



**The end of a Landmark Year; the
beginning of a promising Year:
*Managing people and Performance
in 2010***

***Remarks of Mr. Bates Sarki Sule, MD/CEO,
nahcoaviance PLC at the 2010 Corporate
Thanksgiving Service held on Friday, January 8,
2010.***

Our Special Guests,
Our clients
Our friends and well wishers,
All our staff

I am happy to be here today to join you all in giving thanks to God for His mercies and blessings over us as individuals and over our Company in 2009 and within the first seven days of 2010. All glory must surely go to God for whoever or whatever we are today.

REVIEW OF 2009

The year 2009 will remain memorable in the history of Nigerian Aviation Handling Company PLC for so many reasons. It was the year during which we celebrated the company's 30th anniversary as a ground handling company; it was the last year of implementation of our first ever corporate business plan (2007–2009) as a fully privatized, publicly owned enterprise. Thirdly, it was a year of our corporate re-branding during which we changed our brand name to nahcoaviance. Most importantly, it was the landmark year during which our Profit after Tax hit the N1billion mark for the first time in the annals of the Company.

Interestingly, Year 2009 also turned out to be a year that presented large-scale global economic challenges with companies having to adopt belt tightening measures to survive. The economic recession that silently crept into global consciousness in the last quarter of 2008 unfolded fully in 2009. While some companies streamlined their operations and right sized the workforce, others re-tooled their internal structures, overhauled their processes and significantly reduced cost, all with a bid to remain in business. In almost all of these instances, workers had to give up some benefits earlier enjoyed. In most cases, employees willingly agreed to significant pay cuts.

We started 2009 on an uncertain but optimistic note. We set out to implement a programme that was anchored on customer retention, business growth and expansion as a way of consolidating on the gains of change. We were also working with a consciousness of the possibility of stiffer competition that will arise from the entrance of new operators in the industry.

Looking at our general performance, we did not fare badly. The additional handling contracts with Delta Air, Egypt Air and Aero are signs of better things to come. We were able to commission the Port Harcourt Cargo Complex. We made progress with our equipment replacement programme with the purchase of a wide range of brand new Ground Support Equipment. Although we could not commence any of our proposed new businesses in 2009 due to the exigencies of the global economic recession, we remain committed to our business diversification programme because that is the foundation for the future of this Company.

Looking back at 2009, I can confidently say that God has been faithful to us. I salute all staff for their hard work and dedication, but we must not forget to give all the glory to God.

2010: PROSPECTS AND CHALLENGES

CHANGE OF ATTITUDE AND ORIENTATION

In 2009, we successfully re-branded the company. Today we are not just bearing the registered name (Nigerian Aviation Handling Company PLC); we have assumed a new brand name (nahcoaviance) that clearly points to our aspiration to become a global operator. Our strategic alliance with aviance, no doubt provided a fresh platform from which we could re-position our operations and improve public perception.

Although we have almost achieved a successful physical manifestation of our corporate re-branding in terms of the logo change and other brand identity assets, we all must work hard to ensure that the re-branding does not become a mere cosmetic change. *As we have changed externally, we must also change internally by also re-branding our thought patterns, our perceptions, our attitude and our customer service value orientation.* The re-branding, which in itself is a change process, must permeate every aspect of our corporate existence, especially the way we serve our customers and manage our stakeholder relationships. This is the only way we can maximize the benefits of the re-branding process and convince our clients that this is indeed a new era in nahcoaviance.

IMPERATIVES OF IMPROVED SERVICE DELIVERY

Ladies and gentlemen, the economic recession is still very much around and competition is not about to abate. In 2010 and beyond, quality service delivery, in all its ramifications, will not be a nice-to-do stuff; it will remain an existential corporate strategy and an organizational imperative which will make or mar us. Let us challenge ourselves that this year; we will all be customer service champions actively participating in the project of growing the business of the Company.

A Customer Service Guarantee Scheme, which Management approved in 2009, will finally kick off within the first quarter of 2010. It is aimed at building and entrenching a deep culture of quality service delivery in the company. We want to challenge ourselves to get it right the first time. In the third week of this month, the Company will hold its Strategic Management Retreat to map out strategies for our operations in 2010. The outcome of this will be communicated to you thereafter.

OUR 2010 FOCUS

Our theme in 2010 will be **MANAGING PEOPLE AND PERFORMANCE** (MPP). This Company will in 2010 focus on managing our people strategically to ensure that staffs consistently and effortlessly deliver excellent service in order for us to retain existing clients and win new businesses. We will also focus on managing performance by ensuring that top performers are duly rewarded and motivated, while laggards are sanctioned appropriately. Towards this end, the Board and Management of the Company will commit to providing the enabling environment that will allow employees to perform to the best of their ability. As far as the company's resources will allow, we will provide the working tools that are required for you to deliver value to our clients.

Some areas of our business and some of our key staff did not live up to expectations in 2009. In line with our MPP focus in 2010, I want to advise such individuals and Departments to re-double their efforts and renew their commitment to the company's objectives. Failure to do so will lead to a serious review of their continuous stay in the company.

My advice to you all is to key in into the emerging new culture of the company and be part of the MPP dream. We need a new culture; a new way of thinking and a new way of doing things in this company if we are to remain ahead of our competitors. As the great Spanish philosopher, George Santayana, said: "*One of the definitions of insanity is for us to continue to do things in the same old way and expect new results*". For MPP to work, we must change our ways and come up with new ideas.

STAFF WELFARE

This will continue to be our priority as Management needs not to be reminded that the people factor is key to corporate success. Despite the harsh operating environment, we are determined to offer every staff the opportunity to flourish, blossom and have a fulfilling career in nahcoaviance.

Housing Allowance: As a proof of this, I have directed the CFO to pay the Housing Allowance in full to all staff as part of this month's salary. Although the total budget for this is huge, at well over N300million, Management will go ahead and pay.

Annual Salary Increase: On the annual salary increase, I have also directed the Head of Human Capital and Administration to open discussions with the Executives of the local branch of the Staff Unions towards reaching a mutually-beneficial position which will be presented to the Board of Directors for approval.

I sincerely hope all of you will realize that these payments are being made at a time many companies of co-ordinate status like ours are either retrenching staff or seriously cutting down on staff benefits. Therefore, to whom much is given, much is expected. The only way we can justify these payments and other welfare packages is to continue to delight our clients so that they will stay with us and also bring more businesses.

CHANGES IN ORGANISATIONAL STRUCTURE

In order to strengthen Senior Management and effectively support operations, the Board of Directors has approved the recruitment of three Top Management staff. The Executive Director Finance and Strategic Planning will assume duty in February, while the COO and the Executive Director Operations will join us later in the year. These recruitments, which are aimed at beefing up the company's operations, improving profitability on the long run and ultimately preparing it for its business expansion project, will lead to a change in its Organisational Structure.

Finally, I want to admonish that we all commit our ways into the hands of God so that He will continue to lead us aright and prosper our endeavours. We cannot achieve anything by our own wisdom or strength or might; it is the grace of God that can see us through.

I wish you a successful 2010.