

**Balfour Beatty**

# update

THE MAGAZINE FOR ALL OUR PEOPLE

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ISSUE ONE 2011



## LEAVING A LEGACY

How sustainability is built into our DNA

### **HONG KONG**

West Island Line keeps  
the community onboard

### **CANADA**

Designing a green future  
for Ottawa

### **NEW ZEALAND**

Turning up the power  
on the North Island

### **UNITED KINGDOM**

Nature lovers buoyed by  
Brockholes opening



# INSIDE

## Welcome to Issue One 2011.

It is a word that's overused, misunderstood and often misused. At Balfour Beatty, we're clear what sustainability means. This issue of *Update* reveals how our employees have embraced sustainable practices in the work they do around the world. As Jonathan Garrett puts it in our cover story (page 10): "I challenge anyone to not find something that interests them."



**At Balfour Beatty, we're clear what sustainability really means**

A flick through the following pages reveals how a sustainable philosophy runs through everything we do, from minimising community disruption in Hong Kong (page 14) and Twitter

transport alerts in Scotland (page 29) to power grid upgrades in New Zealand (page 26).

Sustainability lies at the heart of long-term success for our business. It's fitting, then, that we explore where in the world – and how – we're likely to grow over the next decade (page 22).

For us to achieve our vision to create a truly sustainable company for the future, we need a culture that unites our 50,000 people around the world. On page 32, you can read more about how our thinking sets us apart from the competition, and what makes us – in the real sense of the word – unique.

Inside, you'll find a reader response card. As always, we welcome your ideas on how we can improve your magazine – the best three will win an iPod shuffle. We hope you enjoy the issue.



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### Sustainability

Exploring the Group's shared enthusiasm for embedding a sustainable culture



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**Data centres** How Balfour Beatty is protecting many organisations and firms across the world from losing vital information



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With many countries increasing investment in infrastructure, where next for Balfour Beatty?



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**Power** Minimising community disruption is a major priority for New Zealand's North Island Grid Upgrade Project



Cover image: Seventh Street



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The people, projects, places that make up our world.  
Read more at [update.balfourbeatty.com](http://update.balfourbeatty.com)



## 01 US: San Francisco drivers get virtual preview

California will be home to the \$1 billion Presidio Parkway in 2014, when the Bay Area road project opens. But an interactive, arcade-style simulator, designed by Parsons Brinckerhoff, is already giving drivers an idea of what the new road, part of the Golden Gate Recreation Area, will be like.




## 02 US: Green initiatives land Armstrong yellow jersey

The headquarters of the Lance Armstrong Foundation in Austin has been named as one of the world's Top Ten Green Projects for 2011 by the American Institute of Architects' Committee on the Environment. The former 1950s paper warehouse was renovated and refitted in 2009.



## 03 Switzerland: Tunnel on track

Construction work on the world's longest rail tunnel has reached another significant milestone with the successful laying of the first section of track. Around 16km of slabtrack has been put down in the Gotthard Base Tunnel, which when completed will reduce the journey time between Zurich and Milan by 60 minutes.

**30**  **to 8 minutes**

## 05 Hong Kong: Cutting the commute

The tram journey time from Kennedy Town to Sheung Wan in Hong Kong will be slashed once the West Island Line is complete. See page 14 for the full story.



## 06 THE USE OF RECYCLED WASTEWATER FOR AN INDUSTRIAL PROCESS REPRESENTS A SIGNIFICANT STEP FORWARD

Ian Cameron, Principal Water Engineer, on the US\$2.39 million Parsons Brinckerhoff project to build the Dalby Wastewater Recycling Plant in Queensland.

## 07 • TAUPO, NEW ZEALAND



## 07 New Zealand: Full steam ahead

Te Mihi, a power project to tap into the North Island's geothermal energy, is one of the country's most exciting infrastructure schemes. Parsons Brinckerhoff is part of a consortium delivering an engineering, procurement and construction contract to build two, 83-megawatt units that will replace the existing 50-year-old power station.



**21.4m**  
MAN HOURS  **ZERO HARM**

## 04 UAE: BK eliminates safety Gulf

Across all its projects, BK Gulf clocked up 21.4 million man hours without a reportable incident between October 2009 and November 2010, and won the MEP Middle East Health and Safety Achievement Award in December 2010.

**4,026**  
tonnes

## 08 UK: Birmingham saw the heaviest bridge move ever

to be undertaken in Europe as a 4,026-tonne structure was 'driven' into position using 12 self-propelled transporter units. The new 70m structure forms part of the Selly Oak New Road project.



## 140 OR LESS

BALFOUR BEATTY'S NEW UK CUSTOMER SUPPORT CENTRE BY DIRECTOR OF OPERATIONS **IAN DAWSON**

POSTED BY IAND@ 2:06PM

**Q. What is the main objective of Balfour Beatty's new Customer Support Centre (CSC)?**

**A.** To deliver professional shared services – such as payroll and supply chain management – to our customers at Balfour Beatty.



**NEWCASTLE HAS A SKILLED AND FLEXIBLE WORKFORCE**

**Q. How are you different from the rest of the Group?**

**A.** Accounting and payroll can be considered a back-office task. For us, it's front office and it's our business to deliver these services effectively and efficiently.

**Q. Tell us about your career before Balfour Beatty**

**A.** After studying engineering at Newcastle University, I spent 17 years at Procter & Gamble in various roles. Before joining Balfour Beatty, I worked at IBM.

**Q. What excites you about this role?**

**A.** I'm passionate about creating a centre committed to great customer service, and one that embodies the values of Balfour Beatty.

**Q. What have you learnt so far about the Group?**

**A.** Mansell, Romec and Balfour Beatty WorkPlace fitted out the CSC. It showed our ability to collaborate, and it's that ethos I want to carry forward.

**Q. Who is the CSC currently working with?**

**A.** We are working with six

operating companies and we plan to extend these services to a further six.

**Q. What benefits will the new centre bring to employees?**

**A.** Improved efficiencies – employees will be able to carry out routine day-to-day tasks more efficiently and easily.

**Q. How will the CSC improve customer efficiency?**

**A.** For all queries, employees will ring one number. If we cannot answer the query straightaway, a case will be created to ensure the issue is addressed promptly.

**Q. Why did Balfour Beatty choose to locate**

**the office in Newcastle?**

**A.** The city has a skilled and flexible workforce and it has the best supply of buildings in the UK for our needs.

**Q. What does this business mean for the local community?**

**A.** It effectively brings new jobs to the area. These are relatively skilled positions in accountancy, payroll and category management.

**Q. What does the near future hold for the CSC?**

**A.** We have started the shared services journey and, while there is a long way to go, I am immensely proud of the progress we have achieved in a relatively short space of time.

# 180,000 tiles

The final tile has been laid at the Aquatics Centre, one of the main venues for the London 2012 Olympic and Paralympic Games. Balfour Beatty built the centre and 30 bridges at the site. See [update.balfourbeatty.com](http://update.balfourbeatty.com) for the full story.

# 15 million litres of water



## Double celebration

Scotland is celebrating a transport double, with the opening of two vital road and rail links that are set to transform access, ease congestion and boost the economy.

The £445 million extension of the M74 in Glasgow is set to open in June, almost nine months ahead of schedule. The five-mile stretch of road will link the M74 from where it currently ends, at Fullarton Road Junction near Carmyle, to the M8 just west of the Kingston Bridge.

Balfour Beatty is part of the Interlink M74 Joint Venture, alongside Morgan Est, Morrison Construction and Sir Robert McAlpine.

The country's Finance Secretary John Swinney, who was the first non-construction worker to travel the length of the road when he visited the site in March, said: "The new route will provide improved access to economic, employment and education opportunities for the people of Scotland. It

will also bring enormous potential for further urban regeneration programmes in the west, many of which are already in development."

The motorway development is part of a huge infrastructure update of the country's transport network, which also includes another Balfour Beatty project – the new upgraded rail link connecting Airdrie in the west of the country and Bathgate in the east, which opened in December last year.



**THE NEW ROUTE WILL BRING ENORMOUS POTENTIAL FOR FURTHER URBAN REGENERATION**

**John Swinney, Scotland's Finance Secretary**



### Women at work

Balfour Beatty is working to boost the number of Liverpool women working in construction.

Working as part of the Liverpool City Region Apprenticeship Scheme, the project provides girls and young women with work experience, as well as visits to local schools and construction sites.



