

As many companies have struggled in today's harsh economic environment, some, such as South Africa's ATNS, have thrived through smart, well-executed business strategies. In this interview with The Strategist, ATNS CEO Patrick Dlamini explains how he employed the DPI Strategic Thinking Process to forge a strategy that has transformed the company, enabling it to prosper despite seemingly overwhelming odds.

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# Patrick Dlamini

CEO | AIR TRAFFIC & NAVIGATION SERVICES

*A few years ago, South Africa was gearing up for the largest sporting event in the nation's history, the 2010 World Cup football competition. The world watched as the country prepared for what was undoubtedly the largest infrastructure project in its history. One of the most crucial, but largely unseen, players in the massive preparations was an organization called Air Traffic and Navigation Services.*

ATNS is the sole provider of air traffic control services to South African airports, directing flights arriving and departing from more than 20 aerodromes within the country. As such, their challenge was to build up their capabilities to assure the safety of the unprecedented number of air travelers, athletes and spectators alike.

"We are an air navigation service provider, primarily to the South African aviation industry," says CEO Patrick Dlamini. "We supply air traffic management for South Africa, as well as the oceanic airspace, covering all the way to Brazil, halfway to Australia, and down to the South Pole, which is the equivalent of about 10% of the world's airspace."

The company's main business is training, and managing air traffic, but ATNS also offers a strategically important range of related services throughout South Africa and more than two dozen other African nations. These ancillary services, such as air



Patrick Dlamini CEO, ATNS

traffic control training, procedure design, consulting and sophisticated satellite communications technology, leverage their specialized expertise,

and enable ATNS to generate important revenue both inside and outside South Africa. Because compensation for air traffic control services within South Africa is regulated in a manner similar to a utility, this additional, unregulated international business is essential to the company's growth. These services have also helped to position ATNS as a leading transnational supplier of air traffic expertise and technology.

When Dlamini joined ATNS as CEO in 2009, the firm was grappling with several major challenges. First, the world was in the throes of the infamous economic downturn. Add rapidly rising fuel prices, and the aviation industry was in turmoil, looking to control costs as air travel and revenues were diminishing globally.

To make matters worse, wealthier countries in the Middle East and Asia were luring away much of their top talent—controllers and technical staff—leaving them short of air traffic controllers.

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As if that were not enough, the huge, anticipated jump in air traffic from the 2010 World Cup was approaching and a major new airport, King Shaka International Airport, was under construction. And to top it all off, the organization had been struggling to get its financial ship in order.

“ATNS was technically bankrupt and we had challenges in terms of keeping our staffing levels where we needed them to be,” Dlamini says. “We had in place the skills, the technology, our Aviation Training Academy, and important international partners, many of the things we needed to succeed. What we did not have was a strategy that everyone understood and *agreed to*, so we could decide on the issues we needed to resolve *as a group* and drive them relentlessly to success.”

In his former position as Executive Vice President and General Manager of South African Airways Cargo Division, Dlamini had used DPI’s Strategic Thinking Process to craft a strategy that turned out to be very successful. So he decided once again to use the DPI process to chart a new strategic direction for ATNS, to meet the immediate needs of the World Cup and the new airport, and also to assure sustainable progress in the long term. He also knew that the process would produce a new strategy and action plan in a matter of days, not weeks or months, which was

essential given the urgency of the situation and the time demands already pressing on the executives.

“I found the DPI process to be quite unique and extremely successful,” Dlamini says. “At my previous company, South African Airways Cargo Division, we saw clear improvements for three years in a row after developing a strategy through this process. Companies that do this have a huge advantage. I can see the difference in the companies listed on the Stock Exchange that use the DPI process. They are very successful—it’s amazing.

“With DPI, it is the *organization* that puts the strategy together. It *comes from* the organization, not the facilitator or consultant. The wording comes from the *people who work* in the organization. It’s a highly sophisticated process that helps your people to think *strategically*, and to get everybody to *agree*. It makes sure that your people analyze all the issues that affect the organization. You can’t avoid tough questions. It is your problem to figure out. It makes sure that you cover the bases, and then move on from there. And the DPI facilitator, in this case Greg Carolin, keeps you on track.

“What I found most important is that their methodology has a unique way of downloading your own people’s thinking in such a way that there is nothing left unsaid. And when you leave the strategy session you are

all in unity as to *why* you have chosen the particular route or trajectory you will take, and what *each* person is then expected to *do*. And then once you have done this process as a group from across your organization, you have all the units and regions with their own business strategies linking to what the whole group has agreed upon.”

This alignment between the main office and operations in other African nations would be essential to ATNS’ growth as an international player, and would enable the firm to better focus and synchronize activities involving its own people and many necessary partners—airlines, governments, technology providers, aviation regulating agencies and others.

