

Workforce skills & training
to fuel **the revitalization
of the aviation industry**

The view of HR decision makers



Training

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1. Executive **summary**

The clear link between employee and customer experience has been proven by a variety of research studies¹, a recent Harvard Business Review article² cites a study which found that a “happier workforce is clearly associated with companies’ ability to deliver better customer satisfaction.” In short, the evidence is that when employees suffer, customers suffer and ultimately so does the bottom line.

A good employee experience goes beyond remuneration, working hours and environment³ and encompasses the culture of the organization. Organizations with the most engaged workforce and those voted to be the most customer obsessed⁴ often have integrated training into part of the culture.

The Covid-19 pandemic has resulted in severe budget cuts for training across almost every business in the aviation sector. Before the industry restarts, organizations need to ensure that employees are trained on the fundamental

technical and operational skills and also the soft skills to support employees to adapt to new situations and crucially deliver a winning customer experience.

Throughout the crisis, understandably Learning & Development (L&D) and HR decision makers report that all areas of the business are focusing on survival. However, businesses are thinking to the future and one springboard to success is developing the skills of the workforce. This report is based on a global study of 804 HR decision makers responsible for L&D.

¹ <https://www.pwc.com/us/en/advisory-services/publications/consumer-intelligence-series/pwc-consumer-intelligence-series-customer-experience.pdf>

² <https://hbr.org/2019/08/the-key-to-happy-customers-happy-employees>

³ <https://onlinelibrary.wiley.com/doi/full/10.1111/ijmr.12077>

⁴ <https://www.forbes.com/sites/blakemorgan/2019/12/20/the-10-most-customer-centric-companies-of-2019/?sh=14eca8ea7a58>

The key highlights uncovered by the study are:

Budgets have been slashed

▶ **70%** of organizations have removed training budgets entirely or have cut budgets by at least 50%.

▶ **75%** have cancelled or postponed all classroom training until further notice.

Training is in limbo

▶ **11%** are not currently doing anything to manage their staff skills during the pandemic.

▶ **50%** of L&D decision makers state that their most important priority is to assess workforce skills and organizations' competence requirements.

▶ **36%** state that they have changed their priorities to distance learning solutions. Smaller organizations have faced greater challenges in mobilizing online learning.

Key disciplines for future success

▶ Safety, operations, security, and economic disciplines are perceived to be the core areas to help organizations cope with the current situation. Safety is particularly critical for airlines, ground handling service providers (GHSPs) and airports.

▶ Desired future skills to manage requirements in key disciplines include:

1. Safety
2. Operations, i.e. the core skills required to do the job
3. Management & leadership
4. Problem solving & adaptability
5. Law & regulations

The use of digital methods is set to increase

▶ **85%** of organizations say that online learning, including virtual classrooms, will play an important role in recovery.

▶ **33%** however, state that they do not yet have a plan to onboard new staff and upskill existing employees in a fast and cost-effective way to resume operations. This increases to almost **67%** for travel and tourism businesses.

2. The impact of Covid-19 **on training**



The impact of Covid-19 on L&D budgets



70% of organizations, overall, have either removed their L&D budget entirely or cut it in half. These cuts have been particularly harsh in organizations with less than 50 employees.

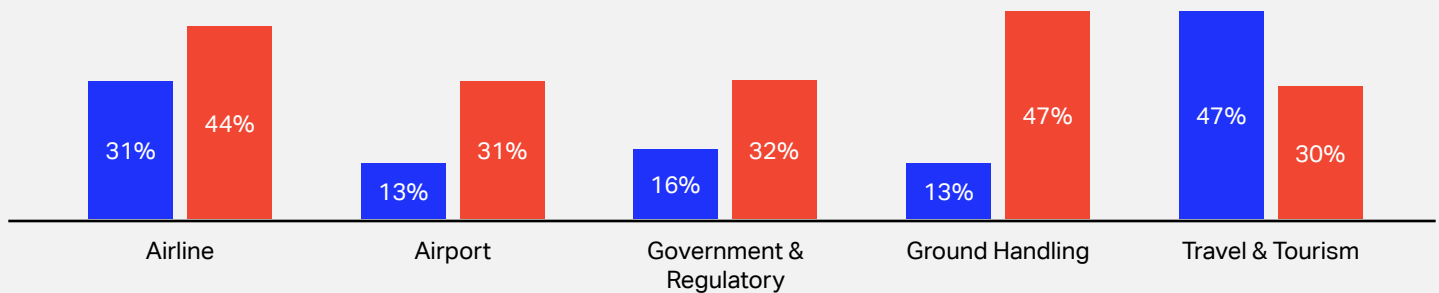
As a result, budget holders have been forced to reduce the amount of training carried out, especially training delivered by outsourced providers.

Budget cuts have been seen globally, however, organizations located in the Middle East and the Americas were least likely to report that their budgets had been removed entirely.

Training budgets have been hit hardest in the travel and tourism sector and airlines compared to others.

How has your L&D budget been affected by Covid-19?

● Budget has been removed ● Budget cut by up to 50%



The impact on the original training plan

60% report either cancelling or postponing face-to-face classroom training, whilst only 33% state that they have shifted their priorities to distance learning solutions.



Whilst all types of organization have shown similar levels of training cancellation or postponement, mid-sized and large organizations are the ones most likely to have made a switch to digital learning. This trend is most prevalent in the ground handling sector, a group with a high proportion of large organizations.