### Going native

As part of Balfour Beatty's Environmental Forum, a team of employees recently teamed up with the Woodland Trust at its Grantham HQ to exchange knowledge and ideas. As a result of the meeting, 40 trees were planted. See **update.balfourbeatty.com** for the full story.



### Helpline launched

Balfour Beatty has launched a whistle-blowing helpline at [www.bbethicshelpline.com](http://www.bbethicshelpline.com).



# ‘Green’ barracks recognised and heroes remembered

A \$24 million (£14.8 million) barracks for injured soldiers, built by Barnhart Balfour Beatty (a division of Balfour Beatty Construction US), has won a top green design rating. The Wounded Warrior Barracks at Marine Corps Base Camp Pendleton, California, has earned a LEED Platinum certificate from the US Green Building Council and the Green Building Certification Institute.

The eco-credentials of the project are based around cutting energy and water use, and reducing waste. Energy savings total 38 per cent, water savings within the building add up to more than a third, and water efficiency in the landscaping has been improved by 66 per cent, according to the LEED rating

system. A massive 878 tonnes of waste have been diverted from local landfill sites.

### In remembrance

A memorial to fallen US soldiers has been unveiled at Fort Bliss, Texas. Conceived and funded by the Balfour Beatty Communities Foundation, the granite wall includes remembrances of a total of 53 fallen soldiers.

“Our fallen soldiers have made the ultimate sacrifice in their service of our country, and dedicating a memorial in their honour is a gesture that we hope will bring some comfort to their families and friends,” said Chris Williams, a Director and Officer of Balfour Beatty Communities Foundation and the Division President for Balfour Beatty Communities.



Built on behalf of The Lancashire Wildlife Trust, Brockholes visitor centre, near Preston in the UK, was officially opened in May. The centre at the 106-hectare nature reserve is the first building of its kind in the UK. Balfour Beatty Regional Civil Engineering constructed

the floating pontoon on which the centre sits and Mansell constructed the visitor centre itself. The 5,700-tonne structure has two drawbridges and carries the centre’s restaurant, shops, education room, conference facilities and an exhibition.

Photography by Luke Butcher www.luke-butcher.com

## Helping out in times of crisis

Disasters – natural and humanitarian – dominated the headlines in the first half of 2011. In the countries affected, Parsons Brinckerhoff employees were united in their efforts to make a positive contribution to communities in need.

In February, a 6.3-magnitude earthquake struck New Zealand, causing devastation in Christchurch and the surrounding areas, leaving nearly 200 dead.

A number of employees were trapped inside their office for many hours, but fortunately no one was harmed. Many staff throughout the country offered housing and transportation to those in need.

In Libya, Parsons Brinckerhoff people joined forces to evacuate all employees, led and co-ordinated by Darren Evans, the Safety, Health, Environment & Security Manager in the Middle East.

And with the impact of the earthquake and tsunami in Japan, and floods in Australia ongoing, employees have made generous donations to charitable organisations around the world. The Parsons Brinckerhoff Foundation in the US and the UK, played a leading role in co-ordinating efforts, matched donations made by staff.

For more on this story, see [update.balfourbeatty.com](http://update.balfourbeatty.com).



## Good Fortune

For the second consecutive year, *Fortune* magazine has placed Balfour Beatty Construction US on its prestigious “100 Best Companies to Work For” list.

Robert Van Cleave, Chairman and CEO, spoke to *Update* about the award: “I was elated when I heard the news. I don’t know if I was surprised, but I was excited that we were recognised externally, and that our employees came through with such a loud voice.

“There are great companies out there; you have to be on your A-game to compete. You have to do it every single day with every single employee. One of the things we’ve learned is the importance to employees of recognition for their achievements and the effort they put forward each day. People don’t leave companies, they leave managers, so it’s a one-on-one



## THERE ARE GREAT COMPANIES OUT THERE; YOU HAVE TO BE ON YOUR A-GAME TO COMPETE

effort to ensure people are excited to be with you.

“We didn’t rest on our laurels when we made the list last year. It doesn’t matter if you’re the lion or the gazelle, you have to jump up every morning, running. Managers and the business continued to strive to improve the great place we have to make it even better.”

See the full interview at [update.balfourbeatty.com](http://update.balfourbeatty.com).



# Life as we know it

Sustainability is woven into the fabric of every part of the Group – and people share a passion for what they can achieve through collaboration

**S**ervicing piling rigs is a dirty job. Parts have to be stripped out and oil exchanged, leaving thousands of litres of waste oil to be disposed. It's also work that can only be done in buildings the size of aircraft hangars, which need a lot of heating. Paul Leafe, Plant Manager, and Andy Pickering, Workshop Supervisor at Balfour Beatty Ground Engineering, considered both the waste oil and heating needs and thought 'can we combine the two?'

Research showed this would indeed be possible, and a heating system has now been installed that runs on waste oil. On top of the positive environmental impact of reusing waste and reducing transport emissions, cost savings of approximately £7,500 a year have been achieved. "The whole thing came out of their awareness of their business and thinking 'what could we do better?'" explains Ian Davis, Quality Adviser.

This initiative is a classic example of sustainability in action. "A lot of people associate

**“SUSTAINABILITY IS ABOUT LEAVING A LASTING POSITIVE LEGACY THROUGH OUR PROJECTS**

sustainability with carbon and the environment," says Jonathan Garrett, Group Head of Sustainability. "But it is also about winning more work through sustainability. It's about leaving a lasting positive legacy through our projects, which we refer to as healthy communities. The environment side also extends to waste, water and materials, which are costs to our business. The agenda is very broad. I challenge anyone to not find something that interests them," he explains.

## Sustainability vision

Balfour Beatty set out its sustainability vision, and the roadmap for delivering it, in 2009. Over the past year, work has been ongoing to embed that vision throughout the organisation. The important thing,

## Work-winning ways

Coventry City Council in the UK is replacing its street lighting, and has awarded the contract to Balfour Beatty Capital and Balfour Beatty WorkPlace, thanks to their sustainability expertise. The street lights will operate under a centrally-managed dimming system, which allows lighting levels to be reduced when streets are quiet. The lights give off a white hue, meaning columns can be spaced farther apart, providing further cost savings.

Lights will either be removed or replaced with low-wattage LEDs on road signs or solar-powered lighting on bollards. Within five years, Coventry's energy consumption from street lighting is predicted to be 38 per cent lower. Furthermore, a gain-share agreement to split additional cost savings with the council means that any advances in technology that could produce further savings will be implemented.

"I am proud to have been part of this project to give Coventry the best lighting of any city in the country, while at the same time reducing the environmental and financial costs of street lighting," says Phillip Dorin, Bid Manager.

Illustrations by Seventh Street



# Mutual collaboration

When University Hospital Birmingham in the UK wanted to raise awareness of diabetes among schools in the local community, Balfour Beatty Capital mapped out a scheme – Nourish – to help. Pupils in two schools undertook a series of workshops on the causes and prevention of type 2 diabetes. Using the information from the workshops, a DVD featuring an animation was then produced, which could be used as a learning tool throughout the NHS in Birmingham.

“It started out as a pilot project, but it has now moved to different areas of the country,” says Nina Jowett, Regeneration Delivery Officer at Balfour Beatty Capital and creator of Nourish. “A school in Knowsley developed an awareness booklet to add to the resource pack and has shared an online conference session with one of the original Birmingham schools, and it has been very successful. Transform Stoke [part of Transform Schools, which helps the public sector to create and maintain school community facilities] is working with its partners to develop a Nourish Future chef competition to encourage young people to cook diabetes-friendly recipes.”

Working with customers to support their community needs – providing value over and above any contractual obligations – is all part of the job for Nina. “We meet regularly with customers to find out what their issues are. We have a flexible approach to develop work that assists our partners in meeting their sustainability targets and messages.”

as Jonathan points out, is to make people aware of how creating a sustainable mindset can reduce costs, create new business opportunities and sharpen the company’s competitive edge. Achieving the sustainability vision will enhance Balfour Beatty’s reputation as a leader in its sectors, as well as being able to influence the market. But the vision will only be achieved if everyone works together.

Each company has developed its own action plan. Some are more advanced than others, and there are differences in approach, but the benefit of the roadmap is that the message will be consistent. An e-learning programme (and offline equivalent) is also being rolled out.

