



Trisha Sqrow, Assistant Vice President, Risk Management, Dallas-Fort Worth International Airport

ERM FLYING HIGH AT DALLAS-FORT WORTH INTERNATIONAL AIRPORT

By Russ Banham



RIMS

There are few more risk-intensive operations than those at a major international airport. While safety and security are top priorities for all organizations, these concerns are especially important at airports, given the enormous numbers of people coming and going at all times. A veritable city jammed with airline passengers, TSA workers, pilots, flight attendants, and

employees of on-site retail stores and restaurants populate Dallas-Fort Worth International Airport (DFW) on a daily basis. At the same time, DFW is subject to a myriad of FAA, TSA, EPA and OSHA regulations governing safety and security.

Leading ERM at an airport is not a job for the fainthearted. RIMS spoke recently with Trisha Sqrow, DFW's Assistant Vice President of Risk Management, to learn about its recent infrastructure and operational enhancements. The effort, which entailed improving the access of delivery trucks to airport concessionaires like retail stores and restaurants, required substantive discussions with the TSA to ensure safety and security protocols were not compromised.

Sqrow was the Senior Manager of ERM at DFW for the past two-and-a-half years before stepping up as the leader of the ERM program in May 2019, following the departure of the outgoing vice president of risk management. Prior to her DFW post, she developed the ERM framework at Indianapolis Airport. DFW was recognized at the RIMS ERM Conference 2018 as an honorable mention recipient of the RIMS ERM Award of Distinction.

RIMS: We understand that several strategic ERM initiatives are underway but we will focus on the major infrastructure initiative, its strategic value and impact. Tell us about DFW's strategy, by way of setting up a deeper discussion of ERM and the infrastructure initiative. And kindly provide a snapshot of DFW, so our audience has a sense of its breadth and scope.

Sqrow: DFW is the 10th busiest airport in the world, with more than 65 million passengers passing through it each year, a volume that is expected to increase to 75 million in the next five years. Some carriers like American Airlines, which generated about 86% of overall traffic, are continuing to increase the number of flights, requiring the addition of more gates and the building of another terminal. Moreover, we have renovated three of our five 45-year-old terminals over the last decade, adding more restaurants and retail outlets. Our strategic plan has six key goals, involving business performance, customer experiences, operational excellence, a safe and secure environment, community engagement and, lastly, employee engagement.

RIMS: Our research indicates that DFW has long been considered an exemplar of ERM best practices and insights in the industry. Would you agree?

Sqrow: Yes, I'd agree with that. DFW is known as being an airport-industry leader in the ERM space. For instance, we recently adopted an integrated safety management system framework—voluntarily and in advance of anticipated regulatory implementation deadlines. The framework is over and above FAA expectations, covering the entire airport and not just safety on the airfield.

RIMS: What are some factors guiding the development of the infrastructure initiative?

Sqrow: I'll begin by pointing out that many of our concessionaires now carry fresh food and healthier options, which has resulted in more deliveries to the airport. Historically, these goods were delivered via ramps outside the aircraft gates. Meanwhile, as our airline traffic continues to grow, it has resulted in more aircraft and airline-related equipment located at the same ramps.

RIMS: What was the prior protocol and why was it risky?

Sqrow: Each day at certain times, deliveries were made to our 200 concessionaires and innumerable vending machines across all five terminals. These goods were transported to the ramps at the airline gates. Trucks and vans would travel through a secure gate where they received security

screening, and then drove out among the aircraft, in between airplanes in some cases, to the ramps where the airplanes departed. That's where the goods were delivered.

RIMS: Did this create significant safety hazards?

Sqrow: I wouldn't say a significant safety hazard. However, it increased traffic on the ramp, causing congestion, inefficiency, and yes, some potential hazards of minor accidents. Additionally, we've experienced instances of aircraft damage caused by a delivery vehicle, where even a two-inch dent resulted in the need for the aircraft to be repaired and taken out of service. For example, I remember two years ago when a truck backed into the wing of a plane destined to fly to Mexico. The airline had to cancel the flight and accommodate passengers at a cost of hundreds of thousands of dollars. That's what can happen with a two-inch dent.

RIMS: What other complications arose from the delivery operations?

Sqrow: DFW has always followed TSA protocols for screening all goods coming into the airport, including matching the manifest to the goods being carried and ensuring they are professionally packaged and not tampered with. Following best practices, we wanted to have a more robust method of assurance in place. We also wanted to help our concessionaires improve their operational performance, by providing a better way for them to efficiently receive products at their locations.

RIMS: What other goals were in mind?

Sqrow: We also wanted a way for our concessionaires' employees to get to their jobs quicker and more easily. While the manager of a store could be screened at the loading dock area, front line employees had to go through the same security checkpoints as passengers. We also felt that by reducing the possibility of flight cancellations to improve airlines' on-time performance, we would also optimize overall customer experiences. Assessing the system through the lens of ERM identified opportunities to work with TSA and allow employee screening through the loading docks, reducing wait times for both employees and the travelling public.

RIMS: A classic 'win-win-win' opportunity was at hand. How was the ERM department involved through the stages of the initiative to solve these issues?

Sqrow: The risk management group, under the oversight of our risk council, led a cross-functional team of nearly 10 departments at DFW to improve the system, utilizing ERM principles throughout. To do that required that we pull everybody together. It was a true team effort. The main results of the assessment and action was to have the trucks and vans deliver their goods to loading docks that were landside—on the public-facing side of the airport. Until two years ago, we only had one loading dock; now we have three serving all five terminals. The docks are typically on the bottom floor at the end of the terminal, where they don't interfere with passenger and vehicle traffic.

RIMS: Is the plan now to have vendors deliver directly to the loading docks instead of the ramps?

Sqrow: For the most part, that's the plan; trucks and vans need to deliver to these three loading docks. But there are a few vendors that deliver their products to nearly every store and vending machine here. It would be quite a hindrance for them to drive to the docks and then have to walk through more than 5 million square feet of terminals to make their deliveries. In those cases, we made an exception, allowing them to drive to the ramps at certain hours when airplane traffic is lower.

RIMS: With regard to trucks delivering to the loading docks, did you develop some sort of screening system at these facilities?

Sqrow: Yes, the docks are designed to serve as screening areas; we just needed to optimize their use. We collaborated with TSA on modifying its 3-ounce rule for deliveries; otherwise liquid products like salad dressing would be barred from screening. One initiative was to work with the agency to allow professionally packaged liquids such as condiments and soda to be screened in the docks, even though they are more than 3 ounces. TSA further agreed to allow the dock security screening area to be a place where managers and front line employees of concessionaires could be screened, so the employees didn't have to stand in line with crowds of passengers in the terminal.

RIMS: You had mentioned that three of your nearly half-century-old terminals have been renovated. Are these the only terminals with the loading docks and security screening facilities?

Sqrow: For the time being, yes, but the other two terminals are connected to the three terminals' loading docks. We are monitoring the current system to learn ways to improve things further.

RIMS: A glance at DFW's vision statement, 'Travel. Transformed.,' suggests that the risk management department played a substantial role in this transformation.

Sqrow: I would agree, and it makes complete sense. Our task is to use ERM best practices to add value to the organization. This process both reduced risks and optimized opportunities. We improved safety, security and operational excellence, while ensuring that the concessionaires' business performance and the customer experience were not hindered. This helps ensure DFW does in fact transform the travel experience. And we're currently engaged in so many different strategic efforts, inculcating a risk and safety culture that we know will further benefit DFW. ■

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