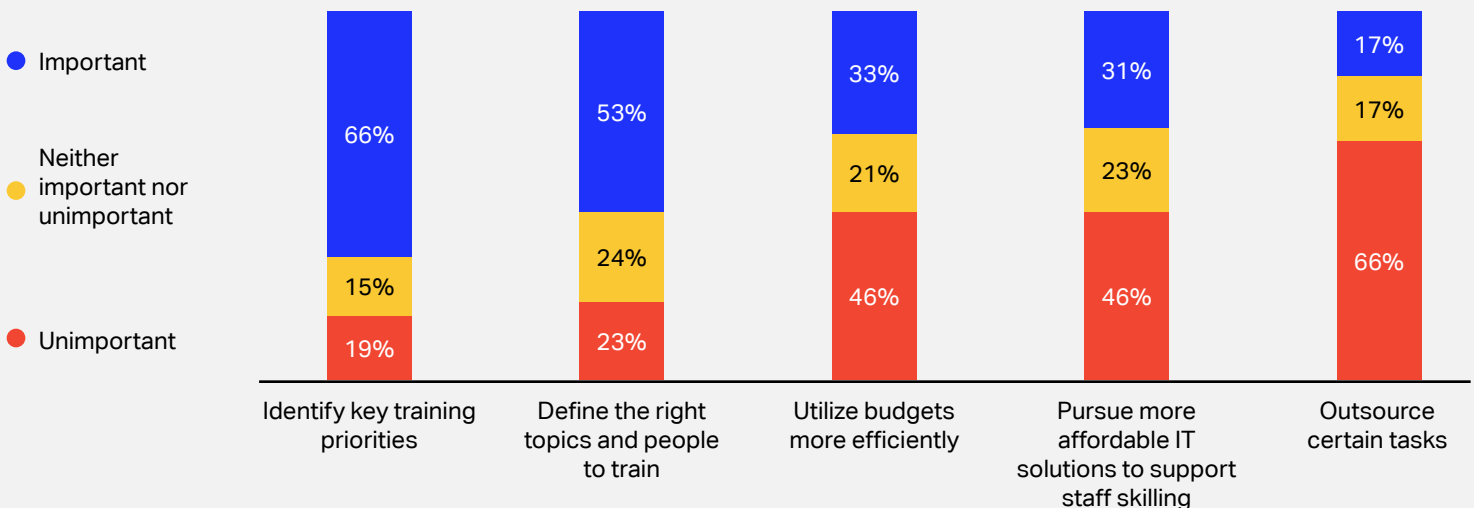
The common strategy is identifying key training priorities. Organizations highlight that compliance training is a critical area to maintain, whilst other "nice to have" topics are being pushed aside due to the current circumstances. Prioritizing topics

and trainees in this manner allows organizations to continue training staff, whilst reducing cost and time spent away from the front line.

Many organizations have moved training in-house to reduce training expenditure and thus the volume of outsourcing. Outsourcing training is now a low importance strategy for aviation organizations, especially for organizations based in North America and Asia Pacific, whilst they focus on building and bettering their in-house training capabilities.

Important training strategies to cope with Covid-19

N.B. important factors showing % of the sample that ranked the topic as #1 or #2





Strategies are generally consistent across different industry sectors. Ground handling service providers (GHSPs) reported a slightly different approach compared to airports, airlines and travel and tourism businesses. 39% of ground handlers stated that they were pursuing more affordable IT solutions to support their employees, a higher proportion than any other industry sector.



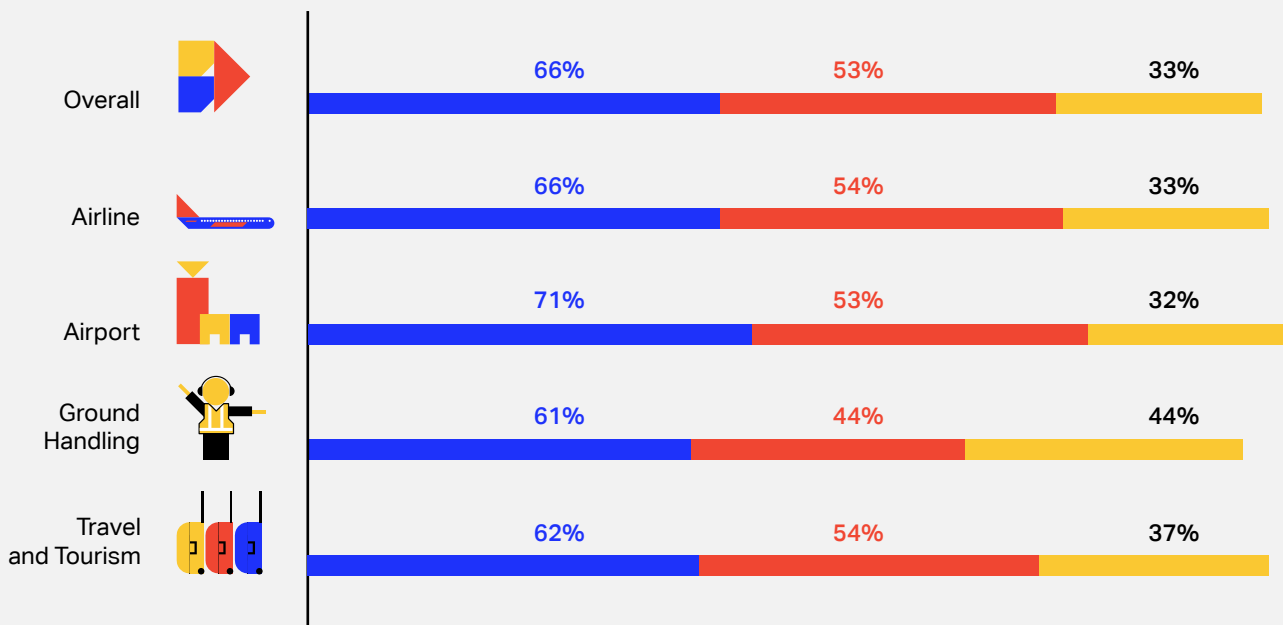
Training strategies to cope with Covid-19

N.B. "Identify key training priorities" showing % of sample that ranked this topic as #1 or #2

