Small Flight Dept. Workgroup

Tuesday, November 1 | 10:30am – 12:00pm

PRESENTED BY:
Captain David Keys, Chief Pilot, Peace River Citrus Products
Small Flight Dept. Workgroup

Outline

• Background: SFD Workgroup and Survey Origins
• Committee Membership
• Facts: Survey Questions, Demographics
• Major Findings: Including Key Charts
• What’s Next:
  – BACE Panel Discussion – Meet Our Panel Members
  – SFD Recommendations to NBAA and to the Bizav Industry
  – Key Milestones and Goals
Small Flight Dept. Workgroup
Committee Membership

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<thead>
<tr>
<th>First Name</th>
<th>Last Name</th>
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<tbody>
<tr>
<td>George</td>
<td>Ensey</td>
<td>Buffalo Rock Company</td>
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<td>Devin</td>
<td>Howes</td>
<td>Baldwin Aviation</td>
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<td>Karen</td>
<td>Henriques</td>
<td>ARGUS</td>
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<td>Kristin</td>
<td>Huska</td>
<td>Beacon Aviation Services</td>
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<td>Mark</td>
<td>Lowdermil</td>
<td>Professional Aeronautical Services</td>
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<td>David</td>
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<td>Peace River Citrus Products</td>
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<td>Dave</td>
<td>Coffman</td>
<td>Higher Calling Aviation</td>
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<td>Dennis</td>
<td>Haber</td>
<td>Dennis R. Haber P.A.</td>
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<td>Patrick</td>
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Background

- SFD Workgroup:
  - Est. Fall, 2015
  - Goal: to address issues specific to operators with two or less airplanes.
  - Includes single engine prop to large cabin jet aircraft.
  - This group represents approximately 80% of NBAA membership.

- Survey:
  - February, 2016 the SFD workgroup distributed an 8 question survey to the membership.
  - **GOAL:** Identify challenges that are specific to small flight departments that are not being met and that are inhibiting their efficiency, effectiveness or just overall success.
  - About 200 responses received.
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Background

Success to operators can mean any or all of the following:

- Satisfied owner/principal
- Healthy operating budget (positive cash flow while meeting the objectives of all stakeholders)
- Satisfied employees
- Maximum aircraft and crew availability while maintaining safety, adhering to rules and regulations, and retaining the best employees.
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Background - Survey

The **ultimate goal** being to translate the responses into:

- relevant recommendations to the bizav industry
- that result in a win-win scenario
- where the small flight department operators achieve maximum success
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Survey: 8 Questions Asked

1. What are the 3 biggest challenges you encounter in your day-to-day operations?
2. What is the largest obstacle you encounter that you believe would be more easily handled in a larger department?
3. Identify the single biggest challenge you see facing your dept. in 2016?
4. What efforts would you like to see the NBAA and the SFD subcommittee work to better support you and other small operators?
5. What changes could NBAA make to its website, so that it is more valuable, easier to use, etc. for a small flight dept?
6. # of full time employees?
7. # of aircraft that you operate?
8. Provide the make and model of the aircraft you operate.
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Survey: Demographics

851 TOTAL EMPLOYEES in
194 Small Flight Dept’s to Support 376 Aircraft

2 Full Time Employees Per Aircraft (average).

4 Full Time Employees Per Department (average).
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Major Findings – Tier 1 Level

- SFD members analyzed the results and four (4) broad categories were established from the responses. Listed in order of importance to our members:
  1. Budgeting
  2. Compliance
  3. Strategies
  4. Human Resources
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Major Findings – Tier 2 Level

In order to better understand the results, sub-categories were designated.

1. BUDGETING:

   – Staffing & Training: Crews, aircraft, maintenance, administration, management, ground support, contract employees.
   – Aircraft Maintenance, Facilities: Purchase, lease, fuel, insurance, tax, legal, reporting.
   – General financial budgeting.
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Major Findings – Tier 2 Level

In order to better understand the results, sub-categories were designated.

2. COMPLIANCE:
   - Regulations: Domestic and International.
   - Safety & Standardization
   - Operations Audits: ISBAO/SMS
   - Administrative Management & Paperwork
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Major Findings – Tier 2 Level

In order to better understand the results, sub-categories were designated.

3. STRATEGIES:
   – Owner/Principal Management & Communication: Managing the relationship with the owner or corporate parent.
   – Advocacy: ATC, Privatization, NBAA presence.
   – Negotiation: Vendors, Owners
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Major Findings – Tier 2 Level

*In order to better understand the results, sub-categories were designated.*

4. HUMAN RESOURCES:
   
   – Duties & Responsibilities: Often have to wear multiple “hats”
   
   – Rewarding Career Path: Competitive compensation and benefits, maximize employee retention.
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Major Findings – Tiers 1 and 2

4 Tier 1 Categories and 12 Tier 2 Categories

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Major Findings – SFD’s Need Resources To Support:

- Budgeting
- Sourcing/Retaining Contract Pilots
- Regulatory Forecasting
- Communication With Management/Principals
- Issues with Limited Internal Staffing
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Major Findings:

This data provides the leverage the small flight departments need to demonstrate several key points to the bizav industry:

• The responses indicate very specific needs which will make it easier for businesses to tailor products and services.

• Their financial foot print is large:
  – If small flight departments are not successful it will negatively impact bizav overall.
  – Given the sheer numbers of small flight departments (and the sales potential) there is a sizeable upside for vendors when creating products and services aimed at this group.
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Major Findings:

The problems operators are facing in each of these broad categories is a lack of some or all of the following:

• Tools to complete the tasks (software, equipment, etc.)
• Skills (the necessary training to complete all tasks)
• Time
• Funds
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**Question #1**: What are the 3 biggest challenges you encounter in your day-to-day operations?
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Question # 2: What is the largest obstacle you encounter that you believe would be more easily handled in a larger department?
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Question # 3: Identify the single biggest challenge you see facing your dept. in 2016?
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Question # 4: What efforts would you like to see NBAA and the Small Flight Department Subcommittee work towards to better support you and other small operators?
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Question # 5: What changes could NBAA make to its website, so that it is more valuable, easier to use, etc. for a small flight department?
Changing Face of Small Flight Departments Panelists:

Dennis Fox, Executive Jet Management
James Lara, Gray Stone Advisors
Al Mann, Wheels Up
Chris Nielson, Avalon Capital Group
Dave Weil, Flight Dept Solutions