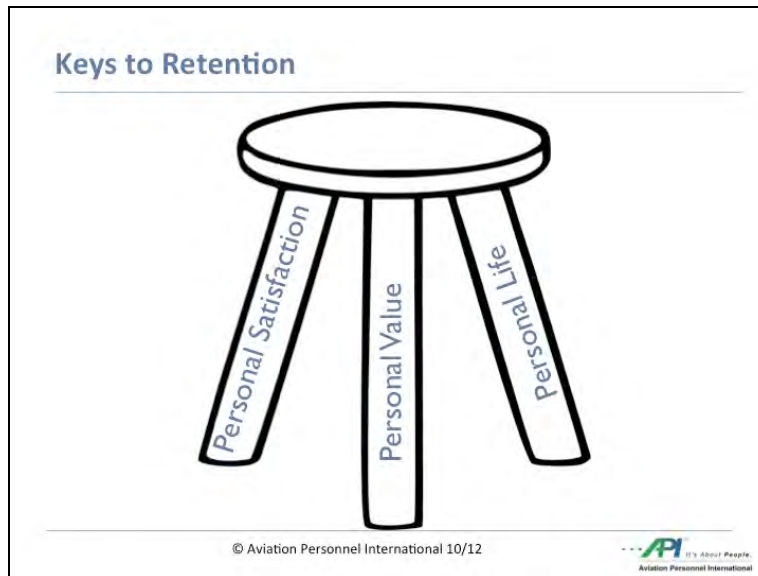
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API
It's About People.
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Sheryl Barden: We have entitled this presentation “*The Perfect Storm: Beginning to Successfully Address the Declining Aviation Talent Pool.*” I know that many would like to walk out of here today a defined plan that will ensure you the best talent that’s rich in diversity, which perhaps mirrors the rest of your company’s work force. Unfortunately, I have no ‘silver bullet’ to share with you and there is no ‘holy grail’ when it comes to this topic.

But what we have for you today is a broad base of information. It is my hope that you walk away from this session with a greater understanding of the situation and a personal call to action for these six questions:

- **Who** – In my role and with my responsibilities, WHO in my organization needs to know about this?
- **What** – What do they need to know?
- **Where** – Where do I find partners to help me tackle this for my organization? Partners internally and externally?
- **How** – How do I craft solutions so my department and my organizations can stay ahead of this issue?
- **Today** – How and where do I find talent?
- **Tomorrow** – How do I vigilantly retain talent?

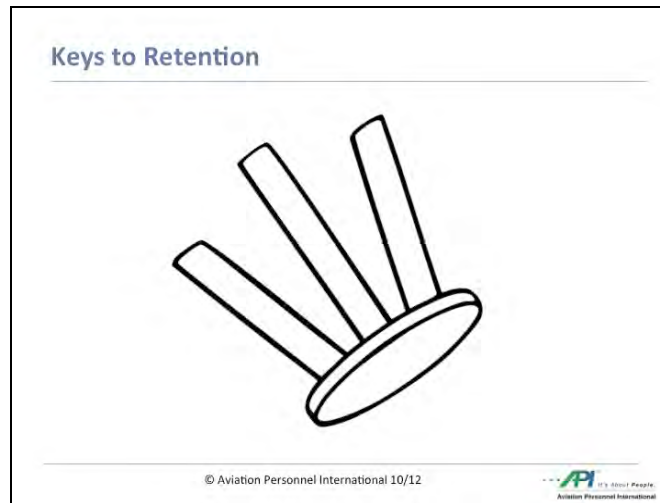


Sheryl Barden: Did anyone read Monday's Aviation International News (AIN) Safety bulletin or attend the Bombardier Safety Standdown earlier this month? For those of you who did, can anyone tell us what keynote speaker, Tony Kern – one of the leading experts on Human Factors in our industry, said was the best way to address safety for the future?

He said: *"Want to focus on safety over the next 10 years? Find the right people and figure out how to hold on to them. Competition for recruiting and selecting well qualified pilots [and I am sure he would have included maintenance technicians in that] will increase...If you don't stay in step, you will get the leftovers."*

Retention is one of the biggest keys to dealing with the talent imbalance that will be coming. I think of retention as a three legged stool. In order for it to work, it must be in balance. The three legs encompass:

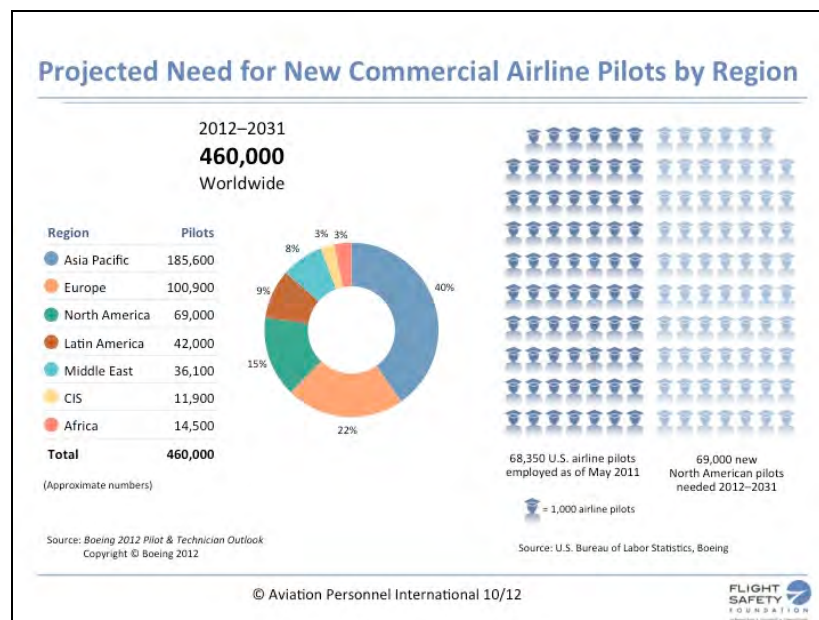
- **Personal Satisfaction** – *Who will I work with? Do I like going to work? Do I feel good about who I work for and have a sense of purpose?* Having a sense of purpose will become increasingly important as Generation Y or the Millennials come into the workplace.
- **Personal Value** – *Am I being paid what I believe I am worth and am I being developed for future?* It is about fulfilling that personal value within each and every one of your employees.
- **Personal Life** - *Do I have and does my company provide for me what I define as life balance?* And that will be different for each individual and different for each company.



Sheryl Barden: The key to retention is keeping the three-legged stool in balance. But, when one leg is a little short, it turns upside down. That's why we're going to address ways to help keep that stool in place.

Let's start off with Kevin [Hiatt] from the Flight Safety Foundation who can share with us what is happening on the supply side for trained aviation professionals.

Kevin, as we said earlier, the Flight Safety Foundation along with the FAA have highlighted concerns over the demand vs. supply for new pilots. Can you tell us what the horizon looks like and what factors are contributing to an increased demand for trained personnel?



Kevin Hiatt: This past summer I was in the pilot and professionalism seminar that was held at Boeing. Based on these statistics provided by Boeing, you can see where the shortage is really going to play out over the next few years – actually all the way out to 2031.

Now in the past, we have cried wolf. Certain factors have come in to mitigate the fact that we didn't have enough pilots and technicians to actually staff the airlines and the corporate business aviation departments. But now that has pretty well played out for a few reasons.

One is that on the airline side, the age 65 rule is finally coming to its end. Five years ago it was passed so the airline pilots basically stayed on for five years, which gave the air carriers a buffer not to have to hire yet. But as those pilots are now beginning to retire at the end of that 5 years stint we are going to see some shortages there.

Plus next summer the 1,500-hour rule will come into play for the first officers, which will require first officers to have to have an ATP to fly a regional jet or some type of commercial air carrier. On the business aviation side, you also have to take a look at the minimum number of hours required for insurance for first officers coming into the company. So those two factors just start to play into effect.

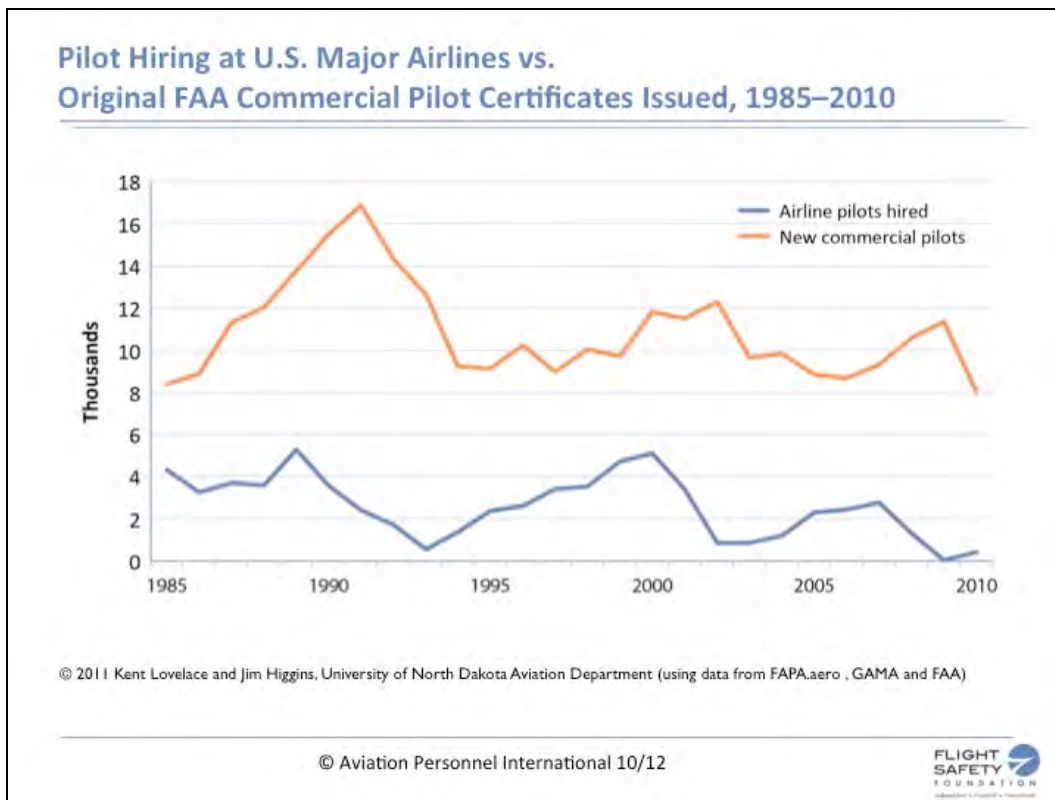
The military is not providing pilots and technicians any longer. As a matter of fact, if you're in the military you usually stay in now to get that 20-year retirement benefit from the government so we aren't seeing the turnover that we have normally seen beginning in the early 70's until the early 2000's.

