

KNOWING NO BOUNDS

— *Montpellier*

Preface

From the desert to the boardroom, Franco-Syrian businessman Mohed Altrad has built a billion-dollar empire from scaffolding.

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"There is nothing more banal than scaffolding," says Mohed Altrad, a salt-and-pepper-haired 71-year-old who speaks with a gentle, almost hushed voice. "But we've made a world leader of it; it's the biggest success story in France in the past 25 years."

This may be too big a claim but it's certainly true that, to create the Altrad Group, the entrepreneur, writer and rugby enthusiast has conjured a global industrial player out of almost nothing. It began in 1985 when he was extracting assets from a bankrupted scaffolding enterprise, Méfran. The 200-person company was floundering, but the universal application of the product piqued his interest, so he bought it. Today, as founder and president of Altrad Group, he employs about 40,000 people across 100 countries, overseeing revenue of €3.4bn and profits of €201m last fiscal year through innumerable construction and energy projects.

Getting to this point has been largely due to the sheer force of his determination. He started by extending the company's product portfolio, then shifted his focus from small



construction companies to industrial sites (such as refineries, nuclear centres and airports) and eventually sought opportunities abroad and competitors to acquire. "The difficulty is not to do something but the step before: to dare to do it," he says with conviction.

This willingness to take risks, to work his way up from the bottom, owes much to his own extraordinary personal story, which he detailed in his autobiographical novel *Badawi* (Bedouin) published in 2002 (it is now taught in some schools as literature). Altrad was born into a Bedouin tribe in the Syrian desert sometime in either the late 1940s or early 1950s; he doesn't know when exactly but picked 1948 for bureaucracy's sake. Effectively orphaned when his teenage mother died and his father abandoned him to his grandmother, he attended school covertly against the wishes of his family, eventually winning a Syrian government scholarship that meant he could study in France.

At about the age of 18 he arrived in Montpellier and threw himself into learning French from scratch while studying physics and mathematics. He went on to get a PHD in computer science and jobbed for technology firms and an oil company in Abu Dhabi before Méfran landed in his lap. He has lived in France ever since. What has all this taught him when it comes to life and work? His answer is cryptic: "Sometimes you don't see where you are going to put your feet."

His regeneration in France has left Altrad with a deep-rooted pride in Montpellier: this is where the company's global headquarters are, in an improbably quiet residential neighbourhood in the east of the city. He bought the sprawling property 20 years ago and transformed what were once servants' quarters and a stable into his unconventional office, with tea-rose orange walls, mismatched furniture and a large wooden desk behind which stands a row of international flags. His home is mere footsteps away, a reflection of how intertwined his work and personal life are.

Altrad has also invested in the southern French city in another way: in 2011, despite never having seen a rugby match before, he took over the Montpellier Hérault Club to save it from bankruptcy; the city stadium has since been renamed after him. He praises the solidarity of the sport and parallels it to his management style: "The concept of competition is war, with one survivor: I personally dispute this. In competition I think you should work with everyone, including your competitors."

His approach has paid off. Thanks to relentless expansion and acquisition wherever and whenever possible, continental Europe now represents just 38 per cent of the group's revenue, the UK 27 per cent, and emerging markets in the Pacific, Middle East, Asia and Africa the rest. In recognition of his achievements he won Ernst and Young's prestigious World Entrepreneur of the Year award in 2015, the first Frenchman to do so. "In a company, if you don't grow you disappear," he says matter-of-factly. "That is the challenge that an entrepreneur should face."

Yet he has done it sensitively, with a clear instinct for working internationally and a humility likely born of his past experiences. "One of the big mistakes that groups make is to say: I experimented with something and it works so I'll go to China and do the same thing and that will work. That is absolutely wrong. You have to accept the culture of the country you are going into." There is purposefully no official language at Altrad Group and at global gatherings he relies on simultaneous translation, explaining: "The message will be wrong if you're not speaking your own language."



One of the biggest challenges he has had to face is something he could do next to nothing about: xenophobia. "When I started my company it was really difficult," he says, shaking his head. When he needed 30,000 French francs (about €6,000) from a bank in 1985 to first form his company, his request was refused. "If you're French you only have to prove yourself once, then it's next topic, finished," he adds. "As a foreigner, you have to prove yourself not once but 10 times."

His solution was to just keep going. In 2014 he was awarded the Legion of Honour, and these days banks don't bat an eyelid when he asks for money. Yet identity remains an unresolved issue, one he is currently exploring in his (fourth) work of fiction. He has also written several books on entrepreneurship, the latest of which – about "co-opetition", a hybrid of co-operation and competition – was discussed at last year's annual Altrad Group seminar, which was attended by Nicolas Sarkozy and Tony Blair.

His reputation has become such that a rumour circulated he might stand for mayor of Montpellier this year. He denies it but, whatever he turns his hand to next, it's clear he isn't planning to slow down. "A Bedouin has no boundary," he says. "He just wakes up, takes his caravan and tries to survive. This is really what I am."

Mohed Altrad's CV:

- **1972** Gets physics and maths BSC from the University of Montpellier
- **1976** Gets computer science phd from the University of Paris 8
- **1976** Starts working as an engineer at Alcatel and Thomson (France)
- **1980** Starts working as an engineer in the IT department of Abu Dhabi National Oil Company
- **1985** Takes over Méfran and founds Altrad Group

The rules:

1. **What time do you like to be at your desk?**
By 8am at the latest.
2. **Are tough decisions best taken by one person or by a group?**
I think a decision has to be made by one man but, nevertheless, he has to listen and take different perspectives into account.
3. **Do you want to be liked or respected?**
Hopefully both.
4. **Where do you go for advice?**
I stay alone and find the solution through work. Also, reading classic literature and modern writers.
5. **Do you socialise with your team after work has finished?**
I don't have enough time to be wildly social. I get invitations but I don't usually go.
6. **What would your key management advice be?**
To succeed, you have to be focused.
7. **Is it OK for employees to disagree with you?**
Yes! All the time.
8. **Have you ever made a mistake that you wish you could take back?**
No. There have been a lot of mistakes but nothing major.
9. **Where is the best place to prepare for leadership: MBA school or on the job?**
On the job.
10. **Do you read management books?**



I have written my own management books but I used several references to complete mine: Nicole Aubert and Vincent de Gaulejac's *Le Coût de l'Excellence*; Jim Collins' *Good to Great*, Tom Peters and Robert H Waterman's *In Search of Excellence: Lessons from America's Best-run Companies* and Simon Sinek's *Start with Why: How Great Leaders Inspire Everyone to Take Action*.