● Identify key training priorities

● Define the right topics and people to train

● Utilize budgets more efficiently

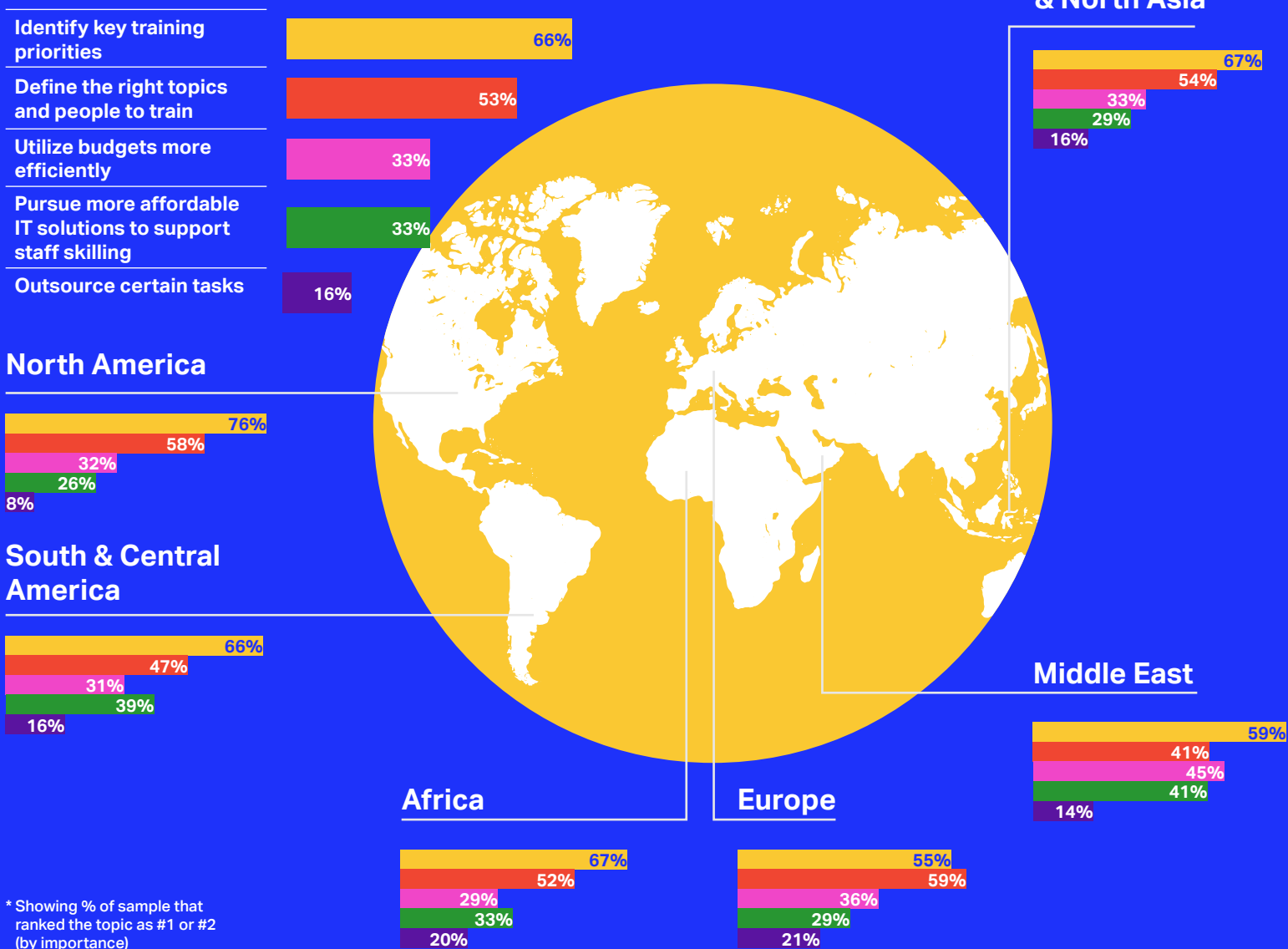


Regional differences in training strategies companies are applying to cope with Covid-19

Organizations in **North America** are concentrating on identifying future training priorities, with 75% of North American organizations highlighting this as an important strategy considering the pandemic.

The **Middle East** is the region where budgets are least likely to have seen severe budget cutting; this however does not mean that budgets are not being scrutinized. Organizations in the Middle East place a higher focus on utilizing their budgets more efficiently compared to other regions.

Training strategies*



* Showing % of sample that ranked the topic as #1 or #2 (by importance)

3. Training playing a part **in recovery plans**

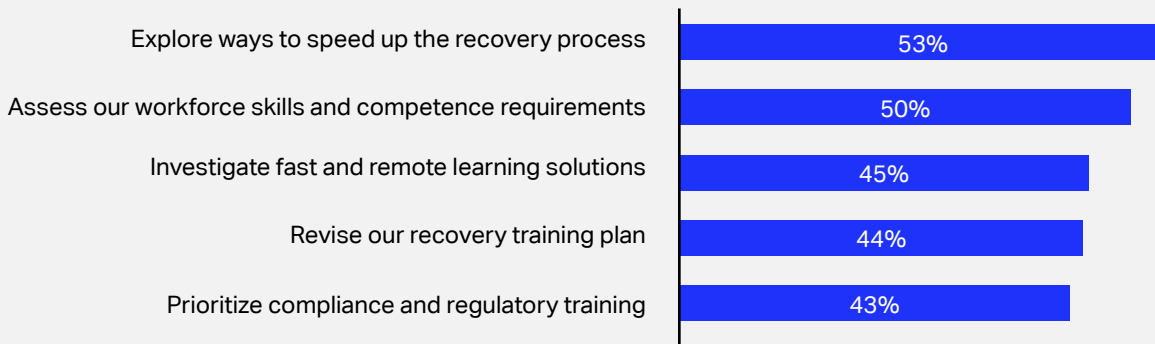


Training recovery plans

Considering the substantial impact of Covid-19 on L&D, strategies to allow business continuity and recovery are being considered and implemented. Organizations are keen to have a swift recovery, so are focusing on solutions such as digital learning, assessing workforce skills and setting up agile training plans.

