

5 YEAR STRATEGIC PLAN

2020-
2024



1. Introduction and Background

The Red Deer Regional Airport is a key economic driver for Central Alberta. With direct economic impacts of roughly \$55 million and indirect estimated around \$120 million, the Airport supports 300 jobs totalling \$20 million in salaries.

Located just south of the City of Red Deer, the airport properties are immediately adjacent to the Hamlet of Springbrook and serves a regional population of 300,000 residents. The airport facilities have the ability to accommodate full air services and is home to a thriving cluster of private aviation-related operations with capacity for growth and continued development.

Governed by the Red Deer Regional Airport Authority (RDRAA), the organization is a not-for-profit with a Board of 12 directors appointed equally by the City of Red Deer and Red Deer County – the Airport’s primary partners.

Fundamental impacts on airport revenues such as the loss of scheduled air services, combined with opportunities to pivot in scope and shift operational priorities, have galvanized the organization to examine its strategic direction for the next five to ten years.



2. Vision, Mission, Values and Goal Statements

Vision:

The Aviation Gateway and Key Economic Driver for Central Alberta.

Mission:

To operate an affordable and sustainable regional airport that serves our community and stakeholders responsibly.

Values:

- Safety – we are committed to protecting our stakeholders from internal threats.
- Security - we are committed to protecting our stakeholders from external threats.
- Service – we value our stakeholders, and commit to serving them well.

Goals:

- **Business Development** - Provide premium products and services to attract and retain quality and diversified revenue streams leading to long term viability and retention of quality customers.
- **Operational Excellence** - Lead and manage the business to achieve financial stability, improve infrastructure and industry leading operational and safety practices.
- **Community Leadership** - Develop opportunities to create awareness with local residents, the region and provincial governments, contribute to the community and develop local pride and engagement.
- **Financial Sustainability** - Ensure the airport is committed to generating the types of returns necessary in order to support its future operating and capital requirements.

2.1 Corporate Goals (2020 – 2021)

Corporate Goal	Strategic Goal
Business Development	<ul style="list-style-type: none"> Secure anchor tenant(s) for north and south end land development projects
	<ul style="list-style-type: none"> Secure scheduled/seasonal passenger service
	<ul style="list-style-type: none"> Identify/secure customs requirements
	<ul style="list-style-type: none"> Work with City/County to formally document future airport expansion requirements, which includes costs/timelines
	<ul style="list-style-type: none"> Identify/support new business expansion opportunities with existing tenants
	<ul style="list-style-type: none"> Identify/implement new initiatives to reduce the environmental impact of the airport on the local community
Operational Excellence	<ul style="list-style-type: none"> Incur no incidents or accidents resulting from airport deficiencies (policy, process, infrastructure)
	<ul style="list-style-type: none"> Complete capital projects on time/budget
	<ul style="list-style-type: none"> Develop and maintain corporate risk matrix. Update operations, finance, community engagement policies and procedures
	<ul style="list-style-type: none"> Develop and implement specific safety and security goals
Community Leadership	<ul style="list-style-type: none"> Develop corporate communication strategy
	<ul style="list-style-type: none"> Identify new opportunities to support/promote community growth
	<ul style="list-style-type: none"> Identify new community fundraising opportunities
	<ul style="list-style-type: none"> Expand airport awareness and community support beyond the City/County of Red Deer
	<ul style="list-style-type: none"> Document desired corporate culture
Financial Sustainability	<ul style="list-style-type: none"> Increase revenue by 75% by end of year two

Our planning was achieved through an open and collaborative process where we focused on our future growth with a mindset of achieving financial sustainability.

Here is how we accomplished our work...

3. Planning Ahead

The RDRAA held a strategic planning session October 8 and 9, 2019, that involved key stakeholders from the Red Deer Regional Airport Board of Directors, representatives from both the City and the County, as well as airport management and staff. Together, participants worked over the two days to align the organizational and operational goals for the next five years.

The main outcome of the session was to establish cohesive direction for the Airport Authority at a strategic level, with the identification of key operational priorities for the next five years. This involved maintaining a long-term view of the airport's development potential, while defining key objectives for the first two years.