While these plans will help, there are already plenty of examples of employees taking the initiative. Halsall Group was recently acquired by Parsons Brinckerhoff (PB), with a remit to create a sustainability plan for PB worldwide. Halsall’s Chairman Peter Halsall says his job is being made easier by the enthusiasm he has already encountered.

“There is a huge appetite for more knowledge about the subject, and a strong undercurrent of people wanting to make a difference,” he says. “I have also seen a commitment from Balfour Beatty – a ‘family interest’ if you like. That helps in building the platform in Parsons Brinckerhoff.”

At Heery in the US, a commitment to sustainability is clearly evident. Customers are taken on a tour of Heery’s offices, which were recently certified LEED gold (an environmental rating system for building design). The

tour includes a walk past a large timeline on a wall, displaying the sustainability milestones reached.

“We have had an energy consulting practice since 1973, and its processes, procedures and approaches permeated the organisation,” says Glenn Jardine, who joined in 1982. “We didn’t think of resource consciousness as something different from standard practice until the world woke up in 1998 and started talking about things that, frankly, we were already doing. When



# THERE IS A STRONG UNDERCURRENT OF PEOPLE WANTING TO MAKE A DIFFERENCE

customers come and visit us, we can demonstrate sustainable practice in the company and the timeline gives a good sense of the things done early on that are still an influence today,” he says.

There are already examples of projects where Balfour Beatty is winning contracts because of its ability to take a different approach, using sustainability as a way to improve. Take Liverpool in the UK, where a road scheme was being planned. Under the original specification, the amount of concrete involved would have meant a lot of embodied carbon and high costs, to the extent that the budget was insufficient. Balfour Beatty suggested using the sandstone waste to replace a lot

of the concrete. This cut £250,000 from the £8 million cost, and meant that the job went ahead.

## Urban mining

In Sweden, some groundbreaking sustainable concepts are being explored. Sven-Arne Ohrn, a Safety Co-ordinator at Balfour Beatty Rail Sweden, struck on the idea of “urban mining” while in conversation with a university researcher. “Often when we build railways, we have to dig up old cables and rails, so we have some knowledge of reusing old metals. We are looking to see if we can extend that idea. For example, I know that buried under the car park outside our office, there are old railways,” he says.

If an economically viable way can be found to extract copper and aluminium from disused rail lines, and obsolete power cables, sewage and water networks, the benefits could be huge. “It is estimated that these buried cables are worth at least SEK30 billion. This is equivalent to four years of Sweden’s current levels of copper consumption.” Sven-Arne is collaborating with a local university and other interested parties to consider the logistics further.

One of the benefits of a shared vision and approach to sustainability is the ability to share knowledge and best practice. Jonathan Garrett has been busy visiting operating companies globally, to help share ideas across the Group.

“We ask teams how they are getting on with their action plans and identify what they are good at or struggling with. If we know there is a solution somewhere else in the Group, we can act as the

## Get involved

- Follow us on Twitter: @collectiveresp
- Visit [www.collectiveresponsibility.net](http://www.collectiveresponsibility.net) for more on our 2020 vision and to access our discussion forum.
- Email [sustainability@balfourbeatty.com](mailto:sustainability@balfourbeatty.com) to contribute ideas for our next newsletter or request a flip camera to record your sustainability message.
- Get LinkedIn to the ‘sustainability is a collective responsibility’ forum. Set up a profile on [www.linkedin.com](http://www.linkedin.com) and add Louise McCulloch as a contact, who will then invite you to join the group.

dating agency for them,” he says.

Balfour Beatty Rail in Sweden is a recent beneficiary of this approach. Balfour Beatty Rail Italy had conducted a two-year study on quantifying the environmental impact of the rail infrastructure. “When we spoke to our colleagues in Sweden, they told us they were looking to do the same thing. A methodology and an approach have already been formulated, which we were able to share, and there will be further collaboration.”

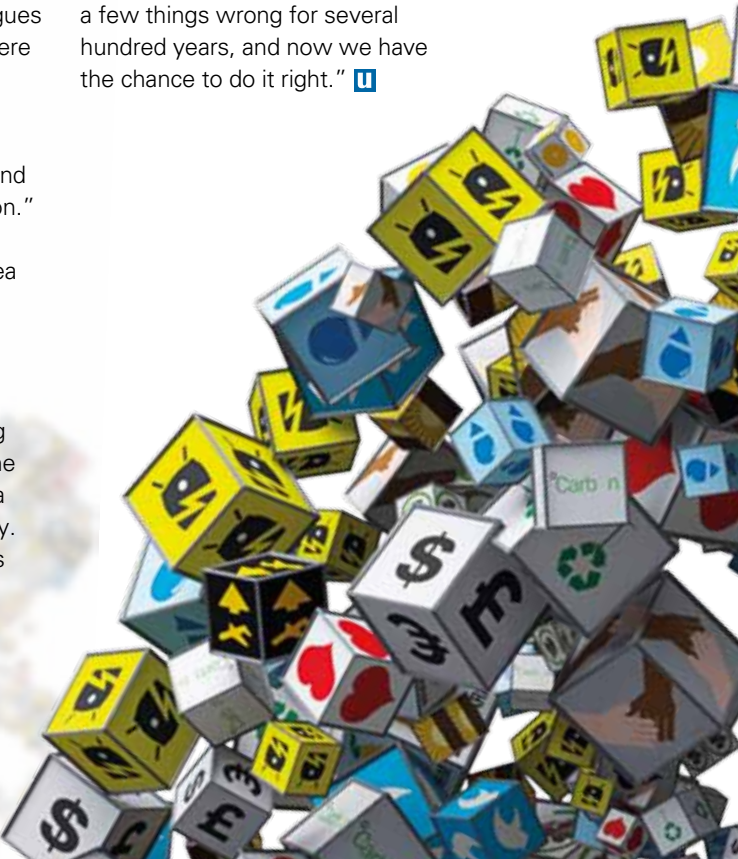
In the past year, much work has gone into promoting the idea that sustainability is something that affects everyone and they can all play their part. There are many examples of sustainable best practice, and the e-learning programme explains to everyone what they can do, and creates a sense of collective responsibility.

The best news is that there is already enthusiasm to do more. Simon Wright is Sustainability Director at Mansell, and has



# IF WE KNOW THERE IS A SOLUTION SOMEWHERE ELSE, WE CAN ACT AS A DATING AGENCY

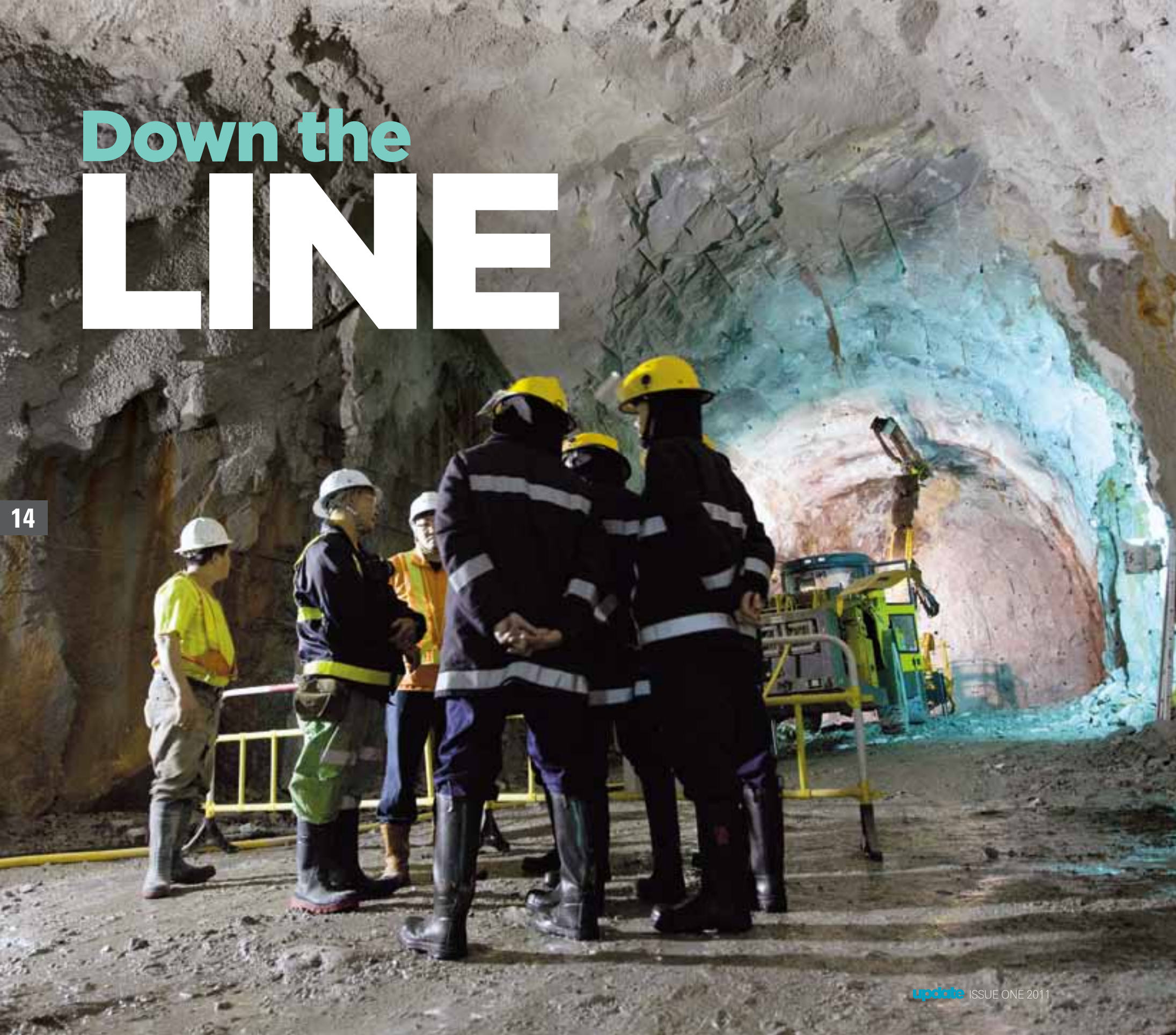
created a sustainable procurement working group across all UK-based operating companies. “I think the business is on a journey and it is clear that this is something we need to do. We do a lot of public sector work where sustainable procurement is a contractual requirement, so it makes good common sense business practice.” But it goes beyond that. “What motivates me is that I want to do it, not because I have been told I have to. I want to be part of an industry that at a particular point in time decided we have been getting a few things wrong for several hundred years, and now we have the chance to do it right.”