The third part, as we are talking about relating to the legs on the stool, is the entry levels of compensation are just not that attractive any longer. Now your return on investment, as I would call it, for these students that go into a program today is going to be very lengthy when it comes to how soon they will be able to have what we call a normal lifestyle and becomes a secure well off family. I was at Purdue University also this past summer and we were talking about the average price that a student who wants to become a pilot and go into the business aviation or the airline world and it is some where \$150,000-\$200,000 for a 4.5-year program. Well, if you finance that out over about 15 years (like you would a home), you're looking somewhere in the neighborhood of a monthly payment of \$1,200 a month.

Let's say you graduate and come out of school with \$1,200 month student loan that you have to start paying on. Plus you need a car and you need to have insurance and you have to have a roof over your head (unless you become a basement dweller in your parents home) and then you have to try and have a normal lifestyle, where food is involved. And then, of course, if you are a young man or woman and you want to get married, that's another part in this equation. Anyway, it's not looking so attractive when you come out and the salaries for a first officer on an airline is somewhere between \$28,000-\$32,000 a year and then your business aviation corporate partners – they may actually fair a little bit better – but those jobs are not quite as available so that is a barrier.

There's a lack of awareness in aviation, and we are falling down on our own duties. Here I look across this room now and I would venture to say that the average age is North of 45 years old and we need younger people to get involved and interested in aviation. And you take a look at how do we do that. We don't have a lot of PR out there and we have to do some more promotional advertising so to speak to attract those people. We also have to take a look at the younger people coming up and their technical skills.

One of the interesting things that came out of that seminar this summer was the average number of hours that a young male has when he graduates from college in gaming, handheld gaming systems, anyone want to take a guess on how much that might be? As a matter of fact for an ATP (airline transport pilot) you need an average of 1,500 hours, the average college male has 17,000 hours of gaming time. Now I can tell you my personal flight time, along with Lonnie, we are approaching 15,000 flight time...



Sheryl Barden: Can you tell us what hiring has looked like?

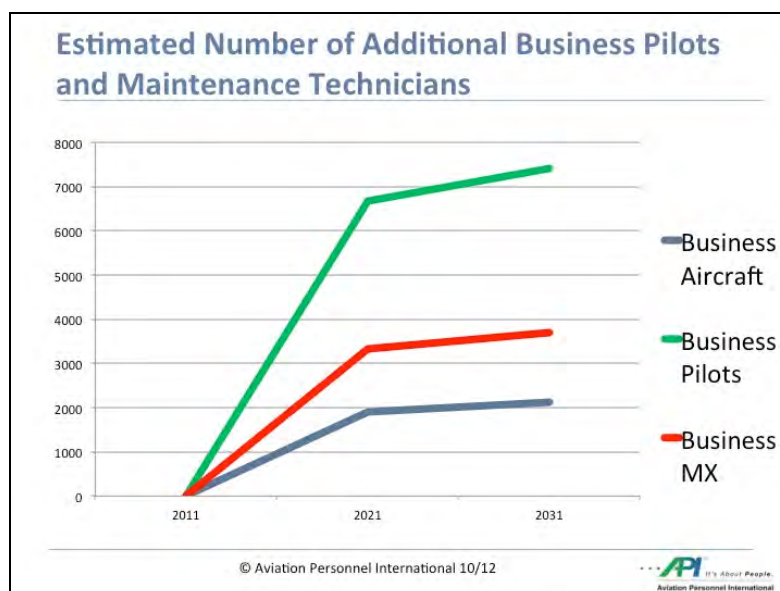
Kevin Hiatt: Take a look at this particular chart, which addresses the number of pilot certificates issued. Back in 1990 things started to take a downturn. Then in 1995, because of the economy and the recession, we saw an uptick toward the year 2000. And then September 11 came along and that is where another downturn began. We then saw an uptick there early in 2008 after the next recession was supposed to be ending, but we aren't quite there yet. So there has been a dip in the number of pilots hired if you look at the bottom line. The thing that is more distressing coming out of the FAA is how we've gone from issuing 11,500 pilot certificates down to 8,000, which is about 3,500 less pilot certificates being issued. There is a lack of money, interest or initiative to get involved.



Sheryl Barden: Kevin, those numbers are pretty staggering. Nearly 40,500 new pilots needed – 69,000 of which are in the United States. But this chart is about airline pilots, correct?

What if we layer business pilots on top of that? Here's the Bombardier Market Forecast for 2012, which projects that over the next 20 years, there will be some significant increase in the business aircraft fleet. This represents additional business aircraft needed after we have retired certain aircraft.

