

A story of hope and positivity

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Mohed Altrad, the founder and CEO of French scaffolding and construction equipment giant Altrad Group, this year won the title World Entrepreneur of the Year in the annual contest organised by the international business services company Ernst and Young. Mr. Altrad's entrepreneurial success is impressive particularly when you consider his life story: he was born in the Syrian desert, a Bedouin, and was brought up by his grandmother in poverty without much hope for a future other than to become a shepherd. He says he always wanted to do something big with his life but he never quite envisaged that he'd become the owner and leader of a global group. "They didn't actually call my name at the award ceremony: they said 'and the winner is France'. This in particular made me feel very proud."

Mr. Altrad's life story has been widely reported on, appealing to a global audience as an almost romantic tale of how a boy went from rags to riches. He is quite matter of fact about it himself, however, and readily admits that he has had to work hard to get where he is now. He was born in the desert in Syria; his father was the leader of the tribe, and his mother died when he was very young. He was brought up by his grandmother in poverty. His hunger to learn, not his grandmother, got him to his local primary school where he was singled out as clever, which got him

into trouble with his classmates. They reportedly carried him off and dug a hole in the desert, shoved him into it head first and ran off. He managed to escape and continued to further his education, but not in his homeland.

The way he ended up in France requires some background to Syria's situation at the time; sixty years ago Syria was a military dictatorship under the influence of France and the Soviet Union. Mr. Altrad won a place at a university in Kiev, only to be told the course was full. So he went to France



instead, not knowing any French. "It took me years to properly learn the language and settle into life my new country," he says. With a PhD in computer science, he started his professional career at Alcatel, and later moved to Abu Dhabi to work in the oil industry. This, he says, was at a time when the United Arab Emirates was an emerging economy, in need of academically trained technicians with an Arab background such as himself. Four years later, in 1984, he moved back to France where he joined forces with a university friend to start a business building portable computers. The business was a success and they sold it. With money in his pocket from that sale, he ended up in the south of France where someone asked him if he was interested in buying a scaffolding company that was in financial trouble. "I knew nothing about scaffolding, or about the construction industry. But I thought, someone will always need scaffolding." He successfully restructured the business and began to expand.

And the rest, as they say, is history: the Altrad Group now encompasses 170 companies, employs 17,000 people, sells in 120 countries worldwide, and generates a \$2bn turnover. Industry analysts would classify Altrad Group's growth strategy as aggressive. The



company has actively been acquiring companies for the past thirty years. Just this year, it acquired Hertel, a global group that offers access solutions, insulation, and corrosion protection products, and which also includes mechanical businesses. The acquisition virtually doubled Altrad Group's size and includes Hertel's worldwide access solutions, insulation, corrosion protection and mechanical businesses. Hertel will continue to operate under its current leadership and the Hertel brand.

On that note, what makes Altrad's acquisition strategy interesting is the way in which the companies they acquire are integrated into the group. Mr. Altrad emphasises how important it is to him to respect each company's history, culture and identity; a rare thing when considering that most merger and acquisition specialists focus on cutting dead wood from the companies they buy. "The principle of my business is not the product, but the people. I also see every company as an individual, as a human being almost. Just like people, they each have their own history, their own language, their unique personality, weaknesses and strengths. It is important to preserve that unique identity. So we keep their own name, for example. And then, we also bring something new to the companies we buy. New products, cross-selling, synergy within the group, and access to the group's global resources." He applies the same humanistic approach to the way he supports his staff. "People want different things from life, in general, but also from their job. You have to take that into account when you're managing a business. I believe in giving people the freedom to be themselves,

as long as we all have the same objective: to grow the business." He adds: "When you make money, it needs to flow back to your staff, and not just management and shareholders. And when you make your staff happy, they'll do good work for you."

It's a philosophy that clearly works, when considering that Altrad Group has continued to grow strongly, even through the depths of the financial crisis, which has hurt the construction industry more than most. Mr. Altrad points out, however, that while it might



be easy to equate scaffolding with the construction industry, it's other industries such as refineries, airports, and nuclear that account for the bulk of Altrad's business. "Non-construction related industry verticals now account for 70% of our revenues." These non-cyclical industries, along with a presence in 120 countries worldwide, continue to mitigate business risk for Altrad Group.

Meanwhile the current situation in his homeland is painful to Mr. Altrad, but he feels there's nothing he can do

about it. "Syria is destroyed; you can't even call it a country anymore. You have ISIS and Al Qaeda and Assad supporters and it's hard to know who the good guys and who the bad guys are. Or maybe they're all bad guys, I don't know. It's particularly sad to see this happen given that Syria, once known as Mesopotamia, is widely considered to be the cradle of civilisation. But ever since the First World War, when the whole of the Middle East was split up into different countries, it's been an unstable region

and no-one really knows what to do about it." He also seems uncomfortable with being singled out as a role model for young Syrians, but he is very proud of the fact that he, a Syrian immigrant of Arab origin, is seen as a French success story. "They didn't actually call my name at the award ceremony: they said 'and the winner is France'. This made me feel very proud. It sends out a clear and very positive message to the French in general, but to immigrants in France in particular."

He has written a semi-autobiographical novel, entitled *Bedouin* in English. It is required reading at many French schools, no doubt because his story has a great deal of resonance at a time when immigration is a big issue in Europe. Mr. Altrad is a regular speaker at these schools, and also supports several humanistic organisations. "Again I'm not so sure that I am role model. I just want to bring happiness to people, give them something positive. And when the time comes that my life ends, I want to have the feeling that I have left behind something that is truly valuable." Few will have any doubts that he will achieve just that.



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