Most important factors to ensure business continuity

N.B. Showing % of sample that ranked the topic as 5 (high importance)



The investigation of fast and digital learning solutions is an important task for all types of organizations, though it is most important for ground handlers. Digital learning allows organizations to continue training whilst face-to-face methods are not viable. It can also ensure that employees' training time is spent efficiently.

Building training plans that can assess workforce skills and are agile, to optimize the use of employees, is another key approach in overcoming the training 'pitfall' seen throughout the pandemic. Organizations are looking to assess workforce skills and competency requirements to deliver the most useful and robust training, focused on the most important topics and employees. A developed training plan to match required skills and competencies is important for organizations to recover quickly and ensure that the workforce is trained sufficiently to operate effectively. Airports are especially keen to revise training recovery plans as their most important recovery strategy, to ensure that the organization can continue to effectively develop staff skills as necessary.

Key take aways



Utilizing employees productively is imperative for organizations navigating the pandemic, to ensure business continuity.



Agile training plans are key to this, so that employees can be utilized quickly and easily across functions or tasks.



Focus on this element of L&D is critical in the context of Covid-19 compared to activities such as revamping introduction training for new employees; rather, organizations are focused on developing and using their current employees in a valuable manner.

Managing staff skills during Covid-19

The key method in which organizations have overseen skills is by moving collaborations online. Internally developed training courses and collaborations have been used to keep in touch with staff and check in on knowledge. Moving to online platforms has allowed organizations to provide constructive feedback to employees, manage employee engagement and carry out performance management reviews.

For organizations where employees have been working from home, a crucial element of managing staff and their skills has been continuous communication through online meeting platforms such as Zoom. An important feature of this communication is that it is multi-directional, such as upwards with senior staff, downwards with teams, and sideways with peers.

This has allowed for management of staff skills through motivating employees and ensuring that mandatory training courses are being completed. Senior employees have been utilized as trainers for less experienced employees as learning and development has moved in-house. Cross-team learning is an additional in-house initiative to ensure that skills are being maintained and developed. The agility of organizations to adapt to managing skills during Covid-19, hinges on the size of the organization and internal capabilities. Few small organizations have implemented strategies to manage staff skills; rather, approaches to managing staff are focused on increasing communication online. In contrast, large organizations have focused on developing online learning and development platforms to manage and develop their employees' skills.



“We are developing e-learning courses internally via LMS and running educator series in the form of quizzes and surveys.”

– APAC, HR Decision Maker,
Travel & Tourism

“Continuous upward and downward communication to keep everyone on the same page to avoid any inadvertent delay due to any communication gap or miscommunication.”

– Anonymous, HR Decision Maker, Air
Navigation Services

“Senior staff are becoming trainers by using online technology.”

– APAC, HR Decision Maker, Airline

Training is crucial to successfully implement recovery plans

Improving learning and development opportunities as budgets return is a strategy through which the industry can begin to recover from Covid-19.

Following long absences, upskilling existing staff and onboarding new staff is central to resuming operations and retaining customer satisfaction. 62% of organizations currently have plans in place, or are working on plans, to carry out upskilling training and onboarding training. They plan to conduct this in a variety of ways.

The methods organizations are planning to use for L&D in the future differ. 13% of organizations plan to carry out training online to upskill staff and train new hires, which may be delivered, for example, through webinars. This approach aims to reduce the knowledge gaps which have arisen as a result of long periods without usual operations and ensure that staff are aware and well-informed on key training topics such as safety. The focus for this type of training for existing staff may be on license-required training topics to streamline learning and development and ensure that all legal requirements are fulfilled. New staff are required to carry out all basic training to meet organizations' standards and requirements.

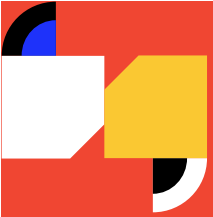
To swiftly recover from the Covid-19 pandemic, the short-term learning and development strategy of some organizations is focused on reducing headcount and/or pausing recruitment. This safeguards organizations' ability to train and develop existing staff to resume operations and keep customer satisfaction high. For retained staff, organizations are planning on providing 'refresher' training as a short-term recovery plan. To ensure that learning and development is kept within budget, organizations plan to use in-house materials and trainers to update and prompt knowledge recall in existing staff.

"We carry out conversations in relation to learning topics and share e-learning training to strengthen skills and reduce gaps, so we can return to normal"

– Middle East, HR Decision Maker, Airline



of organizations plan to carry out training online to upskill staff and train new hires, which may be delivered, for example, through webinars.



"Through this crisis we are not taking on new staff."
– *South & Central America, HR Decision Maker, Legal*

"We are not recruiting - we are downsizing. Regulatory training is our focus."
– *Africa, HR Decision Maker, Airline*

"We are currently trying to find solutions for retraining laid-off cabin crew. We currently have 90% of our cabin crew on off duty status."
– *North America, HR Decision Maker, Airline*



In the longer-term, organizations are looking to begin hiring once funds return and training can be carried out. Following the training of new hires, upskilling will be rolled out to all relevant staff, and organizations are likely to rely on a variety of training formats, such as on-the-job learning, classroom training and webinars. The introduction of Competency-based Training and Assessment will also impact the learning methodology for trainees in the future.



"We have three plans:

1. Short-term plan: We have minimum funds, and focus on the immediate need of customers,
2. Medium-term plan: The capacity building of new on-board staff, with practical exposure training,
3. Long-term plan: Training of all relevant staff will be undertaken in a phased manner."

– *APAC, HR Decision Maker, Environment*

Required support in developing recovery plans

Although many organizations already have learning and development recovery plans in place, not all are confident in understanding which types of training could benefit their recovery plan most. 60% of organizations would value a training needs analysis from an external provider such as IATA, to identify needs and requirements that should be included in the recovery plan. Small organizations are less likely to be able to analyze which employee skills are necessary for swift business recovery, hence a greater need for external support.



of organizations would value a training needs analysis from an external provider such as IATA

"As a result of Covid-19, we were forced to re-evaluate our current training strategy and methodology and propose a corrective action plan in the area of ground operations training. We approached IATA Training to support the analysis we had organized internally and create an action plan accordingly. The training needs assessment that IATA Training conducted reinforced our findings and helped us be better prepared for a speedy recovery. Now it is just a question of funding to roll out the initiatives we jointly identified."