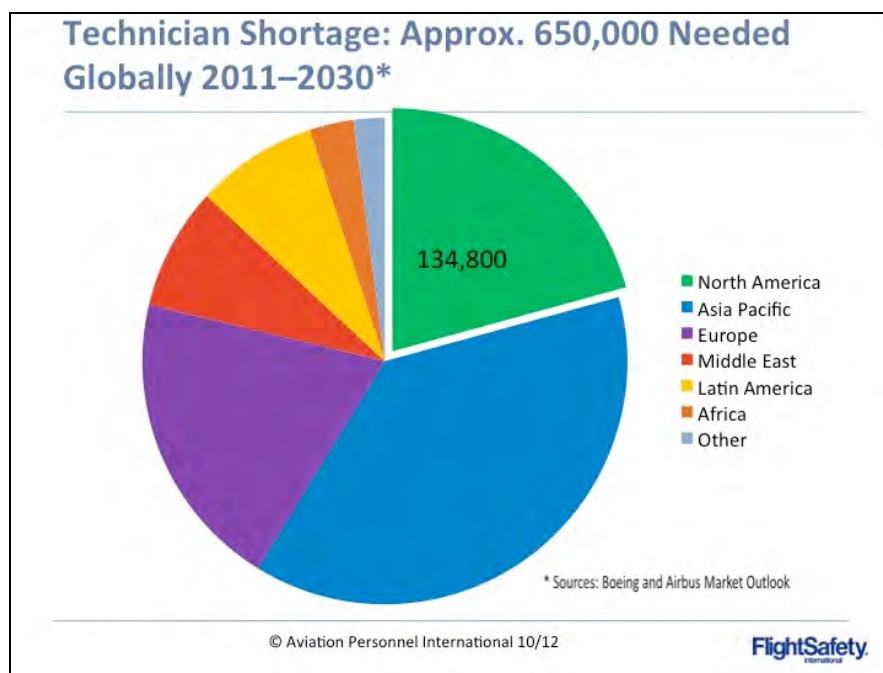
We are looking at 31,000 business aircraft worldwide with nearly 14,000 in North America alone. So I started thinking about how this will impact the need for additional talent. In this next chart, the blue line represents the number of business aircraft coming into the market.



I consulted with a number of business aviation professionals and together we arrived on the number of about 1.75 Maintenance Technicians per every new airplane. The red line shows that we will need nearly 4,000 more maintenance technicians in the next 20 years.

If we look at about 3.5 pilots per airplane on average (and those are different size business jets), we are really climbing up toward nearly an additional 7,000 pilots that will be needed to fuel our demand, and this is on top of what Kevin shared with us. That doesn't take into consideration the fact that 63% of ATP pilots today are 45 or over and will likely retire by 2031.

Sheryl Barden: There are a lot of things facing us here so I am going to ask Mark [Malkosky] to comment on what is happening on the maintenance supply side here. What's the forecast for maintenance professional?



Mark Malkosky: Good morning. Along with what Kevin said on the pilot side, there is also a global shortage on the maintenance technician side. It is excessive. In North America alone, we are looking at nearly 135,000 for the year 2013. According to this Boeing and Airbus Market Outlook survey, half of those are going into business aviation.

The downside to this is that we are also seeing fewer enrollments in the A&P programs at schools. Further impacting this, we now have fewer schools. And we are seeing a larger group of people coming out of schools who are not staying in aviation. Instead, they are heading out to other industries.

New Technicians

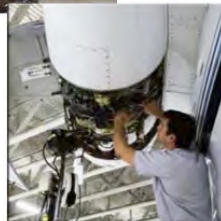


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Sheryl Barden: Can you tell us a little bit about the path for a freshly minted A&P to business aviation? What do they need to do and what attracts them to our segment of aviation?

Today's Technicians



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Mark Malkosky: When we take a look at graduates coming out as licensed mechanics, the down side is they have no experience. They cannot fill a flight department's immediate need for someone with type-specific training and knowledge. It often takes quite a while – and money – for the company to get an individual trained up to where they are a reliable part of the flight department and not depending on other individuals to mend work and do the process.

Today's graduates do not possess the technical skills a certain aircraft type. Rather, their expectations are for a large visual and IT understanding of the aircraft. We need to find a

way to bridge that gap. We need to look at what they're studying in aviation and why we aren't attracting people to the industry, which is a large problem.

Sheryl Barden: Can you tell us a little bit about whom we are competing with and that it is no longer the hangar on the other side of the field?



Mark Malkosky: Today's aviation industry technicians have experience working with high tech components such glass cockpits, diagnostics, software on the aircraft, fly by wire, fly by light. The challenge is that these technologies are part of other industries now. For example, most new cars in the automotive industry have on-board computers, which is attractive to aircraft technicians. And to be honest, the pay is attractive also. Working at a car dealership can yield, in some cases, significantly better salary and wages. I was talking to a local dealership in Sioux City [Iowa] who was paying six figures for a good mechanic.

Contrary to our 24/7 industry, the IT industry offers an indoor work environment and a 5-day workweek. There is an attractiveness to do something else besides getting dirty.

Sheryl Barden: Back to that three-legged stool – we really need to find the talent that each of those three legs that we offer is a value and also to try and work with our own HR departments to strengthen that.

Dr. Smith, our industry needs some significant talent to be developed. Can you tell us what the University Aviation Association is and how they're going to help us along the way to develop aviation professionals?

