

BACKGROUND INFORMATION – FLIGHT PLAN 2005-2009

We are beginning the second year managing the agency using the Flight Plan. Over the past year, we learned a lot about what works and what doesn't. We agreed that this would be a dynamic plan, which would have to be updated annually to meet the needs of the changing environment.

One of the things we learned from the recent assessment of internal communications — the work we are doing with Insidedge — is that many employees remain uncertain and skeptical about their role in carrying out the Flight Plan. They also said they don't know where to turn for information on the plan and how the changes are going to affect them as individuals. Managers need to help them sort this out.

The four basis goals that anchored the original Flight Plan are still in place: Increased Safety, Greater Capacity, International Leadership, and Organizational Excellence. Most of the changes are in performance targets and the initiatives that support them.

SUCCESSSES DURING THE FIRST YEAR

Under the Safety goal, the major highlight of the year is the commercial fatal accident rate — on average for the last three years, the commercial fatal accident rate is at .022 per 100,000 departures.

The accident rate in Alaska is another great story. Just a few years ago, there was an accident virtually every day in Alaska and a fatal accident every ten days or so. Now the number of accidents, including fatal accidents, has dropped significantly.

Runway incursions have declined significantly as well. The most serious ones have dropped 50 percent since 2000. For the second consecutive year, none of the most serious incursions involved two large commercial jets.

On the other hand, we did not meet our goal to reduce the most serious category (A and B) operational errors, and we need to do more to reduce those.

Under the Capacity goal, we are not going to meet our on-time arrival rate and we failed to achieve our target for Airport Arrival Capacity in the eight major metropolitan areas. This is due mainly to the weather, which is beyond our control. However, we have made progress in adding new airport runways, which have the greatest impact on increasing capacity over the long haul. During the fiscal year, we commissioned two new runways — at Houston and Orlando.

We also had success in working with the carriers serving Chicago O'Hare to reduce the number of flights during peak hours. This will not only help relieve the delay situation at O'Hare but also throughout the entire system.

In International Leadership, all of our performance targets are on schedule. The accomplishments include three new bilateral agreements with Brazil, Singapore, and Iceland. These bilaterals are an important part of our larger goal to promote common safety standards around the globe.

To this same end, we increased technical and financial assistance to developing countries last year, including helping Afghanistan and Iraq rebuild their aviation system with help from the US Aid for International Development (AID), the World Bank, and others.

And, very importantly, we successfully persuaded ICAO to adopt environmental standards that both benefit the environment and make sense from an economic perspective.

Finally, in Organizational Excellence, we have made progress in reducing the time it takes to hire mission critical positions. We also are on target for bringing in Critical Acquisitions on time and within budget. And, we closed out a significant number of cost-reimbursable contracts.

Fully implementing DELPHI, the automated financial management system, and PRISM, the companion automated acquisition system, remains a challenge, particularly training our employees on how to use the systems.

We also know we need to do more on training for executives, managers, and employees, and we are committed to doing so.

MAJOR CHANGES IN THE NEW DRAFT FLIGHT PLAN

A major difference this time is that we are insisting that all Flight Plan initiatives are fully funded before they are included in the Flight Plan. As you may recall, we had the same intention last year. This year, we will make sure it happens.

We also found that some performance measures can be improved. This past year, for example, under the Capacity goal we tied the performance targets in airport capacity and on-time arrivals too closely to factors over which FAA had little or no control – such as the weather. Similarly, some of our safety performance measures such as operational errors did not take into account significant growth in traffic volume. So, as you will see, we have revised several performance measures in the new version.

We also found that some initiatives are not as important as we originally thought, and there were too many of them. We had situations this year where the performance target might be yellow or red, yet the initiatives underneath that target were all green. A clear disconnect. This time around, we have chosen initiatives that will truly move the chains.

In the international arena, we will be taking a more strategic approach, focusing our resources and energies on those developing regions where we can gain the most benefits. We have also defined more ambitious and measurable performance targets for this goal.

The net result of this year's experience – with its monthly review by the Executive Management Team a critical factor – is a leaner, tighter, more disciplined Flight Plan with improved performance targets and fewer initiatives.

This improved Flight Plan will be supported by strengthened and more tightly aligned business plans from each FAA organization. These business plans now cover 100% of each organization's budget and each one will include at least one cost savings initiative to help us through the fiscal challenges we face in FY05.

NEXT STEPS

Next week, on Oct. 5, we will post the revised draft Flight Plan on the new employee Internet site. We also are sending the plan to the unions and external stakeholders that same day. The deadline for comments from everyone is Oct. 15.

Once we get the comments, we will have teams evaluate them. The Flight Plan will be finalized by Oct. 29, and we will roll it out in a Town Hall meeting with all employees on Nov. 9.

Managers and supervisors have a particularly important role to play in this regard. In addition to giving us the benefit of your valuable experience and perspective, you help create the line of sight for your employees so they can see how their jobs relate to the larger, corporate goals of the agency.

One area in which we are particularly interested in receiving input is in the area of organizational values. We believe that the FAA needs a short list of core values that guide our decisions and we want to hear from all managers and employees on what those values should be.

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