Head of Training

HR and Planning Direction



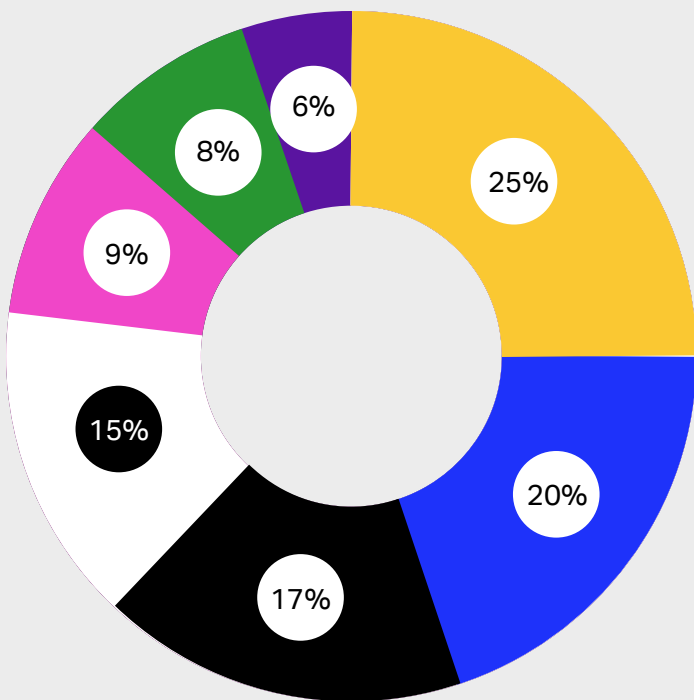
4. Desired **workforce skills**



Disciplines and skills of importance during the pandemic

Aviation organizations have navigated the Covid-19 pandemic thus far through focusing on disciplines that have allowed them to better cope with the situation. Safety is a key discipline of importance, followed closely by operations and security, across all types of organizations.

Important disciplines organizations are focusing on during the Covid-19 pandemic



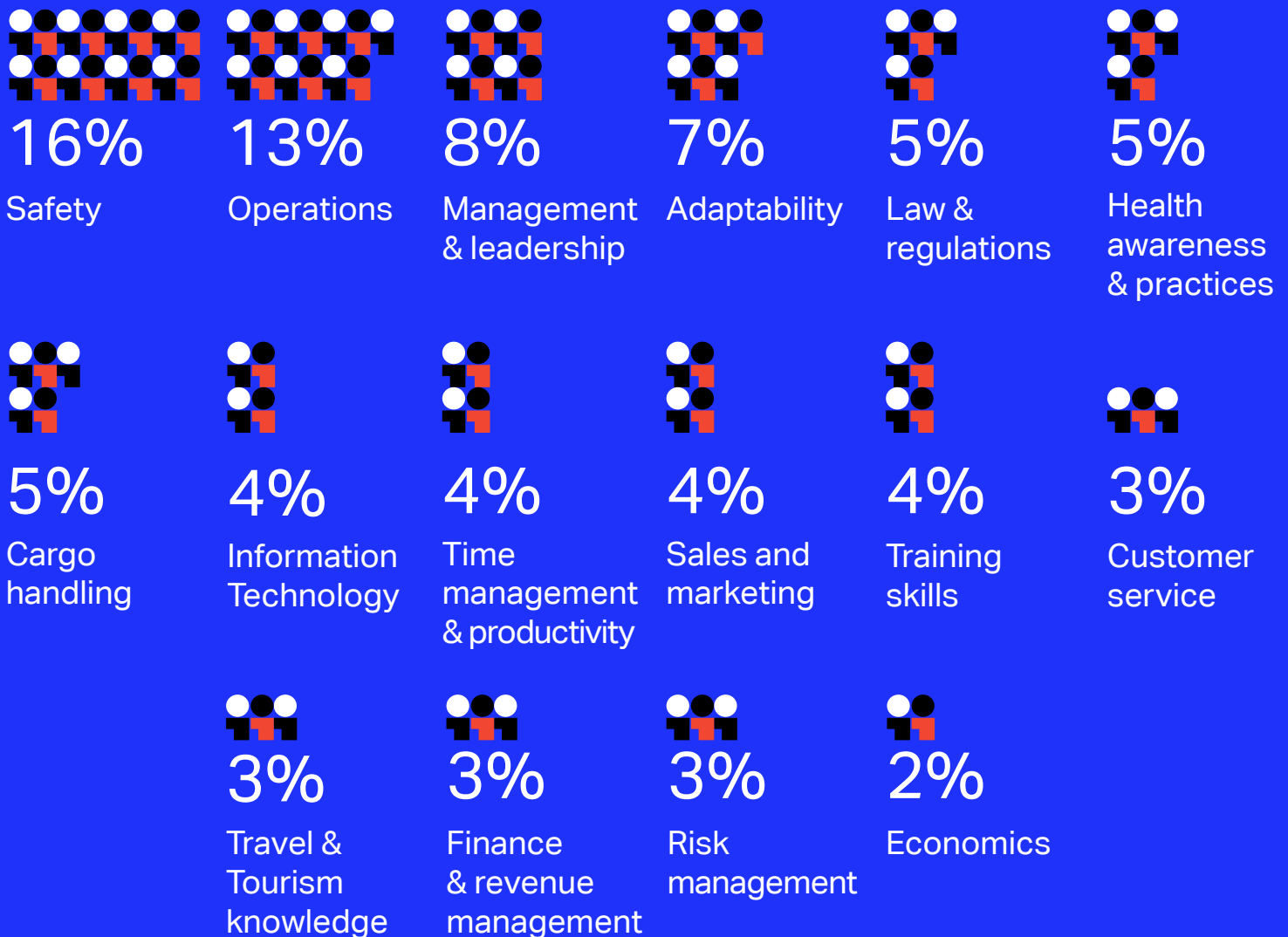
- Safety
- Operations
- Security
- Economics
- Environment
- Facilitation
- Other corporate training