Dr. Guy Smith: Good morning, I represent the University Aviation Association which has 105 colleges and universities in the association which offer aviation programs. You can see some of the things the UAA is interested in like distance learning, scholarships, and simulation. I like to think of those as the agenda, those are the things we like to use to

train professionals. The real question is: What does it mean to be a professional and to create aviation professional?

University Aviation Association

- 105 Colleges and Universities
- Aviation Education – More Than Aviation Training
- Focus on Professional

ATC Education	Professional Development
Aviation Education (K-12)	Safety
Aviation Management	Scholarship
Distance Learning	Simulation
Flight Education	Unmanned Aerial Systems
Graduate Education	Technical Education

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Sheryl Barden: Tell us a little bit about how this relates to the industry?

Dr. Guy Smith: FAR part 147 is pretty clear on what we need to train maintenance technicians. The question is what training do we want to add to make it an education so when this technician comes out into the workforce he/she has an education? Some of the things we stress are professionalism and ethics. In fact, some of our pilots are doing excellent work in their training, but run into an ethical problem or go before a board for potential termination.

From the very beginning, we teach about working in teams, because what we do at business aviation is all about teamwork. Many of these kids don't like working in teams, but they have to learn how to do it. We also address communication, such as having the ability to speak and write. Both teamwork and communication are part of training in professionalism.

Sheryl Barden: It sounds like these students are well prepared to work in the collaborative and performance-based environments that our business aviation departments represent. But frankly Dr. Smith, they don't generally meet our technical and experience requirements when they graduate. Is there any way you can help us understand how we might be able to engage them while they are developing? How can we keep them interested until they are able to meet our minimums?

Dr. Guy Smith: I see several aviation education folks are in the room, and I think we feel that, as a group, a pilot is ready to go into workforce when they graduate. Unfortunately, our pilot graduates do not meet the demands, particularly in business aviation, because they have between 300-500 flight hours. Maintenance technicians come out with a brand new license yet they do not have much experience except for what they have gotten in the laboratories so they are not ready to step into the business aviation workforce.

What we are really looking for is a way to bridge that gap. For pilots, the standard answer is to become a flight instructor, which will get them from their 300-500 hours up to the 1,500 hours required for business aviation. However, most of you want 2,000-3,000 hours and some turban time. Our students get some of that, and most colleges now have RJ (regional jet) devices of some sort.

So what do we have to do? The first idea is that the business aviation industry (e.g., service providers and members of flight departments) needs to get involved with one of our colleges or universities. Most educational institutions have industry advisory council or boards. If you look at the Boards for most of these colleges, there is very little business aviation representation on those Boards. But you will see Delta and United. I have a friend in business aviation who's on the Board of two or three colleges and is very involved. He connects to those students in that way.

Students in colleges and universities are still a bit sheltered and protected, which brings us to the number two idea involving internships. We need to get students out into the real world. I recommend offering internships of any kind so a student can work alongside dispatch, maintenance or operations and learn what we really do in business aviation.

I think these two ideas can go a long way to bridging that gap.

Sheryl Barden: So, how can we close that gap? It is going to take some creativity and probably some significant shifts in thinking and approach. Internship programs are a key factor in development, and they have the ability to have great impact. There is one internship program that has just started, which is particularly creative and has the potential for real impact. I am going to ask Dan [Woodard] to tell us a little bit about an internship at Conoco Philips that really came out of unfulfilled need in Conoco's flight department. Dan, can you tell us a little bit about what you are doing?

Dan Woodard: Our flight department is an all-captain flight department and as Sheryl said, our internship program was conceived out of a need. We fly greater than 16-hour duty days – up to 20-hours. This requires that Conoco uses three pilots, but we didn't really need three captains on each flight. Although we wanted to increase head count, the company said no additional headcount – at least not at the full-time level.

Getting Creative in New Talent Development



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Sometimes when we go to our G450 and G550 recurrent at FlightSafety International (FSI), we are short a sim-partner. In that case they pair us with a first officer and flight instructor who has gone through the FSI Academy in Vero Beach.

So we partnered with FSI and developed an internship program utilizing their developing professionals as relief or cruise pilots. Rated with significant simulator experience, these interns fly with us for a year as a third crewmember on long-haul flights. They get to fly, while our two Captains execute the takeoffs and landing. And when we don't have passengers on board we give them takeoffs and landings. They will log significant time, and if they start to get noncurrent then we give them the necessary takeoffs and landings to remain current. We plan to have two interns at a time, one starting every six months so there is always a senior and a junior intern. Our HR department does not count them as full-time head count.

Cruise Pilot Internship Program



Houston, TX
Shannon, Ireland
Doha, Qatar
Astana, Kazakhstan
Beijing, China
Houston, TX

6 Day Trip

ETE= 39+18

Atlantic Crossing – 1

Pacific Crossing – 1

Take off – 0

Landing - 0

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ConocoPhillips

Dan Woodard: This is Steve [pictured], our first intern. He is a really sharp, mid-career guy who started out as a mechanic, and always wanted to be a pilot so he went through the FSI training program. He was working at the training center in Savanna, had a 450-550 type rating and had been working as a first officer but had no time in the airplane. We brought him on and his first international trip was 6 days, almost 40 hours worth of flying. Starting out in Houston, we went around the world to Ireland, Qatar, Kazakhstan, Beijing (we climbed the Great Wall), and then crossed the Pacific to get back to Houston. No takeoffs and no landings.

