

# STRATEGIC MANAGEMENT IN THE DRIVE FOR EFFICIENCY



**Strategic management is helping water companies manage assets more efficiently and cost effectively, according to Director Paul Whatley of Atkins' Water and Environment.** As the largest multidisciplinary consultancy in Europe and one of the largest water consultancies in the UK, Atkins partners with various water clients to bring a wealth of specialist knowledge, experience and sustainable solutions to the sector.

The water industry is entering a period that will focus on achieving better value. Whilst previous programmes of work have focused on choices around capital expenditure on networks and infrastructure, the focus for AMP 5 will be a drive for efficiency in the face of increased operating costs. There will also be big questions to consider concerning risk management and the appropriate level of expenditure to maintain operating systems at the level desired. Those water companies with the soundest knowledge of their assets and the data associated with these, will be best equipped to future proof them, ensuring they are designed to be both efficient and robust to the uncertainties of climate change, future demand, regulatory changes, social requirements and environmental factors.

Taking all of these challenges into consideration, advanced engineering has a much greater strategic role to play in helping water companies manage assets and assess risks. Corporate data must also be used more effectively by water companies to make informed decisions, and the UK consultancy Atkins has developed a strategic-level approach that revolutionises the decision-making process.

### Strategic planning

Going beyond the 'project-by-project' role of traditional advisors, Atkins water consultants offer services at the strategic level of advanced data management, verification, analysis and assessment. With a strategic overview of the whole data system our role as 'client partner' is enhanced, enabling us to provide insight and innovation much earlier on in the process.

Atkins' strategy is underpinned by data quality and an audit trail that links data with operational delivery. From a comprehensive understanding of all information available, projects and programmes can be risk assessed effectively. The verified data

provides a sound foundation from which new methodologies can be developed, challenging traditional processes that may be outmoded and inefficient. As purse strings tighten and water companies face ever-greater challenges, this new approach redefines and restructures systems for decision-making.

### Delivering visibility and accountability

With a legacy of large gaps in data across different systems, water companies often have a very poor understanding of the assets they possess and the risks associated with them. For example, sewerage records are often fragmentary. New technology can enable water companies to gather this data and, thereby, make better (and earlier) decisions on operating expenditure.

Atkins has developed one such system that takes information from different disciplines within the company to create a new and powerful asset management tool. This system allows operational managers to understand the assets they have at their disposal, how operating costs increase, and where failures are occurring. It also allows managers to control risk by measuring the impact of changes in operational behaviour, enabling them to assess whether problems are improving or worsening over time. Ultimately, the Atkins' tool is about making a better linkage between information, performance and risk.

These processes use the existing information management systems of the customer and initially screen the data for erroneous information. The consultant uses a range of data management tools to ensure that the data may be accessed and used successfully to address various performance criteria. With the data processes managed effectively, Atkins will then agree on an annual target with the water company. The tools also present scenarios in geospatial format. This format helps to quantify risk in a particular location, ensuring that poor or inefficient decisions are not replicated. Workflow management systems can also map out a process from end-to-end. Atkins' asset management tool collates critical information to monitor business performance, enabling the water company to make comparisons and set priorities on where performance can be improved on a monthly basis. Focus can be given to both infrastructure and non-



infrastructure assets, ensuring that risk is quantified and addressed, and generic problems are identified. Such information empowers water companies, enabling them to spend money wisely and reduce risk of operational failure.

The breadth and capacity of Atkins' processes means that joint decisions can be made across the company to set expenditure priorities, not based on who shouts the loudest, but on sound science and careful risk assessment. This creates a cultural change that is fundamental to strategic, risk-based planning. Many water companies remain data-rich and information-poor, which prevents them from 'seeing the big picture' or

managing their entire organisations efficiently and cost effectively. Atkins' multi-discipline, asset management tool for strategic planning helps water companies to proactively manage their organisations and achieve their potential in these turbulent economic times.

#### Note:

Voted Best Consultancy for Water and Wastewater, Edie Environmental Excellence Awards 2008

#### Further information:

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