

Our Strategy

Overview

What we do



Vision



Objective



Strategy

- A multi-skill, multi-local strategy of Identity+Excellence
- To operate as an engineering and design consultancy in a number of local markets addressing priority sectors with high-performing businesses.

Priorities

High-performing businesses

To have a portfolio of high-performing businesses

Each business to continue to improve the quality of its skills in its local markets, developing capabilities and driving efficiencies – forging deep client relationships.

Addressing attractive sectors

To have the breadth and depth of skills to address increasingly complex projects, increasing revenue in priority sectors

Maintaining or acquiring strong technical skills in robust markets and focusing resources from across the whole Group on exploiting opportunities in sectors such as mass transit, nuclear and renewables.

Market opportunities

To have several home markets where the business is a market leader

Organic investment and acquisitions to strengthen our market position in our existing geographic markets and elsewhere.

Imperatives

Technical excellence

We constantly strive for excellence and harness the range of skills that the Group possesses to answer our clients' questions better.

Carbon critical design

We are aiming to embed low-carbon design in all our work as a fundamental design parameter.

Health, safety, diversity

We set our own challenging targets for health and safety. Innovation is important for success. Our ability to look at new ideas requires us to approach issues from several points of view, so diversity among our teams is essential.

Flexing resources

Having a flexible resource base means the ability not only to react quickly when market conditions change but also to move work to where the Group resources can most effectively deliver it.

Business improvement (people, projects, cost)

Improving every aspect of our operations remains an ongoing imperative.

Our Strategy

continued

Our vision is to be the world's best infrastructure consultancy and we have a clear strategy to achieve this.



What we do

Plan, Design, Enable is the simplest articulation of what Atkins does for its clients.

Plan – The challenges facing our clients are multidimensional, often because of the increasingly complex modern environment. From cost and risk planning, feasibility studies and logistics to impact assessments and stakeholder engagement activity, we plan every aspect of our clients' projects.

Design – Atkins designs intellectual capital such as management systems and business processes. We also design physical structures such as office towers, schools, bridges and highways. Whatever we design, we always apply passion and creativity combined with rigorous quality standards.

Enable – Our clients choose Atkins because they want to focus on their core operations. They trust us to look after the management of projects, people and issues – ensuring that deadlines are met, costs are controlled and success is delivered.

Vision

Our vision is to be the world's best infrastructure consultancy.

'World's' means that we will develop deep local expertise in certain targeted geographies. We aim to be recognised as the best infrastructure consultancy in our chosen geographies because of the projects and service we deliver. We will not be global, with offices everywhere, although our multi-national reach will be extensive.

'Best' means that we will be close to our clients, anticipating their needs, developing long-term relationships and winning repeat business. We aim to help answer questions our clients don't know they need to ask. We will help them to define those questions. Our values will govern the way we carry out our work – with integrity and respect, always striving for excellence. We will not necessarily be the biggest or broadest – although this may be one consequence of our success.

Our skills lie in the expansive area of **'infrastructure'** – the wiring of society – encompassing buildings, transport and utilities (including power and water), as well as work for national and local governments and other industrial clients. The social and environmental framework, combined with our social policy planning skills, is also important; it is essential that we view all of our projects in the context of the communities in which they will be undertaken.

'Consultancy' means that we will operate a business based on selling advice and expertise. We are not a developer, construction company or generalist outsourcer. We do, however, have the financial status and commercial skills to successfully engage in the wide variety of contract forms that clients increasingly demand.



For more information
about what we do visit
www.atkinsglobal.com/showcase

Objective

Our primary objective is to create long-term shareholder value measured by growth in normalised diluted earnings per share. We need to maximise the return we generate for shareholders by successfully operating in appropriate markets with the resources available to us.

We remain confident that our core activity, that of professional design consultant serving the built environment, will enable us to continue to be a successful company. We believe our objective can be best achieved by continuing to develop the current business model of predominantly professional consulting – Plan Design Enable – with the ‘enable’ part generally limited to activities such as management of road maintenance and rail signalling where our technical expertise gives us a competitive advantage.

Strategy

We will achieve our vision through our multi-skill, multi-local strategy of Identity+Excellence. The strategy entails operating as an engineering and design consultancy in a number of local markets, serving priority sectors with high-performing businesses.

The three principal priorities of the strategy are:

High-performing businesses

Our decentralised organisation, which empowers local management, allows businesses to be largely autonomous whilst also having the capability to leverage resources from across the Group.

Our businesses drive competitive advantage at a local level, where deep local relationships are forged.

