



'We're coming to the fore – it's our time'

The future isn't about designing more things. It's about designing the things we've got to give more. Keith Clarke, chief executive of Atkins, believes the people who are going to help you do that are engineering consultants. He tells Denise Maguire why

You've been credited with turning the company around. How did you go about it? Atkins was following what many people at the time were doing, which was trying to please the market by being something they weren't. Just by saying, why don't you do what you're actually good at as opposed to getting involved with support services – that's what turned the business around. I do think there are some very good support services firms, there's nothing wrong with it as a business; we just weren't very good at it.

So it was all about going back to the firm's traditional expertise?

Exactly. The tradition of the firm is deep engineering and at the time we still had 14,000 very good engineers and architects and planners. We started to invest more in training and in people and then we started focusing on having local businesses with empowered management. And that's the big change we're now at. Also, it's ridiculous we don't have more senior women in our business. I think all companies and institutions are to some degree uncomfortable

with an image of themselves as they are and it's not that people are particularly racist or sexist or nationalist. Unless you force the issue of awareness you hire people that look like you. If you've got white males doing the hiring, without them being particularly overly prejudiced, you end up with a lot of white males like me. We now have a much more diversified board and we're going to have more women and more ethnic diversity in our business.

How successful is the Irish arm of the business?

We had moved a lot of our work to our Irish business. That obviously fell off but our Irish business was tremendous in responding to the recession, showing enormous flexibility in working outside of their normal culture.

Is there scope for any acquisitions in 2011?

We've just bought a big engineering company in America called PBSJ. We now have a local business in America with local management, we have a local business in the UK, a local business in Singapore, Hong Kong, Beijing and through the Middle East. I think that's the way for engineering in the future. You have to be deeply local, you've got to be permanent and you have to be able to support it with technology and knowledge from around the group when you need it. Engineering companies aren't very good if you try to centralise them. We're the opposite of supermarkets; if I ran a supermarket I would tell you where to put the baked beans. Your job is to make sure the guy putting the baked beans on the shelf is a happy camper but other than that you have no choice as the local manager. In my engineering business, you're the person who is talking to the client, you're the person on the ground selling the service, you're the person that's answering the questions.

Some firms might disagree with you on that one

It never used to be fashionable to say that. Everyone was meant to be some kind of global outsourcing something or other. We are a professional service company. We sell professional people which means we sell judgement. It's still not quite fashionable but whether it's fashionable or not, that's the truth. That's what people want to come to work to do. They don't want to come to work and be part of a process.

What's your own background?

I always think of myself as a failed architect – if I was any good I'd still be doing it. I practiced for a few years and then went off to work in New York. I worked for a developer and then ran a big contracting company.

What's the market like in the UK?

There's not a lot going on in the UK. There is a significant commitment from the government to spend £200 billion over the next five years in green sustainable infrastructure which we think is the first time the UK government has ever set out any coherent plan for coordinating the infrastructure of the nation. It bears witness to what we've been saying for the past few years – there's going to be more thought, less concrete and more sweating of assets. The future is not designing more and more things, it's designing the things we've got to give you more. It's no longer "I've got some money so I'll build another road" – it's making the road you've got carry more people more predictably. Maybe not quicker but more predictably.

Do you see it as a way out of recession?

Definitely, it's one of the ways out of recession. There's no point coming out with an economy that's not fit for purpose for the future and the people who are going to help you do it are engineering consultants. We're coming to the fore. It's our time. The idea that you can go back

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to using energy like it has no cost is an absurdity. To regenerate the economy without understanding the constraints of a decarbonised society is absurd. You will come out and in five years you'll have a bigger problem than you have now. You can spend a lot of money solving this problem now or you can spend a lot more money later; the risks of even being able to do that successfully increase materially as you delay.

So sustainability is still high up on Atkins' agenda?

Well decarbonisation is embedded in the thought process of the UK's infrastructure plan as opposed to the sustainability argument. I'm a great fan of sustainability and it's not that they were wrong. It just didn't work. If it worked we wouldn't have climate change. The whole decarbonising programme is making the market more perfect. You're just making the environmental effects of it long term and anticipated and eventually by rationing or pricing, you're limiting the use of things that generate greenhouse gases. All you're really doing is making the market more perfect because that should have been in the price anyway. In no sane world would you take oil and use it to heat a house. It's just bizarre. In a sane world there's no way you'd take water, pump it around the country, treat it, have it turn up in a house as potable water and use it to flush your toilet.

Is this something you've always been interested in?

I think it has become a focus for me certainly. If you think about it, how many people were talking about climate change seven years ago? A lot of people talked about sustainability but we're one of the slightly earlier people that said we wanted to design carbon out and we wanted to embed that in all our products. I don't think we're there yet. I think it's a complex journey. We need to get to the point where we don't have air conditioned rooms with fans as it has been designed out. I'm a great believer that we're not going to solve climate change by not doing things. We're not going to do it because we're not going to go out at night and go to the theatre and go to the movies and go on holidays. It might be that flying becomes expensive, but we're not going to stop. We're not going to stop driving to our parent's house because it's 20 miles away – we might be driving an electric car and there might be a carbon tax on it, but we're not going to stop. You cannot tell society to stop and sit in the corner. What an exciting world for engineers. But if you're not comfortable with change it's going to be a nightmare.

Apart from PBSJ, are you doing any other work abroad?

We are doing the largest clean up of an oil refinery site in Europe; that's in Wales. We did the design for the clean up work for the Olympics site which was under budget and on time. The next biggest market for us is definitely America – there's massive potential over there. They're going to spend billions on infrastructure. After that then it'll be the Middle East. We've always said that market will come back, but very slowly and that's exactly what's happening.

Thanks for your time Keith

My pleasure. ■