

Human Resources Review

Our people

Continued

Employee engagement

During the year, we continued to invest in and develop two-way internal communications channels to enable us to share information to inspire, motivate and engage Atkins staff around the world and to receive their feedback. In particular, we hosted a conference for 500 live delegates and 9,000 online delegates to explain our vision to be the world's best infrastructure consultancy and to reinforce our strategy of Identity+Excellence. We have also launched a new intranet news centre which has enabled us to deliver better quality information to staff in a more timely, appealing and accessible multi-media format. Penetration statistics show that significantly more people are receiving information about Atkins than in previous years. Staff therefore have a greater understanding of our vision, strategy, performance, values in action and Group achievements than in previous years, which contributes to our objectives of motivating and retaining staff.

Most significantly, we measure employee engagement across the Group via our annual Viewpoint survey, an online survey open to all staff in the Group. This was completed by 77% of staff and showed an improvement in the employee engagement index for the third consecutive year. An employee engagement index of 75 represents excellent performance. Furthermore, our performance in each of

the 10 principal criteria is now well above the benchmark for the organisations which use this survey. Our performance improved for each of the 10 factors and for 29 of the 30 detailed questions.

We were delighted to maintain our position in the UK's Sunday Times Top 20 Best Big Companies award with an improved ranking of 10th. This was particularly pleasing since 2,500 of our UK staff were invited to take part in this anonymous survey, which is important in allowing us to compare our performance against other leading employers in our sector and more widely.

Investment in people

The skills and capabilities of our people are key to our success. A high priority is placed on learning and development with an annual investment in training of over £20m during the year. More than 8,000 delegates attended Group programmes (an increase of 10% on the year before).

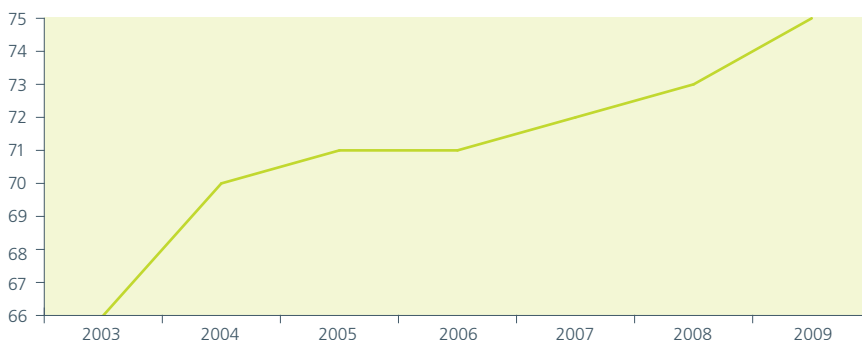
Our portfolio of programmes was enhanced to ensure that they addressed the key issues of Carbon Critical Design and diversity. New and updated programmes were introduced including, for example, a course on the leadership of virtual and remote teams in recognition of the fact that many projects now span geographic as well as internal organisational boundaries.

We have improved our graduate development programme, responding to the results of a review undertaken one year ago. The review highlighted many examples of exemplary practice, but also some areas where we needed to do better, particularly in ensuring the consistency of our delivery against the 'promise' that we make to new graduate trainees. This is particularly important given both the size of our graduate trainee population, which now exceeds 1,000 staff, and their importance to our future.

We have reviewed the training arrangements for all graduate trainees in conjunction with our staff and the major professional institutions, and have taken action to strengthen these where necessary. We have set up internal forums to bring together both graduate trainees and those responsible for their development to ensure that good practice is shared and high standards are maintained. We have also received accreditation for an Atkins Further Learning Programme by the Joint Board of Moderators to aid the progress of graduates with bachelor degrees to chartered status.

During the year we also created 11 technical networks to encourage excellence and professional development in the areas of: tall buildings; geotechnical engineering; carbon critical buildings; commercial due diligence; masterplanning; strategic and policy planning; structural engineering; tunnelling; bridge engineering; internal project management; and geospatial and integrated digital solutions. Each network is chaired by one of Atkins' most experienced professionals in each of the disciplines.

Employee engagement index



Top 50

Places Where Women Want to Work
The Times, 2008

Winner

National Graduate Recruitment Awards, Construction and Civil Engineering Sector
Target Magazine, 2009

In addition, through our University Liaison Directors programme, our engagement with universities has continued to grow and develop. Atkins currently has relationships with 16 universities in the UK, 10 in the USA, two in China, two in Singapore and one in Dubai.

Reward

We continue to monitor our remuneration practices to ensure that we reward people competitively in each of the markets and regions in which we operate. During the year, we saw a significant decline in wage inflation and took a decision in January to defer the annual Group-wide salary review from April to October 2009. This should allow us to take considered decisions regarding pay levels against a more stable and predictable outlook than would otherwise have been the case.

In the context of the decision to defer the annual pay review, our executive directors and chairman have waived 10% of their monthly salary payments from 1 April 2009. In addition, in response to local market conditions, a 10% pay reduction has been implemented for staff in the Middle East and Ireland, taking account of significant pay deflation in these markets.

We reviewed the operation of our bonus and incentive arrangements, which we believe continue to operate well and effectively, against current best practice. Our executive bonus scheme now covers more than 800 people. In addition, approximately 30% of our staff will benefit from a discretionary bonus award to recognise individual contribution and performance.

We have made additional progress with the restructuring of the Group's defined benefit pension arrangements with a further reduction in the number of members accruing benefits in the Atkins pension plan in the UK and the closure to future accrual of the McCarthy plan in Ireland.

Finally, we have commenced consultation with approximately 400 staff in the Atkins section of the Railways Pension Scheme to provide a voluntary lower-cost option as an alternative to significantly increased member and employer contributions.

These actions together with previously announced increases to employer contributions have significantly reduced the risks associated with our defined benefit liabilities.

Diversity

Atkins operates as a local company which needs to reflect the diversity of its community in several regions and which recruits from most parts of the world. We assemble teams which cross geographical and cultural boundaries and compete for skilled staff in highly competitive markets, so we need to ensure that we are making the most of the varied talents of our people. During the year we held diversity training sessions for the Board and Group Executive.

We have made progress in several areas through internal initiatives and through our collaboration with clients and with national organisations.

Of particular note is our collaboration with the Olympic Delivery Authority (ODA) where we have worked closely with colleagues in the ODA, the London Organising Committee of the Olympic and Paralympic Games (LOCOG) and other delivery partners to ensure that we reflect the diversity objectives of the Games in the work we undertake and in the Olympics supply chain. This has included support for a diversity week run by ODA and LOCOG to which we invited a Paralympics sailing team to share their experiences with our project team; community engagement to raise money to send 250 London children to a Stoke Mandeville sports camp; and the development of a diversity education programme to be rolled out across Atkins using a theatre company.

Atkins has hosted a number of supplier events jointly with the ODA to encourage more SMEs to do business with us and is currently working with the London Development Agency and LOCOG to maximise the benefits of a self-assessment tool – 'Diversity Works for London'.

We have forged closer links with Scope, a charity working for disabled people's equality, and have recruited our first graduate trainee through their leadership programme. We have also taken on our first recruits through Total Support, an employment agency which specialises in placing people with disabilities or requiring rehabilitation.

Our business in the Middle East employs staff of over 40 different nationalities and in the UK we continue to work closely with the UK Resource Centre for Women in Science and Engineering to contribute to the government's agenda for increasing participation in engineering and science professions.

Encouragingly we are seeing a shift in attitudes and clear evidence of progress with increasing numbers of women represented at most levels of the organisation but realise we have a journey to complete.