



MCA Awards 2018 Highly Commended

Strategy

Arup with Saudi Aviation IT (SAVIT)

In April 2016 Crown Prince Mohammad bin Salman of the Kingdom of Saudi Arabia (KSA) announced details of Saudi Vision 2030; a sweeping set of economic and social reform programmes aimed at diversifying the country's revenues from oil to other industries. One of these is the National Transformation Programme (NTP), which is aimed at reducing the size of the vast public sector in KSA by attracting foreign investment. The NTP was launched across 24 government bodies, with 178 separate strategic objectives and a total estimated cost of \$70 billion.

Aviation is a key sector in the raft of planned NTP privatisations. The General Authority of Civil Aviation (GACA) was looking to transform and centralise its IT operation, which serves all 27 of KSA's civil airports. These include its four major international airports at Jeddah, Riyadh, Medinah and Dammam that collectively serve over 68 million passengers a year; more than the population of the UK. The corporatisation into a new entity, Saudi Aviation IT (SAVIT), is intended to reduce costs, stimulate innovation and raise the quality of passenger service, generating value through developing intellectual property (IP). It also keys into several NTP objectives, such as increasing the IT industry's contribution towards non-oil GDP and raising Saudi skill levels to match labour market needs.

The creation of SAVIT was envisioned to bring provision of IT services at Saudi airports to the cutting-edge of technology and help transform the passenger experience. Privatisation would enable investment in the kind of IT infrastructure that has made flying from airports, such as Heathrow, an easier and more seamless experience in recent years.

The interim team set up by GACA commissioned Arup to develop a five-year strategy for GACA IT prior to its corporatisation as SAVIT in January 2018. The strategy would define SAVIT's value proposition and delivery plan, and include a high-level financial model for the new entity. Arup's team included specialists in aviation IT systems, strategy formulation and privatisations, and financial modelling.



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SAVIT will formally begin operations in January 2018, and take over the supply of IT services to Saudi airports. Arup's intervention at a critical moment for the nascent organisation has had a powerful impact on its proposed business strategy, using international best practice to support its recommendations for a value proposition, along with a five-year, three-stage plan for its delivery, and a financial model.

The Arup team produced a roadmap for transforming a government department into a lean, driven, innovative and collaborative enterprise capable of transforming the passenger experience of Saudi airports.