Within the disciplines that are important to organizations, they require specific skills from their staff, such as:

- ▶ Safety skills including the control and inspection of operational safety, safety oversight, risk management, root cause analysis and new health safety procedures related to Covid-19
- ▶ Operational skills covering the core skills required to do the job
- ▶ Management & leadership skills such as focusing on the corporate culture, self-direction, decision making and dealing with stress
- ▶ Operational efficiency, safety handling, management skills, and soft skills such as adaptability

Most important skills organizations require from their employees





Areas and skills organizations are focusing on to better cope with the impacts of Covid-19:

“Updating of safety procedures, operations management in a coronavirus area, sanitation and cleaning procedures of the aircraft.”

– *Latin America, HR Decision Maker, Ground Handling*

“Recurrent training to maintain compliance and develop Supervisors and Managers in SMS and Economics.”

– *Anonymous, HR Decision Maker, Ground Handling*

“Analytical thinking and decision making; problem solving, risk management and cost awareness.”

– *Africa, HR Decision Maker, Anonymous*



The importance of safety skills and training

25% of HR decision makers believe that focusing on safety is the best approach to enable their organization to cope with the impact of the pandemic. Specifically, organizations are looking to train on skills such as safety management, personal safety, passenger safety, workplace safety and handling safety in relation to the virus. Crucially, organizations are still providing safety training despite cuts to training budgets.

Key safety issues which are important to HR decision makers focus specifically on a couple of key topics:

- ▶ Safety related to Covid-19, such as ensuring that staff understand new measures put in place because of the virus, to keep both staff and passengers safe (e.g., aircraft sanitation)
- ▶ Safety related to operations, such as safety risk management (e.g. analyzing threats to safety and security), safety management systems, quality control and emergency planning.



Safety skills required from staff:

"Safety risk management, root causes analysis and special skills for conducting investigation related to safety and security."

– *Middle East, HR Decision Maker, Airline*

"Manage their safety with respect to social contact, security and managing the few resources available within their reach."

– *Africa, HR Decision Maker, Airline*





"Keep the operation going! Understanding the loss of revenue (refunds for cancelled bookings, no forward bookings, all aircraft grounded etc.) and the economics behind it and impact on organization to survive."

– Europe, HR Decision Maker, Airline

The differences between trainee and organizations' training needs

There is a slight disconnect between the training needs desired by organizations and those identified by trainees. Employers place greater importance on operational skills and adaptability, while trainees prefer to refine their management potential and enhance their commercial knowledge during the pandemic.

Operational skills required to cope with pandemic strain

Operational skills are as important as safety skills to organizations. 13% of HR decision makers state this is the most important skill required from employees. However, soft skills are also crucial, skills such as resilience and adaptability are particularly important to organizations.

Trainee top training needs	Rank	Employer top skill requirements
Safety	1	Safety
Management & leadership	2	Operations
Commercial activities	3	Management & leadership
Operations	4	Adaptability
Law & regulations	5	Law & regulations

5. The future:
**digital learning methods
are set to increase**



Covid-19 has triggered a shift in perceptions around training courses. For example, there is an expectation that online learning, such as the use of virtual classrooms and webinars, will become more favorable to both employers and employees.

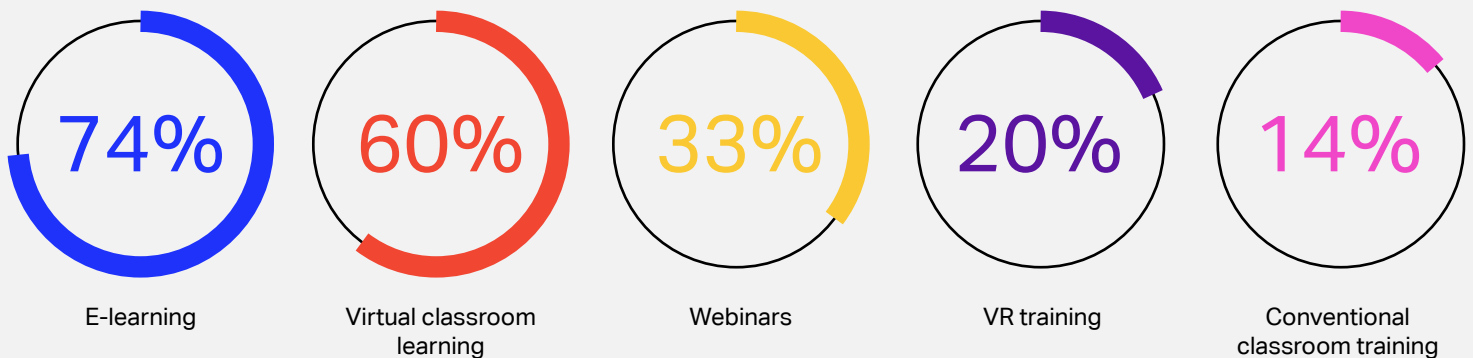


Training methods in a post-Covid world

Following the impact of the Covid-19 pandemic, organizations are planning to take advantage of the virtualized world for training. Unsurprisingly, e-learning will play a core role in future learning strategies. 74% of organizations rate this as an important training delivery method in their recovery plan. E-learning is appreciated as an effective training method by trainees solidifying this method as beneficial for both parties moving forward. On the other hand, it is predicted that conventional classroom training will continue to decline in importance and use across the board.