# Down the LINE

14



Gammon Construction's commitment to minimising community disruption is helping it win more contracts on the West Island Line in Hong Kong

**H**ong Kong Island's Central District is so overloaded with commuters that it is home to the world's largest outdoor escalator system. Built in the early 1990s to minimise congestion, the 800m Mid-Levels Escalator has 20 escalators and three moving pavements. Typical journey time from mid-levels to the Central Business District, if standing still, is 20 minutes.

Densely populated cities such as Hong Kong are under growing pressure to develop smart transport systems as urban populations continue to grow. The Mid-Levels Escalator was one such response, but transport in some areas of the region remains under-developed.

But the Hong Kong authorities are investing in improved transport. Western District, one of the few areas on Hong Kong Island without a rail link, is soon to be home to a transport system that is expected to bring business to the area.

Last year, Gammon Construction – Balfour Beatty's Hong Kong joint venture – won two out of three main civil contracts (Contract 704 under a joint venture with Nishimatsu Construction Co. and 705 Gammon Solo) from Hong Kong's MTR Transit Railway Corporation

**“**  
**WE WON THE  
TENDER PARTLY  
BECAUSE OF OUR  
EXPERTISE AND  
OUR EXPERIENCE**

to build the West Island Line, a 3km rail extension of the existing Island line. Gammon is the main contractor on the £400 million project, building three new stations: Kennedy Town, Hong Kong University and Sai Ying Pun.

Transport in the Western District is currently slow. But completion of the project will see the train journey time from Kennedy Town to Sheung Wan slashed from 30 to eight minutes. Students at the University of Hong Kong will enjoy easier access to Centennial Campus. In addition, forecasting a rise in tourists, hotels are under construction in Kennedy Town.

Having built a series of stations and subways in Tsim Sha Tsui, Kowloon, Gammon has established its transport credentials in Hong Kong. CC Hau, Deputy Project Director of Contract 704 (Sai Ying Pun Station and Hong Kong University Station and Sai Ying Pun to Kennedy Town Tunnels), explains: “Gammon Hong Kong is well known to the

15



local community and one of the reasons we won the tender was because of our expertise and our previous experience.” (See box.)

Being able to supply the range of expertise needed on such a complex project was a serious advantage. “Contract 705 pretty much involves most skills you can think of in civil engineering,” says Brian Gowran, Project Director at the Kennedy Town Station and Overrun Tunnel.

Working in such a densely populated area posed specific challenges for Gammon: ensuring disruption was minimised and the community kept informed. The ability to demonstrate a sensitive approach at the tender stage was, Gammon believes, instrumental in winning the contracts.

### Actions speak louder

“There is a real emphasis on reduction, in terms of both waste and noise,” says Brian.

By using electric rather than diesel-operated equipment and hydraulic crushers for demolition, noise has been significantly reduced. Hydraulic crushers also have the advantage of allowing concrete to be recovered from the waste stream.

“By selling scrap material to local merchants, donating a dismantled playground to charity and reusing concrete as fill material on another project, Gammon’s commitment to sustainability development is clear,” says Brian.

To make sure community concerns are heard, Gammon has a team that attends public meetings and responds to local needs. ‘Ambassadors’ guide the




## CONTRACT 705 PRETTY MUCH INVOLVES MOST OF THE SKILLS IN CIVIL ENGINEERING

public across the site entrances and engineers have taught local schoolchildren about cranes and other simple machines. These initiatives, Brian says, “make the public feel cared for”.

### Sharing experiences

CC Hau says the target-cost contract used for the West Island Line has the potential to be used more widely across Balfour Beatty. The contract cost is set from the beginning and the customer (MTR) and the contractor (Gammon Nishimatsu WIL Joint Venture) work together to meet it.

Upon completion, if the project is under the target cost, the customer and contractor share the gain. If the project is above the target cost, then the customer and contractor will have to share the pain.

While Gammon’s footprint in Hong Kong grows, it has received industry recognition, including winning the Engineering Services sector award in Hong Kong’s 100 Leading Graduate Employers Awards 2010. CC Hau singled out the West Island Line as a great example for the company’s young engineers: “The project has been an inspiring learning experience for them.” 



## Fit for the job

In the past decade, Gammon Construction has built more underground stations in Hong Kong than any other contractor. It has also built several stations in Singapore and Thailand. “We have a good feel for what will and what won’t work,” says Brian Gowran.

Gammon and Japanese joint venture company Nishimatsu have built stations and subways in Tsim Sha Tsui, Kowloon, as part of the East Rail Line extension. In 2001, Gammon won the contract to build the Tai Wai Depot, on the new Ma On Shan Line. Like the West Island Line project, the contract was subject to stringent noise constraints.

Elsewhere in Asia, Gammon is working on two projects contracted by Singapore’s Land Transport Authority: Woodsville Interchange and Chinatown Interchange Station. The company also worked as a major subcontractor on Thailand’s first underground metro, including two stations on the Chaloem Ratchamongkhon Line, on a project worth US\$50 million. The company faced the challenge of keeping an underpass that serves two busy road intersections fully operational during the project.



# >letterfrom Canada

Almost 18 years since Albert Celli first worked for Halsall Group as a student, he still enjoys the breadth of projects and responsibilities involved in working for one of Canada's leading structural engineers



**H**aving first worked for Halsall as a student in the fall of 1994, I joined the Toronto office as soon as I graduated the next year. I moved from there to Sudbury – about 400km north of Ottawa – and then to Ottawa, where I'm now based.

I was impressed by the Halsall culture from the start – the commitment to career coaching, the idea that we build and win as a team, and the whole way the company does business. I'm passionate about everything I do, and I wanted to feel the same about the place where I work.

Right now, we're working on a C\$100 million facility at Ottawa's Algonquin College, where we're acting as structural engineers, green design and planning consultants and building envelope consultants as well.

That's the way the business has developed. In the 1950s, Halsall started by working with architects as structural engineers, but then

it became clear that there was a business opportunity in identifying problems in the building envelope – issues like leaking roofs or water penetrating the walls. So we established ourselves as building envelope consultants.

Then we realised that customers were being blindsided by unexpected repair costs, and we got into property condition assessment. Here we take an overview of the condition of the building and produce a report on what expenses the customer can expect in the future.

Throughout the business, we act as green building consultants, helping customers design sustainability into their buildings from every aspect. That's plugged into everything we do.