For me, it was a great experience. While I used to be an army helicopter instructor pilot, I hadn't done any mentoring in this kind of fashion and this guy was eating it up. This was by far a highlight of his career. So the internship is working well. I will let you know in about a year, but I think we are on to something here.

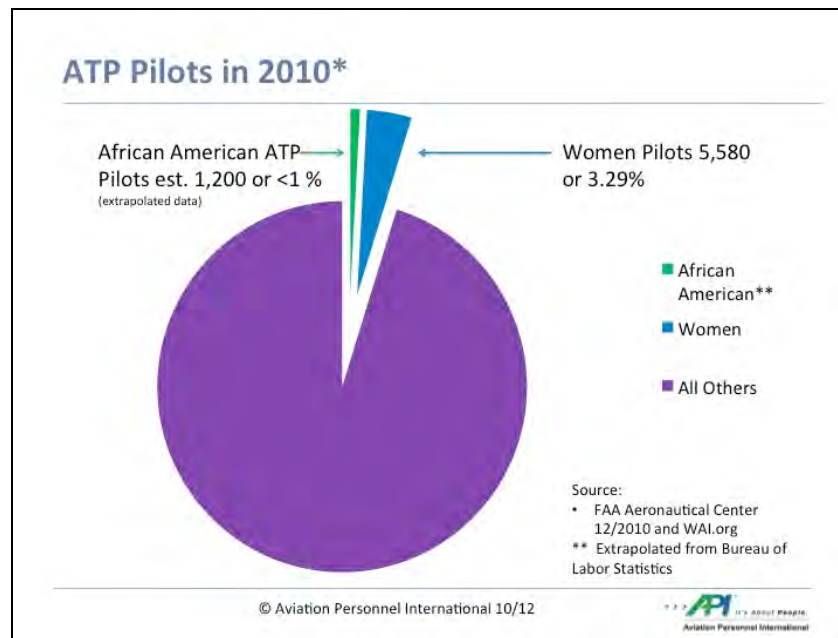
Sheryl Barden: I think this internship program is a pretty ingenious way to solve a problem and I would challenge other flight departments to look at unmet needs and perhaps find an ingenious and creative way to develop talent, making a huge investment in the future.

One might say that Conoco is only touching two people a year, but don't you think those two people are going to get such a unique view into our organizations and they are going to become 'evangelical' about it? Young people have such a way of spreading that through social networking that they will make their success story go viral, inspiring and intriguing others with business aviation as a career opportunity. So thank you, and I am really interested to follow the impact of your program.

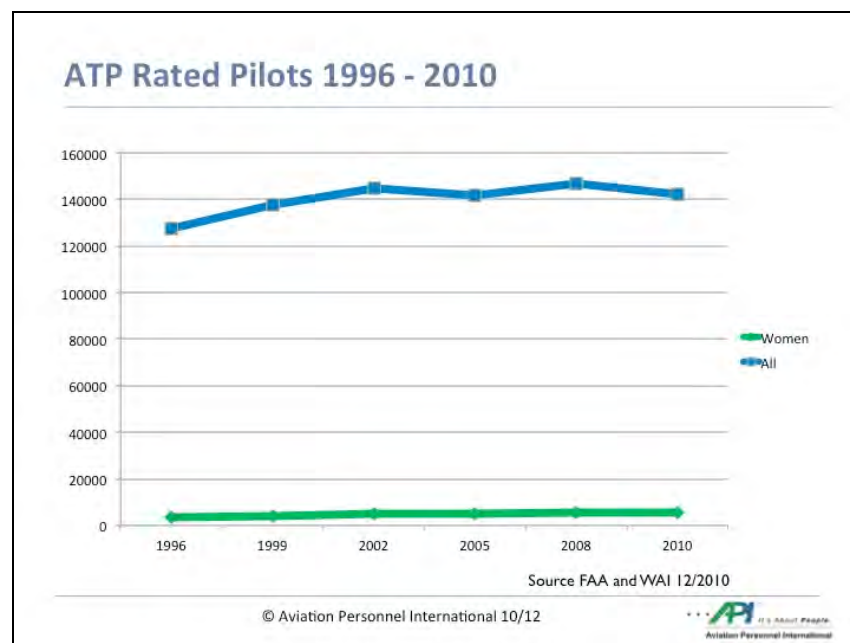
How many of you are responsible for hiring? And of those of you who are responsible for hiring, how many of you feel you're under pressure either by your reporting executive, company values or your HR partners to bring more diversity into your operations?

As we come under pressure to attract and maintain a talented workforce, diversity continues to be a part of that. We often find that we are under pressure to hire people who are reflective of your company's workforce, the general population and perhaps even reflective of your customer base. So let's take a look at the diversity demographics in our talent pool.

The FAA reports licensed pilots by gender, but that is the only real break out statistic they publish. There is no report on ethnicity. However, the Bureau of Labor Statistics indicates that the percentage of African American pilots and engineers at the end of 2011 was less than 1%, a significantly disproportionate number to the populous. Unfortunately, there are no corresponding factors for Hispanics or Latino pilots and other ethnicities in our workforce, but we would believe that the numbers are very similar to that (less than 1%).