Training methods organizations are considering important for the future

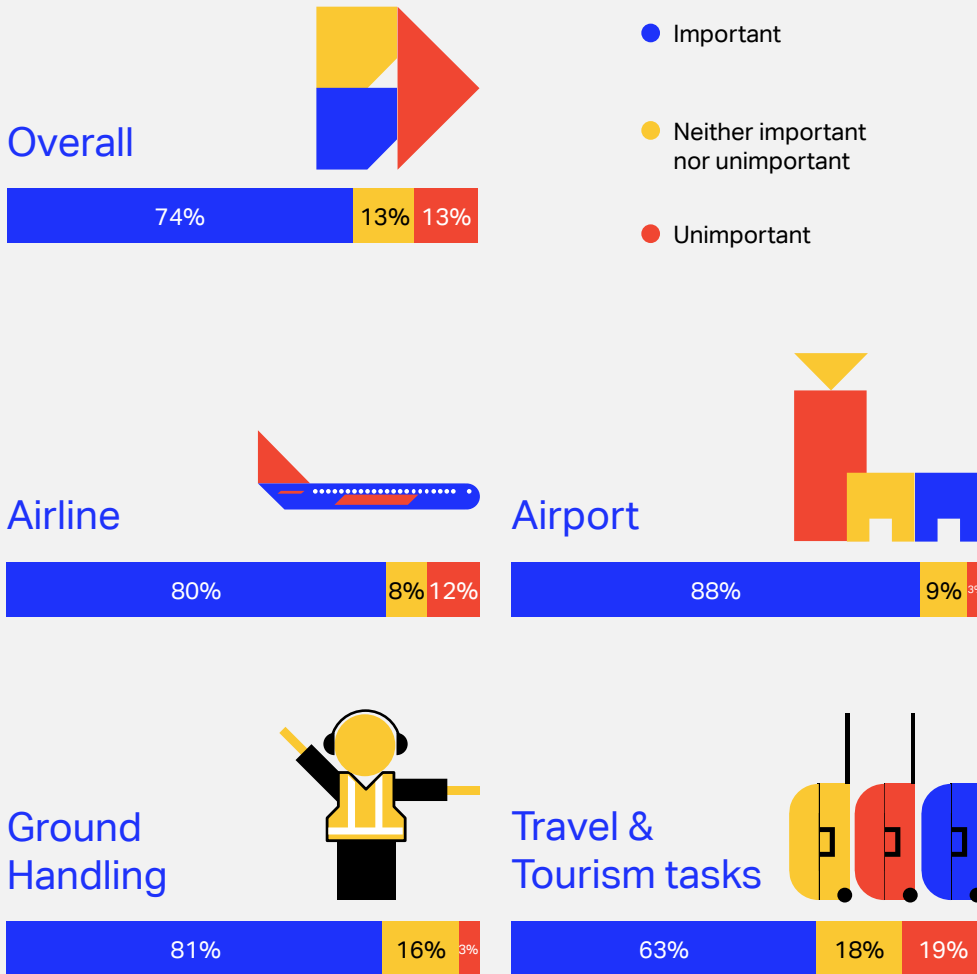
N.B. Showing % of sample that ranked delivery method as #1 or #2



Although considered important across industries, e-learning will play the biggest role in recovery plans for airports, with 88% of these organizations ranking e-learning as the first or second most important training method for recovery. Ground Handlers predict that they will increase the proportion of training delivered using VR technology. Decision makers working in the Travel & Tourism industry place less importance on e-learning favoring webinars and classroom training.

The importance of e-learning for different industries in recovery from Covid-19

N.B. important factors showing the % of the sample that ranked e-learning as topic #1 or #2



Alongside e-learning, virtual classroom training is also set to play a key role in training, with 60% of HR decision makers ranking this method as the first or second most important method. Across all sectors virtual classroom learning is the second most important format.

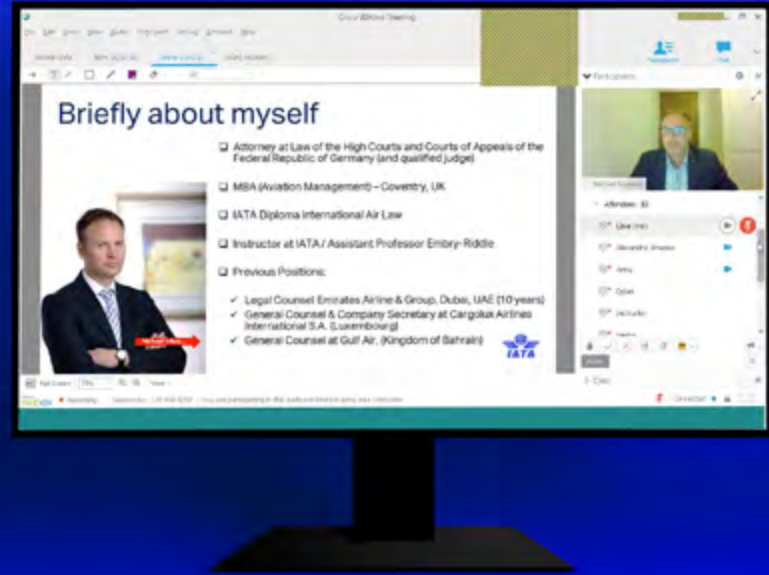
HR decision makers recognize at least some value in using webinars as a future training method, making training courses more available to employees, especially for employees who

may not be able to attend training courses at specified times, for example due to shift work. Travel & Tourism businesses are most likely to rank webinars as most important in their recovery plans compared to other industries' interest in webinars.

Taking e-learning, virtual classrooms, and webinars into account, moving forward, training methods are likely to take place online, with less focus on conventional classroom training.