We are the structural engineers for three office towers in the Ottawa area, including the biggest one built in the last 30 years. We're working on big hospital reconstruction schemes in Ontario, and we're getting increasingly involved in infrastructure projects delivered through public-private partnerships, which seems to be the way that Canadian government procurement is going.

So there's a lot of variety in the work by both the company and employees. We all have multiple roles at Halsall, so although my main role is as Regional Manager for North East Ontario, I'll also



**WE ACT AS  
GREEN BUILDING  
CONSULTANTS, HELPING  
CUSTOMERS DESIGN  
SUSTAINABILITY INTO  
THEIR BUILDINGS**

act as Project Manager, work on AutoCAD developing the design of a new building, review progress on construction sites, or develop new customers.

That's a huge part of my life, but it's only a part. I play soccer and ice hockey when I can – but I have four daughters aged between four and 11 now, and I'm on the pitch or the ice five or six days a week coaching their teams. There's nothing I like better than seeing the fire in the eyes of the kids I coach and knowing that they want to be the best they can be. **U**

## COUNTRY FILE

**Population:** 34.4 million (2011 estimate)  
**Main exports:** Raw materials, including logs, minerals, food (grains, cattle, fish), oil and gas  
**Capital:** Ottawa  
**Area:** 10 million sq km

Illustrations by Mark Dickson



# Mission INDISPENSABLE

Across the globe, Balfour Beatty is helping develop the critical infrastructure that keeps the modern world working

**H**ow does a company function after a natural disaster like the earthquake in Japan? How do you protect yourself from catastrophic loss of records, such as the New Orleans courthouse documents by Hurricane Katrina? Today, firms and economies live or die by the resilience of their IT systems. The loss of internet and data servers for just a couple of hours can be

Data centre by Getty Images

operationally crippling. No one knows how vital the need to protect data is more than Balfour Beatty Construction Senior Vice President Tim Garrison. "One of our largest customers is Bank of America," he says. "If they lost a data centre for processing credit cards, they could lose millions of dollars. We also support trading floor environments for financial services customers – if those IT systems went down, billions could be lost."

The US government is another key customer. Balfour Beatty is part of a joint venture to deliver the US\$1.2 billion Utah Data Center at Camp Williams, the largest data centre ever built in the country. To ensure the centre can remain operational at all times, the project comes with a large amount of infrastructure to provide redundancy (building in capacity to a system that will only be used in emergencies).

Tim explains how the needs of a customer dictate the levels of redundancy required. "There are three types of data centres. Enterprise facilities are designed for a specific, isolated industry use. These facilities serve a specific business need and will have multiple levels of redundancy, such as multiple generators. The next type is a co-location facility, which usually houses multiple tenants. Typically, tenants are not 24-hour businesses and have

needs that are not as stringent as, say, a bank." The third category are facilities likely to record the most current growth; wholesale data centres hold many servers where anyone can pay a fee for information-processing services. Huge numbers of such facilities are being employed to support the rise of cloud computing (applications and data storage delivered over the internet or via wireless technology) and the growth of services such as social networking, and music and video streaming. The back-up infrastructure usually consists of an electricity generator and little else – as their redundancy comes in the number of facilities that process the same data in multiple locations.

Balfour Beatty's mission-critical expertise extends beyond the US, most notably in the UK. Projects completed include the Met Office headquarters in Exeter, the Experian Data Centre in



## IF THOSE IT SYSTEMS WENT DOWN, BILLIONS OF DOLLARS COULD BE LOST

Nottingham and the Egg Bank Data & Call Centre in Derby. The Met Office headquarters is a tier III/IV facility with up to 2.5MW power storage capacity, while Egg's and Experian's are tier III facilities that can store up to 1MW each. All three were delivered by Balfour Beatty on a design-and-build basis.

With electricity prices rising, cloud computing expanding and disasters reminding us of the need for redundancy of infrastructure, the market for data centres looks set to be healthy for years to come. [u](http://update.balfourbeatty.com)



# Our story IN NUMBERS

This snapshot of our ever-changing landscape highlights the breadth and scale of Balfour Beatty's work in communities across the world

Illustrations by Leandro Castelao



500,000 community of partners, contractors and suppliers



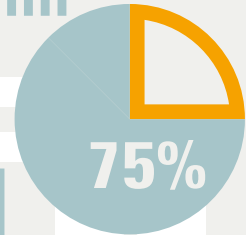
50,000 employees



hotel rooms built for Disney World in Florida

2.8m

pounds donated to charitable causes around the world in 2010



of timber procured from responsible sources

23

Olympic and Paralympic medals won by London Youth Games Hall of Fame athletes

5,580

beds provided by UK PPP hospital projects

15,300

pupils at ITE Singapore, Gammon's first PPP project in the country

Revenue

South America: £11m

Africa and Middle East: £219m

Australia and Asia: £994m

North America: £3.1bn

Europe: £6.2bn

employees who have completed Code of Conduct training

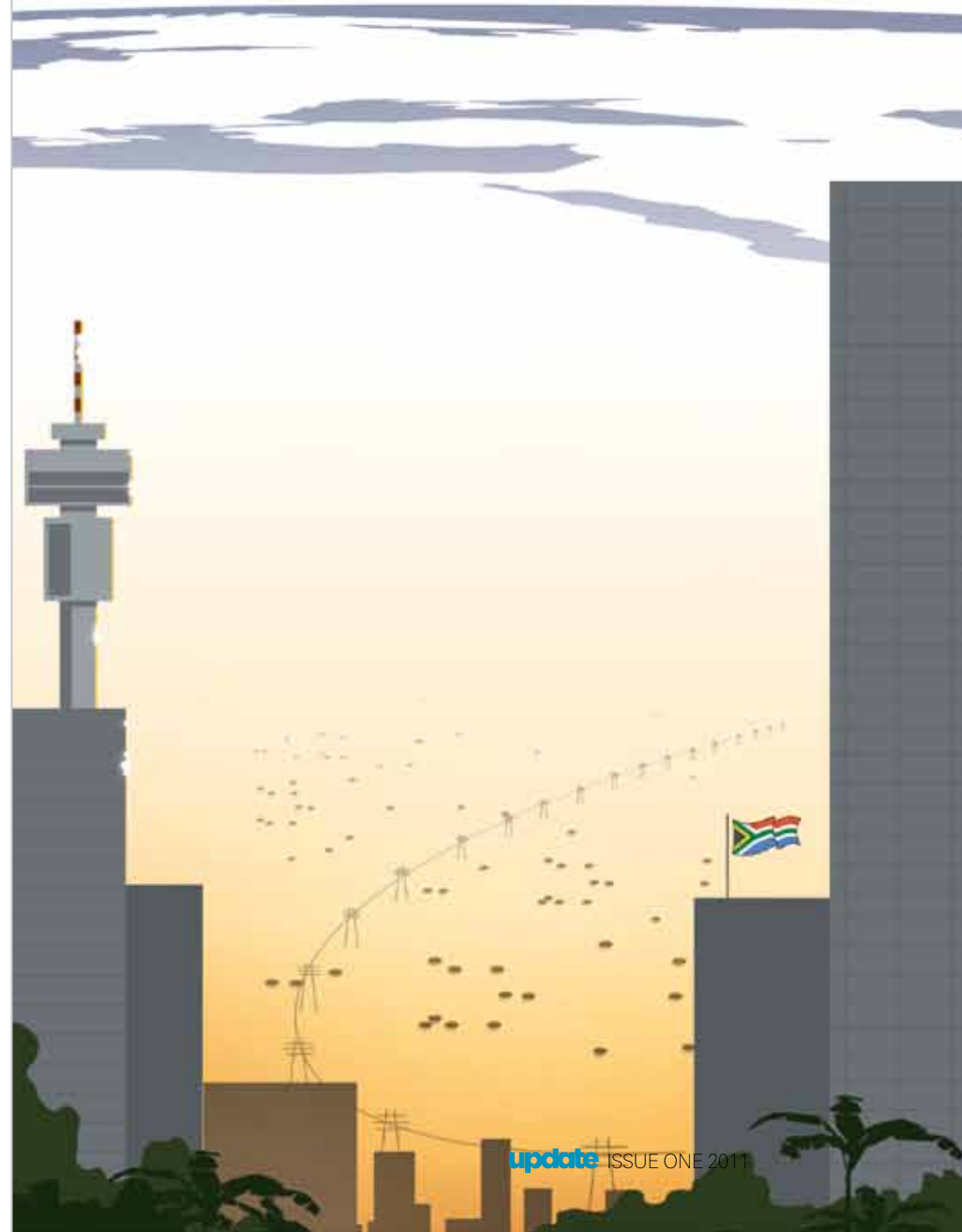
hits each week on balfourbeatty.com



# Where NEXT?

Global spend on infrastructure is expected to top £20 trillion between 2010 and 2020. But which new markets offer the most promise to Balfour Beatty?