Individual goals were identified by participants at the beginning of the strategy session as potential outcomes and priorities to be discussed during the session, including:

- Identifying clear priorities for the organization;
- Establishing synergy with and between Board and staff members, as well as partners;
- Creating a definition of success;
- Understanding the organization's potential;
- Generating recognition and awareness in the region;
- A results-oriented plan;
- Alignment and support of a vision;
- Developing momentum – moving forward;
- Understanding the future economic outlook and economic drivers;
- Identifying the viability of regularly scheduled passenger service in the future;
- Preserving organizational culture with open communication;
- Identification and alignment of growth plans and priorities for both the City and the County;
- Staying focused on top priorities and their outcomes.

This report provides a summary of the workshop sessions and their outcomes, including major recommendations for the organization's future.

4. Workshop Execution and Outcomes

Participants, were welcomed by the RDRAA Chair who set the tone for participation and engagement. This was followed by two brief presentations by the facilitator and CEO.

The first presentation offered a global perspective on macro trends and influences that were either already impacting development in the region, or expected to in the near future. The second presentation by staff provided an update on the organization’s achievements of the past few years and current efforts underway.

Presentation 1: The Global Picture

The global influence presentation provided an overview of seven areas of integrated influences that are impacting international business trends and regional growth, as well as development practices. They are:

1. The Era of Digital Transformation;
2. The Speed of Knowledge and Industrial Evolution;
3. Technology has Levelled the Playing Field – the Implications for Rural Growth and Development;
4. Canada’s Innovation Imperative – Understanding Invention versus Innovation;
5. Why Economic Competitiveness is Essential, Nationally and Regionally;
6. External Perspective – What Surveys Reveal About Growth Potential;
7. Today’s Best Practices in Regional Development.



Presentation 2: The Local Picture

The Local Picture presentation provided an overview of the Airport Authority's accomplishments the past four years as well as reviewing the services the organization provides to stakeholders, partners and to the region. The presentation also reviewed the current strategies and priorities. Some of these highlights include:

1. Runway extension and investment into essential equipment (CAPEX);
2. Organizational development including employee benefits;
3. Expanded community involvement and awareness with a greater sense of community, including charitable contributions;
4. Expanded communications programs and brand development;
5. Improved tenant relations;
6. Increased clarity on progress, direction and goal setting;
7. Cohesion between and among staff and board;
8. Formalization and organization of board practices and procedures, and board governance.

Exercise A – Establishing Strategic Priorities

Following the presentations participants were engaged in an exercise that would visualize the future, short and long term, and articulate specific objectives related to the development and growth related to the Airport. The exercise was designed to assist participants in identifying strategic priorities, and in this case 10 priorities were identified as follows (in no particular order of priority):

1. Establishing a Successful Organizational Culture;
2. Safety and Security;
3. Scheduled Air Services;
4. Access: ingress and egress from both highway and to all sections of the land inside the county;
5. Tourism and Recreation Plan;
6. Land Development and Partnerships: logistics, cargo, manufacturing, maintenance, air-based services and training – all generating employment and revenues;
7. Environmental Stewardship;
8. Community Engagement;
9. Business Development: from a client/tenant management and support perspective;
10. Financial Sustainability.

Exercise B – A Five Year Plan (The Critical First Two Years)

With the understanding that the first two years of any action plan are the most pivotal, participants spent time identifying what the first series of tasks would be associated with each of the strategic priorities.

The Five-Year Plan		
Corporate Goal	Strategic Goals – 2020 - 2021	Strategic Goals – 2023 - 2025
Business Development	<ul style="list-style-type: none"> Secure anchor tenant(s) for north and south end land development projects 	<ul style="list-style-type: none"> Continue to develop all identifies land.
	<ul style="list-style-type: none"> Secure scheduled/seasonal passenger service 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Identify/secure customs requirements 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Work with City/County to formally document future airport expansion requirements, which includes costs/timelines 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Identify/support new business expansion opportunities with existing tenants 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Identify/implement new initiatives to reduce the environmental impact of the airport on the local community 	<ul style="list-style-type: none"> Monitor and amend as required
Operational Excellence	<ul style="list-style-type: none"> Incur no incidents or accidents resulting from airport deficiencies (policy, process, infrastructure) 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Complete capital projects on time/budget 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Develop and maintain corporate risk matrix. Update operations, finance, community engagement policies and procedures 	<ul style="list-style-type: none"> Review and update each year
	<ul style="list-style-type: none"> Develop and implement specific safety and security goals 	<ul style="list-style-type: none"> Monitor and amend as required
Community Leadership	<ul style="list-style-type: none"> Develop corporate communication strategy 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Identify new opportunities to support/promote community growth 	<ul style="list-style-type: none"> Engage stakeholders in annual review
	<ul style="list-style-type: none"> Identify new community fundraising opportunities 	<ul style="list-style-type: none"> Grow community fundraising year over year
	<ul style="list-style-type: none"> Expand airport awareness and community support beyond the City/County of Red Deer 	<ul style="list-style-type: none"> Monitor and amend as required
	<ul style="list-style-type: none"> Document desired corporate culture 	<ul style="list-style-type: none"> Execute annual employee and community engagement survey
Financial Sustainability	<ul style="list-style-type: none"> Increase revenue by 75% by end of year two 	<ul style="list-style-type: none"> Achieve financial sustainability by 2025