This graph [above] shows the number of ATP pilots as reported by the FFA in 2010. Total diversity is running under 5% so when you are being challenged to increase diversity perhaps you can use these numbers. This stats may not to change attitudes, but they can help let people in your organization know the facts and figures.



Looking especially at women pilots, we have come a long way. But in our industry, the numbers are increasing in a much slower proportion compared to other 'non-traditional' industries. For example, women represent **3.92%** of current ATP pilots today. Over the past 15 years this has increased **66%**, which sounds pretty impressive. However, it has only increased the percentage of women to men by **1.3%**.

We are certainly not tracking with the rest of non-traditional workforce industries.

I am not sure I have answers and solutions, but I have asked Cassandra (who has spent some time leading Women in Corporate Aviation) to do some research among the women in her organization.

Cassandra Shelby: I recently did a short survey of about 75 female aviation professionals in corporate aviation. We asked our members what attracts women into the industry, what keeps them there, and what would possibly cause them to leave.



What I found was one of the main reasons females stay in industry is that they value the working relationship with their peers, passengers and other crew members. They recognize that the camaraderie is a lot different and the dynamics are different; it is closer-knit group versus the airlines where you may be working with several thousand people that you don't get to know.

The flexibility with the schedule is also attractive. Yet, interestingly, it works both ways. Flexible schedules attracts a lot of women, but after time it also causes them to want to leave. As you know, flight departments have a huge difference in scheduling. You may fly a couple times a month, you might fly two week trip at a time; there is just a lot of variety.

A greater career path option is another reason why women remain committed to business aviation. They're interested in getting their masters degree or are looking into advancing into a management role. They recognize that they can develop and a lot of ladies feel like that is a big draw to stay in business aviation.

Why would they leave industry and go to the airlines, in particular? Money and benefits are the main reasons. The airlines traditionally have offered bigger salaries, trips, etc. For the most part, the perception is the airlines are going to offer a larger salary long term.

When it comes to predictable schedules, the airlines do offer a more structured schedule like 4 on, 4 off, and no work weekends. It can be a lot easier than in corporate aviation.

Lack of job security in business aviation was also highlighted as a concern. A lot of flight departments have closed or merged, so stability is not always there. Some flight departments have been around 40-60 years and some don't last very long. They may be a one-airplane corporation and be in for one year and then sell the plane.

Those are the main takeaways that I saw with our survey.

Sheryl Barden: Cassandra, can you tell us a bit about Women in Corporate Aviation and how it is supporting recruitment to and retention in our industry?



Cassandra Shelby: Women in Corporate Aviation was started in 1983 by a couple of ladies from business aviation who were attending a Women in Aviation conference. Our organization it is a more specialized group of professionals than Women in Aviation because we are focused on education, networking, and scholarships opportunities for business aviation worldwide. We have many corporate sponsors. Today we are hosting a luncheon and awarding 11 scholarship winners different opportunities with maintenance, not just for pilots, but all facets of business aviation. We offer a lot of scholarship opportunities and a lot of mentoring opportunities. We have grown into several hundred members worldwide and bring awareness of business aviation to young students in elementary, university students and we do a wide variety of education.

Sheryl Barden: What a great support system that WCA provides for women. It's especially relevant for women who don't have a support system within their own flight department.



Sheryl Barden: Switching to Lonnie, you have been a tireless advocate promoting African American professionals into aviation careers for nearly 30 years. However, like women, the numbers continue to grow slowly and are significantly disproportionate to our population. Can you share with us your thoughts on some of the reasons for this and perhaps what we in business aviation (who are under pressure to have a reflective work force), can do to attract and retain diverse talent?

Lonnie Robinson: When we look at the African American community (and I also work with Hispanics, females and white males as well), the reality is that we don't have great numbers. The African American communities don't know about the opportunities in aviation. Is that your problem or my problem? I think of it as my problem and that is why I have committed my entire professional life to greater awareness to this concern.

Can you help me? Absolutely. But even if we did know about the opportunities, probably a greater or equivalent concern is it costs \$150,000-\$200,000 to train a pilot. Well I have a sure fire way to provide you with 1,000 pilots a year and all I need is one of you to provide me with \$200 million a year.

Now we have two concerns: lack of awareness and how we get funding for it.

One of the side professions I have is a loan officer for a bank, and I see teachers that have extraordinary loan amounts, in excess of \$100,000. So like educators, if there is a commitment to piloting, I am confident we could get people into the career field. Even though I have a greater compassion speaking about pilots, I have matured to know it is not all about being a pilot. So I have focused on aviation enrichment in total.



The main concern I have is that even if your organization employs diverse candidates, will your work environment embrace them? Will they be mentored and developed? Or will they be pushed aside because they are a fish out of water?

These are the circumstances I deal with everyday. I walk around with two phones [he shows them to the audience], my personal phone and my emergency contact phone. I am always dealing with issues that come up in our community, and try to help resolve conflict. One of the questions I ask is there really a conflict or is it just perceived? So if we look at those three items, not just for African Americans pilots, but for pilots in general, I think we could increase the availability of pilots and aviation professionals in your workforce.