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Over the next decade, India and China will increase their annual spend on infrastructure faster than their GDP grows. Asia as a whole will increase its investment in infrastructure 9.5 per cent a year, spending £10 trillion in total, according to recent figures from IHS Global Insight.

And as the US and Europe upgrade and expand their ageing infrastructure, investment will increase in traditional markets, too.

Today, international operations generate nearly half of Balfour Beatty's revenue, so how is the Group equipped to deliver ever more complex projects?

For Balfour Beatty Chief Operating Officer Andrew McNaughton, the 2009 acquisition of Parsons Brinckerhoff (PB) was a turning point. "It helped us to achieve a key goal: to identify opportunities for moving our skills base upstream alongside the customer to identify their infrastructure needs. It has helped broaden our international footprint to cover more than 80 countries. It gives us exactly the collaborative capability we had hoped for, to position ourselves as partners for more complex projects."

Local contacts have enabled Balfour Beatty to be part of the team that will construct the Denver Metro project. In California, the Group has married its expertise in rail and civil engineering to PB's local contacts, to join the Metro Gold Line Foothill extension project. Another target is the US Federal Building Program to build and maintain overseas

interests such as embassies and military bases.

In the UK, PB's South Wales contacts enabled Balfour Beatty to bid for the £180 million project to widen the A465 road. In Denmark, the Group is uniting Balfour Beatty's existing market strength with PB's systems integration know-how to bid for two packages to redesign Copenhagen Metro.

And as energy efficiency becomes a growing priority for the UK's public sector, the support services division's knowledge of asset performance will enhance the ability of the professional services business to deliver bespoke solutions for customers.

Despite the downturn of 2009-2010, Balfour Beatty gained share in the mature markets of the US and UK. Andrew says there is room to grow in both countries – specifically in the US where construction interests expanded, despite growing competition. However, concentrating solely on them would mean missing out on major opportunities.

## The role of joint ventures

Growth will also come through joint ventures, according to International Business Director Brian Osborne. Gammon Construction has revenues of more than \$1 billion a year in Hong Kong, Macao and Singapore. Future target markets are Vietnam and the Philippines.

Balfour Beatty Sakti is a joint venture that will pursue new PPP projects, particularly in road, rail and ports. And Dutco Balfour Beatty and BK Gulf are joint ventures looking to expand in Oman, Qatar and Saudi Arabia.

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All are mature businesses that have room to grow. Brian says that Balfour Beatty is looking at potential similar partnerships in India, Brazil and South Africa. "India will spend \$1 trillion on infrastructure over the next decade," he says. Between 30-35 per cent of that spend will come from PPP. Private sector players are emerging in the power sector, building their own power plants, and then selling back to the national grid. Balfour Beatty aims to work with ethical local companies that know the market.

South Africa, where PB is already helping to build one of the world's biggest power stations in Limpopo Province, will grow in importance over the next 10 to 15 years. PB's strong links with South Africa's mining industry will open doors in East and Southern Africa. It has launched a market study to identify opportunities.

In Indonesia new infrastructure projects are coming to market on the back of logistics for mineral extraction, particularly coal. Balfour Beatty has solid experience in heavy rail that matches well with PB's know-how of the infrastructure required for mining. At least two such projects are coming up in Indonesia. "We can maximise PB's strategic planning skills and project know-how to work for bodies such as the world banks and European banks that are involved in planning infrastructure projects in these developing countries," Andrew says.

#### Model behaviour

One challenge is that different markets are developing different infrastructure models. Even where

countries pledge to drive expansion through PPP, terms and details can vary from market to market. Other opportunities for PPP ventures exist in Australia and the Middle East. But local market knowledge is critical.

While growing numbers of power projects are being led by private sector companies, a recent trend has been to award projects on a turnkey or an engineering, procurement and contracting (EPC) basis. Many international players have pulled back from delivering such projects to minimise exposure to risk. "EPC is not for the faint-



### WE CAN POSITION OURSELVES IN A WAY THAT MAKES OUR BUSINESS SUSTAINABLE

hearted," Andrew says. "In the past, we have avoided taking on that kind of risk. However, PB has good experience in the US and recently landed an EPC contract as a joint venture partner to build a power plant in New Zealand. And we are committed as a group to pursuing a broad range of possible business models.

"Our professional services arm's customer knowledge means it can advise us which contracting and procurement models to pursue. Now we have the depth of knowledge within the organisation to understand the risks each project presents, and where exposure lies, so that we can make case-by-case decisions on what

models would suit us best."

Balfour Beatty's new push for global infrastructure contracts is not without challenges. One is the need to understand different countries' cultural, legal and technical requirements. Another is increased exposure to political, economic and financial risk.

Obstacles to doing business in emerging markets include a lack of transparency and competitive and ethical constraints. Balfour Beatty has sought to address this by conducting thorough due diligence studies on any new market and offering ongoing training and support, drawing on PB's experience of civil works in emerging markets. It has also rolled out a training programme on corporate ethics to 28,000 employees and drawn up a code of conduct to guide staff through the dos and the don'ts.

#### Market intelligence

Shortages of technical skills in emerging markets are another obstacle to delivering transport, power, water and construction projects from design to completion. This, Balfour Beatty believes, is where offering an end-to-end service reinforces its competitive advantage.

"We can provide the supporting services that these projects need, based on understanding how programmes will develop and how the market operates, and positioning ourselves to meet demand," Andrew McNaughton says. "We have the market intelligence to position ourselves [to target] projects being planned three or five years hence.

"And we are now able to

position ourselves in relation to these projects in a way that makes our business sustainable. That is so different from the approach to international infrastructure projects that we took in the past. In the 1980s and 1990s, we were essentially a UK construction company that executed occasional projects internationally.

"Many of our competitors still take that approach but it is not sustainable. We will focus on developing this business long term, using our professional services arm to spearhead our emerging markets strategy and to open new international markets. It is an opportunity to deploy a broader set of skills and to take a more structured approach."

And so, by 2020, Balfour Beatty will be able to deliver ever more complex infrastructure programmes, in established markets and in emerging economies, combining a targeted local presence with a global capability. "It will not be a question of doing everything everywhere," Andrew says. "Instead, we will act as an integrator to deliver the mix of services that the customer needs. We will integrate local supply chains based on the customer's project needs. No matter how broad your skill set, it is impossible to do it all.

"An integrator brings together specialist and local organisations to deliver a tailored solution. This creates a supply chain designed for the customer, from design to delivery in the most cost-effective way possible. It's about bringing together skills and innovations such as integrated modelling to co-ordinate the project." 

## A passage through India

India is a key target for Balfour Beatty. Its professional services arm worked on a high-profile contract last year, with the third terminal at Indira Gandhi International Airport. Parsons Brinckerhoff was project management consultant to India's GMR, which led the PPP.

The coming years will be particularly busy for PB in India, predicts Arun Chandran, Project Director for the Indira Gandhi International project. Projects are now moving forward, following two slow years.

While India can be challenging for delivery and speed of payment, its economy is booming. Companies such as GSK and Mittal are setting up new industrial ventures that will require new power, water and transport infrastructure.

Arun sees opportunities in aviation, with many Indian airports due for redevelopment and a move towards PPP ventures. Other opportunities exist in urban transport. PB India is working on metro projects in Bangalore, Delhi, Mumbai and Chennai, and India's second-tier cities are planning their own urban transport projects.



# More power TO THE PEOPLE

Building an overhead transmission line through New Zealand's agricultural heartlands has meant placing local communities at the heart of the scheme

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**A**cross the rolling hills of New Zealand's North Island, Balfour Beatty Utility Solutions and its joint venture partner UGL Infrastructure are working in alliance with Transpower on a vital upgrade for the country's electricity transmission system.

The North Island Grid Upgrade Project is a NZ\$824 million scheme designed to provide a more secure supply of electricity to the upper North Island. There are six transmission lines running north to the country's largest city,

Auckland. Most of these were built in the 1950s and 1960s. In the intervening years, the population of the upper North Island has more than doubled and electricity use has more than trebled.