### **Selecting The Driving Force— The Compass of The ATNS Strategy**

A pivotal point in the DPI process is selecting the Driving Force the company will pursue in the future. The Driving Force, as defined by DPI, is a clear set of skills and capabilities which will guide future decisions on the products, customers and markets to be pursued and *not* pursued. Among the possible Driving Forces considered were Product/Service (Air Navigation Service), Technology (the development of Air Traffic Management Technology), and Market Category (meeting the diverse needs of the *Air Traffic Management community*).

“We had a hell of a debate over that,” Dlamini says. “We selected Market Category. We concluded that what drives us is meeting the diverse needs of the Air Traffic Management (ATM) industry and delivering on their expectations. How well we identify and meet those needs around safety, efficiency, cost effectiveness and other critical factors determines our successes. That goes well beyond training and managing air traffic, involving many other services and



Air Traffic & Navigation Services Radar Control Room

technologies, but all relate to the requirements of that specialized community.”

Had ATNS opted for a *Service Driving Force*—limiting their business to training and managing air traffic—they would have had to de-emphasize a set of lucrative consulting and technology products and services that would enable them, importantly, to continue to grow internationally in unregulated areas as well as in their home market.

“In a lot of countries on the Continent we offer consultative services such as surveying airport procedure designs. We offer technologies, such as our satellite communications networks, in 28 countries. This technology supports our inter-connectivity which is very important if we want to be a leader across Africa,” Dlamini says.

Yet, a *Technology Driving Force* would have similarly limited their business, although developing and adopting advanced technology is essential to their competitiveness.

“With a *Technology Driving Force*, we would have been less effective in making sure that competence, safety, efficiency, cost and other requirements are all driven to their highest level because we would be *too narrowly focused* on only technology and infrastructure, as opposed to saying we are bigger than that. The technology piece is very important, but that

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becomes one of the Critical Issues that support our Market—the ATM community as a whole,” Dlamini says.

Each *Driving Force* requires adoption of specific *Areas of Excellence*—capabilities that must be mastered and given resources above all others.

“We identified three *Areas of Excellence*. One is *Market Excellence*. Two is *Customer Relationship Management*. The third is *Business Intelligence*. We believe these are very, very critical, because they are what makes us competitive. We must understand what is going on in the market and when we do, give these areas our utmost, to be certain that the competence acquired, which underpins our service delivery, is driven by very highly competent staffing.

“We look very carefully at our customer relationships to make sure that


we are arriving at a future that keeps us very close to the ATM community, as well as our employees. So we also identified the critical needs of our staff, our traffic controllers, all of our people, as they are quite a key element of what we do. And we must then manage our list of *Critical Issues*, to drive ATNS into the future, to maximize our opportunities in other markets, to make sure we are fully prepared to make the most of them and pursue them on a sustainable basis,” Dlamini says.

Over the past 4 years, ATNS has pressed relentlessly forward to resolve its list of *Critical Issues* or *Strategic Imperatives* (see inset) with exceptional success. To further connect the various units with the corporate strategy, DPI conducted *Operational Planning Sessions* with

each, assuring that their operational deliverables would match up with corporate objectives.

“To drive these Critical Issues we are making sure we link all the necessary areas, identifying the people responsible and identifying the contributors,” says Dlamini. “For example, in the area of managing the pipeline that our air traffic controllers go through before they qualify as successfully validated air traffic controllers, we meet about twice a month to monitor progress and see how well we are getting people passing through. We are also developing systems that help us in the assessment, and making sure that the people that we accept are the right type to meet the demands of this profession.”

The result of this laser-like focus on strategic objectives is an organization that now has the skills and renewed confidence needed to meet its toughest challenges. Among the important milestones were the seamless opening of King Shaka International Airport and the highly successful managing of the greatly increased air traffic resulting from the World Cup. Better recruitment and retention strategies, as well as extensive employee support programs, have led to record levels of essential staffing.

“We also now have very good financial performance,” Dlamini states. “As I said, before DPI came to work with us, ATNS was technically bankrupt. And we were never able to envision having enough air traffic controllers in all of the sectors. After the DPI process, we are a solid and stable organization. And we can see a high level of happiness on the part of our employees. We are getting ahead of all our target numbers in all areas. People who had left ATNS have even asked me, ‘How did you do this?’ And I can say the DPI Strategic Thinking Process enabled us all to agree on our strategy. You need the right people to help you craft and deploy your strategy, get all your people in agreement, select the right people to follow through, and make sure you deploy it successfully.” 



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#### **FUTURE DIRECTION**

- **Vision**—To be the preferred supplier of Air Traffic Management solutions and associated services to the African Continent and selected international markets.
- **Mission**—To provide safe, expeditious and efficient Air Traffic Management solutions and associated services.

#### **STRATEGIC IMPERATIVES**

- To deliver continuous improvement of our safety performance
- To become a transformative organization which invests in its people
- To provide efficient Air Traffic Management solutions and associated services which meets the needs and expectations of the Air Traffic Management Community
- To maintain long term financial sustainability
- To play a leading role in the development of Air Traffic Management solutions and associated services in Africa and selected international markets
- To deploy and use leading technologies to the benefit of the Air Traffic Management Community

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