Each business will continue to improve the quality of its skills in its home markets, developing capabilities and driving efficiencies. At business unit level the strategy remains to ensure we maintain a deep understanding of the skills demanded and offered (Identity) and to deliver these to a degree of quality which keeps us competitive (Excellence). We refer to this as ‘Identity+Excellence’.

Addressing attractive sectors

Applying the multi-skill approach in several home markets means that resources and skills from across the whole Group can be focused on exploiting opportunities.

Areas such as energy and mass transit demand investment and collaboration across businesses. We will utilise Group resources to address these areas.

Market opportunities

The multi-local approach means having several home markets where our business is a market leader.

Geographic markets outside the UK present attractive opportunities for further growth. Acquisitions and organic investment will be considered to strengthen our market position in our existing geographic markets and to establish Atkins elsewhere. The Group has the resources to undertake material acquisitions if the skill-set and cultural fit are right.

Market position

The majority of our business is in the UK, which remains the core market for our activities. Our existing businesses outside the UK present attractive opportunities for further growth. The huge potential outside the UK includes areas where we are well established such as the Middle East, which despite recent liquidity issues, represents a significant growth opportunity.

We have strong technical skills in a number of robust markets where quality is a significant determinant for selection:

- In the UK we have niche positions in numerous markets and have a material market share in our chosen sectors. We will continue to invest in management and to deepen our skill base. We will continue to position parts of the Group for growth, whilst in other areas undertaking controlled reduction or exit of businesses, or structuring ourselves appropriately for any downturns in activity.
- In the Middle East we will continue to add niche skills and prepare for the economic upturn.
- In Asia Pacific we will continue to invest in China to take advantage of opportunities as the market opens up, recognising that it could be several years before material growth is achieved. In Hong Kong we will broaden our spread of activity beyond a principally transport-biased platform.
- In Europe we will continue to develop our local businesses, focusing particularly on opportunities in Scandinavia which build on our rail expertise.
- In the USA, Faithful+Gould and our oil and gas businesses provide the organic growth focus. Skill additions remain possible.
- Other geographic areas will continue to be reviewed.

Our Strategy

continued

Imperatives

We have identified a number of imperatives within the strategy.

Technical excellence

Atkins has a huge range of technical skills, evidenced by the vast array of services that the Group offers. Our drive for improvement and growth has been organic, although supplemented by targeted bolt-on acquisitions. We have continued to make good progress in acquiring new skills and extending our capabilities in recent years.

Our ability to mobilise multidisciplinary teams and deep expertise from around the Group for local projects is a demonstrated capability that we have continued to successfully develop.

We constantly strive for excellence and harness the range of skills that the Group possesses to answer our clients' questions better.

Carbon critical design

As all major world economies struggle with the transition to low-carbon operation, a number of challenges and opportunities arise for firms at the forefront of infrastructure design.

Our carbon critical design programme is producing new ideas and ways of working. We are aiming to embed low-carbon design in all our work as a fundamental design parameter.

Health, safety, diversity

We set our own challenging targets for health and safety and our performance remains better than industry performance as compiled by the Health and Safety Executive (HSE) in its Labour Force Survey. We are keen to continue to improve, by expanding our safety leadership programme and reducing our tally of manual handling accidents, which account for 40% of serious accidents in construction. We also actively encourage the reporting of incidents and near-misses as a positive step towards accident prevention. All our operations are covered by OHSAS 18001 and we have achieved certification to the revised standard OHSAS 18001:2007. We achieved a Group-level RoSPA Gold award for the first time. In addition, our Highways and Transportation business received a Gold award for the fifth consecutive year and Asset Management achieved an Order of Distinction for the 23rd year running.

Innovation is important for success.

Our ability to look at new ideas requires us to approach issues from several points of view and therefore diversity among our teams is essential to drive the rate of innovation. It is also essential that we attract, retain and develop talented individuals who reflect the diverse nature of the areas in which we work. Success in this regard is critical for us in order to build a balanced workforce to meet our clients' needs, to broaden our skills base and to address a growing skills deficit in the science and engineering disciplines.

Flexing resources

Having a flexible resource base means the ability not only to react quickly when market conditions change but also to move work to where the Group can most effectively deliver it. The Group is agile and flexible enough to continue to hire as necessary and shrink where required to maintain levels of performance. Our local management teams are also able to draw upon the Group's wide range of skills and resources to leverage capability from one region to another – collaborating and sharing knowledge across the Group.

Business improvement

Improving every aspect of our operations remains an ongoing imperative. We constantly aim to become more efficient in everything we do to deliver cost-effective solutions for our clients. We draw on the talent of our people and enhance their capabilities, driving efficient project management in our principal activities.



See pages 36 to 41 for our
Human Resources Review



See pages 42 to 50 for our
Corporate Responsibility Review