As one of the country's largest electricity transmission projects undertaken since 1960, it will boost the region's transmission system through the construction of substations, underground cables and a transmission line. Stretching 186km from a new substation at Whakamaru in the centre of the island up to a new switching station in South

Auckland in the north, the overhead transmission line will be held up by 426 steel towers.

In September 2008, the joint venture signed an alliance agreement worth NZ\$230 million with New Zealand's national grid owner, Transpower, to design, supply and build the overhead transmission line.

Following approval from the independent Board of Inquiry in 2009, site preparation works such as vegetation clearance began late that year, with the main construction programme beginning in February 2010.

Community liaison and mitigating the effects of construction and visual impact have been the key areas of focus for the project, which is vital for New Zealand's national infrastructure but also extremely sensitive given the nature of the land it passes through (see overleaf).

## Pioneering methods

In a first for New Zealand construction, while preparing tower sites and access tracks, the alliance team has been laying interlocking mats over soft soils and environmentally sensitive

areas. This means that access work can continue throughout the winter months. The mats can be easily removed with little or no damage to the land underneath.

Construction Manager and Balfour Beatty Utility Solutions employee Jurie van Loggerenburg says the team plans to use the mats on as many sites as possible. "We have 300 mats on the project and they are all in use," he says. "The mats are safe, environmentally friendly and cost-effective so are very useful on a project of this size and scale. More importantly, they help to

“

**LANDOWNERS' NEEDS AND CONCERNS WERE A KEY ELEMENT IN THE ROUTING OF THE LINE AND TOWER POSITIONING**

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### Consulting the community

"This project is of national importance to New Zealand," says David Whatmough, General Manager of the Balfour Beatty Utility Solutions and UGL Infrastructure joint venture. "However, we are building large structures through the dairy farming land of New Zealand. Landowner relationships are key." Transpower's Project Director Nick Coad says that a lot of planning went into ensuring that the construction activity caused as little disruption as possible to the communities it passes through. "There is a real focus on how we work in the community, and a commitment to ensuring that we do it right," he says. "The construction programme is designed, as much as possible, to accommodate farming activities, availability

of access to properties and the most efficient use of crews and equipment."

Agreements were made with farmers over working hours, parts of the day during which farm tracks would be used to avoid milking times and even the times of year that work would take place. Understanding was also reached on reinstatement and other works to mitigate the disruption of the installation processes.

"Landowners' needs and concerns were a key element in the routing of the line and tower positioning," says Alliance Design Manager and Balfour Beatty Utility Solutions employee Jeremy Broad. "Where reasonable, towers were positioned at the edges of fields or on slopes or poor-quality farmland to minimise the extent to which the line

reduced the productivity of the land."

Other community relations initiatives have included a Maori blessing for the project before the start of construction, landscape mitigation options – such as planting trees to mitigate the view of the towers for those who live within 1km of the line and access to Transpower's CommunityCare Fund. The fund assists communities affected by the grid operator's assets and projects by providing grants for projects that benefit the community as a whole.

The crews' access to the sites has also been carefully planned to keep disruption to farms to a minimum. In some instances, existing farm tracks are used. Where that has not been possible, the alliance has worked with landowners on alternatives.



## ALL OF US WORKING ON THE PROJECT WILL HAVE GAINED GREAT KNOWLEDGE

make our work less disruptive for landowners and their properties."

Construction of the foundations and erection of the towers continued until May, when "stringing" started: helicopters pull a draw wire rope through pulleys at each tower. These ropes then pull the conductor line through and the conductor is clamped to the insulators.

Those working on the project describe construction of the towers as something akin to assembling a giant Meccano set. Assembly of the towers usually takes between three and five days. A team of six riggers

undertakes erection and during the peak of construction, over six crews are working concurrently.

The line is due to be commissioned in 2012, and its capacity has been designed with the future in mind: although the overhead line will initially run at 220kV, the line has a 400kV capacity, which Transpower predicts will be needed by 2030. Building in extra capacity avoids the need for a future upgrade and further disruption – even the communities of the future have been considered on this project.

### Creative challenges

Alliance Design Manager and Balfour Beatty Utility Solutions employee Jeremy Broad says working on such a sensitive project has created tensions, but everyone has found it rewarding. "Bringing together disparate talents and perspectives from a number of companies and forging them into a single team with a common

vision has been a challenging but rewarding experience.

"Although, inevitably, this sometimes generated tensions, I am sure that these were healthy and tended to enhance the quality of the decisions made," he says. "I think all of us working on the project will have gained great knowledge, grown as individuals and created something in which we can all take pride." [U](#)

## In numbers

Length of overhead route:	<b>186km</b>
Number of towers:	<b>426</b>
Average tower height:	<b>60m</b>
Maximum tower height:	<b>70m</b>
Minimum tower height:	
(double circuit tower)	<b>46.3m</b>
(single circuit tower)	<b>25m</b>
Maximum span length:	<b>824m</b>
Minimum span length:	<b>203m</b>





# Share OPTIONS

Across Balfour Beatty, people are discovering the genuine benefits of social networking, from news sharing to community building

**F**our years after the first tweet entered the ether, Twitter's use has become the corporate norm. By the end of 2010, some 57 companies in the UK's FTSE 100 had their own Twitter account. One in four had a Facebook page, and 39 per cent a YouTube channel, according to digital marketing firm The Group.

From Caterpillar's well-regarded technical tips in its On The Level blog, to the YouTube videos of Blendtec founder Tom Dickson chopping up golf balls in a blender, corporate use of social media is as varied as it is experimental.

But in a March 2011 list of the 100 best firms using social media (the Social Brands 100), no infrastructure, construction or professional services companies made the grade. Retail, FMCG, leisure, technology and media



were all heavily represented. At Balfour Beatty, the social media forum, sponsored by Group Corporate Communications, meets to share best practice and ensure that the firm's many companies are well placed to extract real value from the many options available.

### Balfour Beatty Regional Civil Engineering

The clamour for social media 'followers', 'fans' and 'friends' can be deafening. Sometimes, the relevance of those followers is more important than their number.

Balfour Beatty Regional Civil Engineering in the UK ran a trial on Twitter with Scotland TranServ, the operating company responsible for the management and maintenance of trunk roads in north-west Scotland. "Ongoing maintenance can mean remote roads are closed for several hours overnight, and standard procedure involved putting out a press release warning they would be shut from 9pm to 6am. Often, however, work would finish early, and roads opened sooner," says Scotland TranServ Customer Service Manager Cathel Macaskill.

"The customer, Transport Scotland, was interested in keeping the public better informed about how works were progressing so we decided to set up a trial Twitter account."

The team set up a trial for roadworks that took place on the A83 just outside Inveraray. The site supervisor would tweet an update to announce the road's closure, and then a simple message (such as 'road open at 2am') when the way was clear. The communication team could tweet further information the following morning.



"We had 32 followers, and we were very happy with that because it was for works in the middle of the night on a small road in the west of Scotland," says Cathel. The numbers may have been small, but the service quickly became valued, he says, explaining that "a diversion on these roads could mean a 70- or 90-mile extension on your journey".

Cathel continues: "We got a lot of positive feedback from the customer and even some positive messages from members of the public. The customer was happy that we showed a bit of initiative."

### Balfour Beatty Communities

As a builder, operator and manager of homes on military bases in the US, Balfour Beatty Communities has the well-being of its residents at heart. From 'best pet' contests to Thanksgiving celebrations, the firm is closely involved in the lives of military families.

Balfour Beatty Communities is creating Facebook pages for all 44 bases, with 15 already running.

"We are in the process of training our site personnel on how to administer their pages and respond to resident postings," says Kathy Grim, Senior Vice President for Marketing and Communications. "We want to ensure that our administrators understand the importance of social media and how best to respond and interact with their community."

The Facebook pages run alongside a website, newsletters, print marketing and special newspapers, but the value of Facebook's instant access became clear when a tornado tore through Fort Leonard Wood in Missouri, damaging almost 200 homes.

"Our community management office was inundated," says Kathy, "so to get the word out to residents we opened up a Facebook page and started posting information, which meant we could communicate timely information and immediately cut the calls to the office by half."