One thing someone told me at a meeting with African American Aviation Professionals, was the phrase, *"Each One, Teach One."* It was going all around the room, *"Each One, Teach One."* It got to me and I said I don't believe in *"Each One, Teach One"* because a generation from now we will be exactly where we are today. It is my responsibility, as well as those who have a commitment to create greater diversity in the workforce, to give the

opportunity to more than one. So because of that, I am involved in the ACE program. I used to be the chairman of recruitment for The Organization of Black Aerospace Professionals, but the reality of it is that it is too late [to reach adults]. We have to develop conduits to aviation earlier.



Sheryl Barden: Lonnie, you are doing a great job at your ACE academy and I think what you said captures it well. The key is getting the message out earlier to African Americans, women, and to the entire population. Our story must get out earlier and that is something each one of us must do.

One of the other things I heard from both Lonnie and Cassandra is how important it is for diverse groups to gain exposure to mentors and support systems. In many corporate organizations, we have really begun to have a harmonious workforce, but have we translated that to the aviation department? There are great resources available, but we need to reach out to those resources.

We have heard a lot today about the perfect storm. And we have given you facts and figures, shared our insights and hopefully sparked some questions for you so that you will leave here with a personal call to action to:

- **Who** – Who in my organization needs to know about this? You need to be vigilant and let your organization know and not let them be blindsided. Your boss, your executives and HR departments, etc.
- **What** – What do they need to know? They need to know the realities.
- **Where** – Where do I find partners to help me? Partners within your own organization, especially in HR recruiting that can help you. And there are many partners outside of your organization that can help you some from which we heard from today.
- **How** – How do I craft solutions to stay ahead? How do I come up with a creative internship program? Do I band together with those in my on in my field or in my

state or in my own regional group to make sure we are reaching out to universities and young people so they know who we are and no longer be that best kept secret.

- **Today** – How and where do I find my talent? We need to go out and find talent.
- **Tomorrow** – How do I vigilantly retain my talent? If they are not a cultural fit, if that retention stool can't stay firm, it is time to move on and find those who can and then vigilantly retain them.



As I said in the beginning – there is no simple answer, no silver bullet, no holy grail. But, hopefully we have given you some information that you will find helpful and we have peaked your interest in keeping this issue on the forefront so that you may stay ahead of the 'perfect storm.'

Now, let's open up the floor for questions.

Question from audience: I would like to comment that there is a silver bullet and no one has addressed it and that is better salaries. The airlines will never be short pilots as long as the regional pilots and corporations are willing to pay the salaries to have people leave airline jobs.

The technicians will never have problem finding qualified technicians, because they are all over the regional and the major airlines so that is really the silver bullet; money. As far as the shortage because of the ATP requirement, they won't be able to get enough people from universities, because they can't qualify, but there are hundred thousands, of pilots that worked for regional for number of years, went out of business, captains making \$60,000-\$70,000 year, then had to take new hire job at \$25,000 and couldn't do it. They are all through the U.S., working at Wal-Mart or wherever and for enough money they will come back. So the silver bullet really is money and when they finally run out of those people the regional airlines aren't going to shut down, they'll have to change this 1,500-hour requirement, but that's just going to have to happen. No pilot can pay to get 1,500-hours and I think the silver bullet is money. The industry is always trying to cut expenses.

The internship is a great idea, but what you are really trying to do is hire a first officer and pay internships wages. If your company would hire real first time officers that would address that problem. Thank you.

Question from audience: Salaries aren't going to bring them in. It is important, I will acknowledge that. Had I known about positions in corporate aviation, I would have taken a position in corporate aviation. Companies are different though and so one of the problems corporate and business aviation, particularly when you are working for individual companies, as you increase salaries you shut down aviation departments. You are walking a thin line on how do you persuade executives to keep aviation department and still operate within a budget. But it is true I think the regional airlines will suffer short term if this 1,500-hour issue continues through. The major airlines won't worry about it, they'll just hire pilots from the regional airlines and once the regional airlines are distressed, they're going to change the requirements. It is about education about the business opportunities in business aviation. It will work for some, not all.

And I think the other piece to that is back to what I was saying you have to educate and inform they may not make changes but they have to know what is ahead and when they are in the pain to make some changes.

Dr. Guy Smith: There are several initiatives to help students along. There is a gateway program, most of these are airline positions, and what Sheryl and I were talking about possibility setting up these programs with business aviation where probably individual company can't do it, but possibly getting a group of people together mentoring somebody one or two people in aviation to move through with scholarship funding with idea of commitment to company after graduation. So some of those gateway or bridge programs where there is investment by business aviation to student career with commitment on student to work there after graduation.

Lonnie Robinson: I think another key is not just money, it is the exposure and the development of understanding of career and benefits of career and the development of passion with the young and we need to start that at the young ages even in kindergarten, we talked about 17,000 hours of video playing so this could be just as much fun.

Sheryl Barden: We have now used up our time. Our panel will stay if there are any other questions. You have been a wonderful audience hope you found enlightening and hope you found it helpful. Please join me in a round of applause for our panelist. We will have this presentation on our website at www.apiaviation.com/talentpool.