Approaches to delivering virtual classes

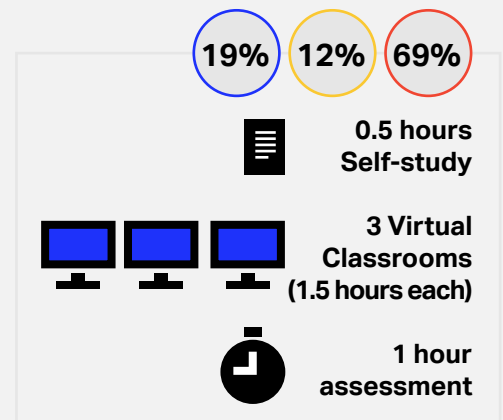
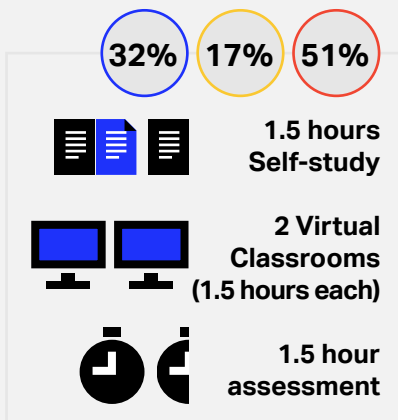
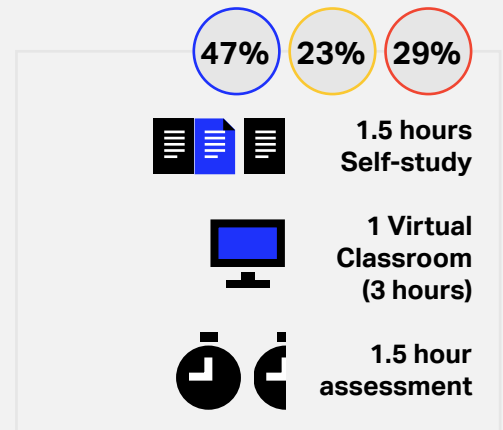
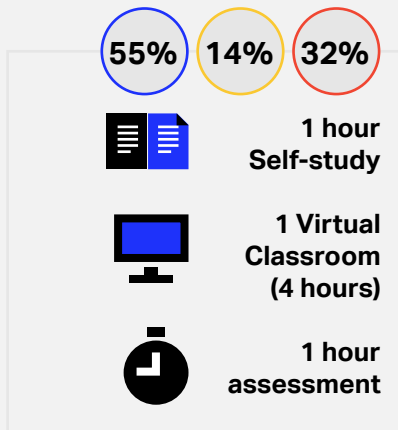
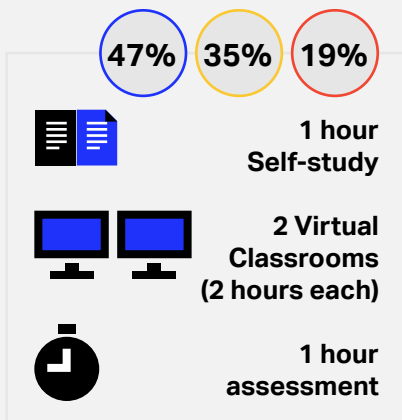
The preferred delivery of virtual classroom training takes place for several hours per day, and comprises independent learning, guided virtual classrooms and assessment. Employers consider simplicity important in the delivery of virtual learning, with one longer virtual classroom session per day being the most appropriate, and reducing the time for self-study and assessments to a minimum.



Virtual classroom format preferences

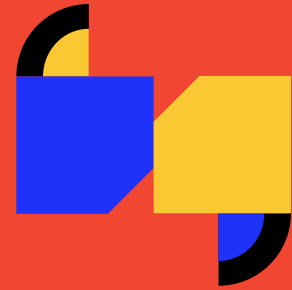
N.B. important factors showing the % of the sample that ranked the option as #1 or #2

- Important
- Neither important nor unimportant
- Unimportant



The impact of Covid-19 on future learning goals

Although organizations have plans in place for training topics and learning methods, Covid-19 has inevitably had an impact on the learning goals of businesses. Around one third of decision makers expect their training to be moved online, either through e-learning or in virtual classrooms. As a result of this, some businesses are looking to develop the skills of instructors to deliver traditional classroom topics online.



“The amalgam of training methods has to be changed by enhancing the knowledge and skills of internal instructors in e-learning methodologies and training approaches. Covid-19 is reviving the need to explore online teaching and learning opportunities for sure”
– *Europe, HR Decision Maker, Airport*

“We, like most airlines, will be reducing capacity. This results in less staff required in every aspect of the business from pilots, to crew, to sales, marketing, training etc. Our goals are to make learning more accessible, simpler, more based on competency, reduce classroom, streamline processes by making them more technology-friendly (less paperwork), and make more use of qualified trainers from within the business itself, not just from the Global Learning Academy.”

– *Europe, HR Decision Maker, Airline*

Whilst reduced budgets have impacted the resources available for training, organizations are working to ensure that training happens through streamlining processes and utilizing existing resources within the business, such as qualified trainers. This is important as decision makers expect employees to use any downtime to increase knowledge of key skill areas, such as qualified trainers gaining knowledge to transfer to other employees.





6. Conclusion

L&D has been a hard-hit area during the pandemic. Organizations have significantly reduced staff training programs, largely due to diminished budgets and general business uncertainty. Hiring new staff was put on pause, and many are making use of government employment support schemes to reduce expenditure.

Although organizations have been in 'survival mode' through the majority of 2020, they see training as a manner to bolster success when coming out of the pandemic. In the short-term, focus is placed on refresher training for current employees especially on mandatory topics such as compliance and safety. In the long-term, organizations plan to reinforce training, hire new staff and return to upskilling existing staff, though perhaps in different formats. HR decision makers will look to use on-the-job training for new hires to build up essential skills, so setting a course which has a strong competency-based training and assessment component will be essential for organizations.

The future of training looks different; there is an expectation that more focus will be placed on digital methods opposed to conventional classroom training. Decision makers and trainees alike require that virtual training and online learning materials will offer the same content and outcomes as classroom learning in the future. Although Covid-19 jolted the aviation industry into many challenges, organizations view training as crucial to recover from the pandemic and reinstate skills in the industry.

This report was written for IATA by B2B International a global, independent b2b research firm.



iata.org/training