Emergencies aside, the pages also let residents address day-to-day queries, says Project Coordinator Sandy Drain. "Rather than picking up the phone, they'll go through Facebook." Often though, residents will answer each other's questions. "A conversation will go on between them, which was one of things we started the pages for, so that neighbours could meet neighbours. Sometimes we will verify with a message to say 'Mary-Jo was correct' and so on, but that's all," explains Sandy.

Balfour Beatty Communities shares its work and ideas with other Group companies across the US, and, according to Kathy, Facebook pages offer more than simple exchanges of information. "We see these pages as proof of effective management," she says. "Viewers can be current customers, potential customers, media, employees, prospective employees or friends and relatives of these people. The Facebook

### Mind the generation gap

The challenges in setting up a new social media strategy should not be underestimated, says Connie Oliver, Vice President, Communications at Balfour Beatty Construction US. "Internally and externally, we still have a pretty large generation gap between the people who are very attached to print and periodicals, and the people who never look at print and only do things online." She also notes that this is a more resource-intensive form of communication than many traditional means.

Illustrations by Nazario Graziano, colagene illustration clinic



## RATHER THAN PICKING UP THE PHONE TO ASK A QUESTION, RESIDENTS WILL GO THROUGH FACEBOOK

pages are an excellent method of reputation management. While we receive positive feedback, we also use these sites to address issues that may cause concern."

### Balfour Beatty Utility Solutions

For Balfour Beatty Utility Solutions, social media at the moment is largely about improving connections with employees. "It's a constant challenge communicating effectively with our employees, as a large majority work out on site and do not have access to our intranet or email," says Marketing Communications Manager Jane Shepherd. "Social media lets us share news and information in different ways."

And the tone of communication tends to follow social media norms, rather than those of more traditional internal communications. "We host a Facebook profile page which is used for internal communication and aimed at our site-based teams," says Jane. "We keep the content as lighthearted and informal as possible to encourage interaction."

For those who have access, the intranet offers even more staff involvement. "A large portion of the content on our intranet is driven by our employees," explains Jane. "Previous bloggers have included a director, a company

lawyer and a commercial manager. The content on the discussion forums is entirely driven by employees, and we regularly include employees in the videos we post on our homepage."

Longer term, Jane hopes to combine the two, testing ideas on Facebook that may eventually be used in a full company extranet.

### Parsons Brinckerhoff

In the US, professional services firm Parsons Brinckerhoff has a tweeting CEO in the form of George J Pierson. His updates include congratulations on big wins, and praise for the work of individual employees and project teams. It is part of a strategy that includes a company Facebook page and Twitter account. According to Director of Corporate Communications Judy Cooper, this is done because "employees are eager for news about the company. Being informed makes us better at interacting with customers and recruiting candidates for job openings."

Facebook allows staff in far-flung corners of the globe to stay informed, and, says Judy: "It is important to maintain an official presence on Facebook and Twitter because reporters and potential customers are increasingly using these sites to obtain information about businesses." [u](http://u)



# The DEVELOPERS

Last year, Balfour Beatty topped its sector for the fifth consecutive year, and came 22nd overall in the Most Admired Companies list compiled by *Management Today*, a respected UK magazine.

It also made *The Times* Top 100 Graduate Employers table, coming in at 69 as a new entry, and Gammon Construction was named as a leading graduate employer in Hong Kong and Balfour Beatty Construction US was named one of the 100 best companies to work for by *Fortune* magazine (see page 9).

While these are great accolades, Paul Raby, the Group's Human Resources Director, is gently sceptical about their value. "They can seem a bit arbitrary. I am pleased, having said that, that our peers, potential new employees and external bodies continue to recognise us and rate us highly."

"Undoubtedly, the fact we've come first in our sector and 22nd in the UK overall has got to be a positive if somebody is looking to join us. If they look down that list and we're ahead of some household names, it's quite attention-grabbing."

And some awards help more than others, suggests Richard Gartside, Director of Talent and Leadership Development.

"We got in *The Times* Top 100 Graduate Employers last year. Graduates take this list very seriously and will want to work for one of the best 100 companies."

But attracting the sharpest minds and the best talent requires more than awards. In a crowded and increasingly global talent market, it's important to stand out from the crowd.

**I AM PLEASED THAT OUR PEERS CONTINUE TO RECOGNISE US AND RATE US HIGHLY**

Paul agrees that "nobody should ever leave us for lack of opportunities", and that these advantages of scale and success are a great help in raising awareness among potential employees. "People tend to want to work for the market leader," he says, "and in many sectors we're number one or number two."

"We have a real opportunity to leverage the scale and scope of our capabilities to create competitive advantage – a unique offering for our customers and our people," says Richard.



**Christine Allen**  
*Asset Condition Manager*

Christine has been at Balfour Beatty Civil Engineering for 10 years. While working on the Channel Tunnel Rail Link, she was offered a job on the graduate trainee scheme.

The attraction of Balfour Beatty for Christine is its size and culture. "The people are welcoming and supportive, and driven."

After finishing the graduate scheme, she worked as a site engineer on a variety of projects, and is now a Chartered Engineer and also holds an MBA, part-funded by Balfour Beatty.

Since March this year, she has been working with joint venture Connect Plus Services, which operates and maintains the London orbital road, the M25.

"I wanted to do something different. The job is more consultancy-focused, and there are opportunities to look at operational excellence and managing the assets."

She likes the constant challenge at Balfour Beatty. "I'm very proud to work here. I can't imagine working anywhere else."

The culture at Balfour Beatty is a winning factor in the competition to attract the most talented people...



One area that continues to evolve is Beatty Beatty's culture. "We have rearticulated our common set of values," says Paul, "and this is part of creating that glue across the Group."

Those values (Integrity, Teamwork, Excellence and Respect) are promoted on company materials but, Richard believes, they are also very apparent when you begin working at Balfour Beatty.

"The culture here is very team-based and open. People are very straightforward, so the welcome was warm." He himself only joined in February this year.

"People are looking to run the business in an open way, and a way that empowers," he continues. "From that point of view, it's a positive culture to work in, because the behaviours are consistent with the values, and the values are prevalent. You're given the space to contribute, people are open, and you're given clear direction."

Part of Richard's role involves looking at the leadership of the Group, and ensuring that the right skills are in place, with those values in mind. It's part of a Group-wide focus on developing talent for the future, and making sure the best people stay.

"We've got great role models," he says. "Someone who joined in their teens and developed with the group, working in many different businesses, and is now one of our Divisional Chief Executives. We've got graduates




## PEOPLE ARE VERY STRAIGHTFORWARD SO THE WELCOME WAS WARM

who've stayed right through their careers. We develop our leadership so that we can recruit from within."

### Developing people

The question of talent is one that is taken seriously at Group level, says Richard. "We're directing a lot of organisational capability and senior management sponsorship to this," he says. "Across the Group we are investing a lot of senior people's time to focus on how we develop. If we get career progression right, we hire the best people and it becomes a virtuous circle. For example, 400 senior leaders recently attended a leading change programme run in partnership with Duke University."

But ultimately, of course, the success of such plans relies on individual divisions, operating companies and people.

"A lot of this comes down to our managers coming to work every day and really believing that developing people and being a good employer is part of their everyday job. It's not something they can just pick up and put down." 



## Mak Tung Chau (Rock)

*Assistant Engineer*

Applying the principles of value engineering to a blasting project he is working on in Hong Kong, civil engineering graduate Mak Tung Chau won the attention of Balfour Beatty managers – and won the prestigious Balfour Beatty Chairman's Graduate Prize for Innovation 2011.

Shenzhen-born Mak Tung Chau graduated from the University of Hong Kong two years ago and joined Gammon Construction.

He applied to Gammon after spending two summers on different placements – one with a consultancy, and one with another Hong Kong contractor. "I found I was suited to working for a contractor and as Gammon is the leading contractor in Hong Kong and they work on a lot of large, specialist projects, I wanted to work for them."

When he completes the training scheme in 2013, Rock hopes to have worked on a broad range of projects. "Winning the Chairman's Prize has made me more confident – I also think it's a very good platform for Balfour Beatty to channel all the good ideas coming from graduates like me."



# Update is the website for all Balfour Beatty people.

[update.balfourbeatty.com](http://update.balfourbeatty.com)

As well as a full archive of the magazine, you'll find news stories from across the Group, video content, including interviews with Ian Tyler and Andrew McNaughton, and a fully searchable and downloadable image gallery.

As always, we'd like to hear your suggestions on how we can improve the site.

[update@  
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