Exercise C – Establishing a Structure for Success

The third session of the workshop asked three groups to discuss how the current structure of the organization could support the strategic priorities identified in the first two exercises. Building on those first two exercises, the groups were asked to examine what structure is required to support the achievement of the 2025 desired outcomes, and the goals identified for the first two years, according to the following areas of focus:

Organizational Focus Area	Group Discussion Outcomes
Group 1: Organizational Structure	<ul style="list-style-type: none"> • The current structure offers a strong group approach to achieving operational goals • Additional support with electrical, mechanical, office support with finance and admin, compliance and night cargo ops staff would help support the achievement of the goals identified in the workshop • Additional support with fire suppression, security and CBSA would also be helpful
Group 2: Resourcing and Funding	<ul style="list-style-type: none"> • Explore opportunities for additional funding with government partners • Expand current partnerships with developers (Rice Group) • Explore additional Foreign partner investment (Montair/Asia) • P3 opportunities with construction companies • NDE Facility expansion • AMO/MRO hangar development • Partner with other regional airports, and identify/support areas where airport facilities are closing • Promote low operating costs and efficiencies to new business partners • Explore opportunities for cargo development
Group 3: Business Development, Marketing and Communications	<ul style="list-style-type: none"> • Focus on marketing and communications • Establish relationships with developers with specific projects • Expand communication tools including web site, marketing materials, social outreach and audience expansion • A brand redesign and release with a story on competitive advantages • Need for data and information tools like supply chain contacts and investment data • Ability to travel to investors/partners/developers • Establish a land development committee

Exercise D – Final Plenary Session on Vision, Mission, Values and Goals

In the last session the participants explored whether the current Vision, Mission and Values were consistent with the strategic priorities and the direction established in the workshop.

Statement	Current	New
Vision	The Aviation Gateway and Key Economic Driver for Central Alberta.	No change
Mission	To operate a world class regional airport that offers travelers convenient and economical travel options, and that provides businesses with a strategic location for their expansion and growth.	To operate an affordable and sustainable regional airport that serves our community and stakeholders responsibly.
Values	<p>Integrity – we believe in honesty, respect and accountability.</p> <p>Quality – we act to deliver quality in all our services and interactions.</p> <p>Safety and Security – our foremost concern is safety and security.</p> <p>Service – we value serving our customers and stakeholders.</p> <p>Social Responsibility – we want to positively impact people and causes in our community.</p>	<p>Safety – we are committed to protecting our stakeholders from internal threats.</p> <p>Security - we are committed to protecting our stakeholders from external threats.</p> <p>Service – we value our stakeholders, and commit to serving them well.</p>
Goals	<p>Business Development - Provide premium products and services to attract and retain quality and diversified revenue streams leading to long term viability and retention of quality customers.</p> <p>Operational Excellence - Lead and manage the business to achieve financial stability, improve infrastructure and industry leading operational and safety practices.</p> <p>Community Leadership - Develop opportunities to create awareness with local residents, the region and provincial governments, contribute to the community and develop local pride and engagement.</p>	<p>Business Development - Provide premium products and services to attract and retain quality and diversified revenue streams leading to long term viability and retention of quality customers.</p> <p>Operational Excellence - Lead and manage the business to achieve financial stability, improve infrastructure and industry leading operational and safety practices.</p> <p>Community Leadership - Develop opportunities to create awareness with local residents, the region and provincial governments, contribute to the community and develop local pride and engagement.</p> <p>Financial Sustainability - Ensure the airport is committed to generating the types of returns necessary in order to support its future operating and capital requirements.</p>

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