# Dr Keith Burgess OBE

Interviewed by

**Richard Sharpe**

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*Welcome to the Archives of Information Technology, where we capture the past and inspire the future.  It is Monday the 4ᵗʰ of October 2021, and we are in Zoomland. I'm Richard Sharpe, and I've been covering computing and then the IT industry since the early 1970s.*

[00:20]

*There's one company known throughout the world that knows about other people's computing and IT systems, because it's helped to build them over many, many decades, and that is Arthur Andersen as it was called.  It was based in Chicago.  And a man who played a very important role in Andersen's development in the UK and Europe is Keith Burgess OBE, who contributes to the Archives today.  Keith, you were born from a family that ran pubs in Merthyr Tydfil I understand.*

Indeed, I was born in Merthyr Tydfil but didn't spend very long there, since my mother was just delivered in hospital, and I was taken home to, my father's pub I suppose I should say, in a town called Bargoed, I was taken home a couple of days later, and nevertheless, on my passport it has that I was born in Merthyr Tydfil, which is strictly speaking correct.

*Right.  You were an only child.*

Indeed.  I was an only child, and it's most probably worth saying, because it'll set some of the background, that my, my grandfather started off life as a baker, and in the early 1900s decided to become the steward of a working man's club, and eventually took over running a pub.  My father left school at the age of twelve in 1916.  He felt that he should go out and help to keep the family together, since my grandfather was in the First World War trenches.  Somehow between the age of twelve and his early twenties my father qualified as an electrical engineer, doing night school, day release, that sort of thing, and was in charge of the power plant on a colliery, and as I say, that was in his early twenties.  He came up with a remarkable phrase though, that he fell out with the powers that be, which must have been the Power Dufferin company, who owned the mines in South Wales, or at least a lot of them.  He never expanded [laughs] on what falling out with the powers that be actually entailed.  But he clearly couldn't get a job in the early Thirties., so he followed his father and kept a pub, it so

happens, in the same town, Bargoed.  And my father kept his pub for the next 50 years.

*Was he a union man?*

A union…  No, not particularly.  My father had the trait of disagreeing with whomever was in power at the time.  [laughter] So, his politics swung from left, right, whatever, and he was on the local Council as an independent member, since the Welsh Valleys are usually a one-party state.

*Yes.*

So, yeah, that's what he was.  My mother was somewhat younger than him, was a qualified nurse.  She, well, her parents, her father died of pneumoconiosis, miner's lung, in the early Forties, a few months after her mother passed away.  My grandfather on my mother's side didn't really work after the General Strike in 1926, and the house was kept together by my maternal grandmother, who did dressmaking.  And she passed away in the early, well in 1941 I think.  But what was amazing was that my mother was, in those conditions, was still sent to the local grammar school, and she then passed out of there to go and do nursing, learnt to be, learn the, the job of nursing.  She came out as a State Registered Nurse, an SRN, and a State Certified Midwife, and at the time of marrying my father she was the, a theatre sister in a major hospital.  She also had stories of pedalling along the streets of Cardiff in the middle of the bombs falling to deliver some babies.  So, they all led a rather chequered background, but my mother's nursing career ended with, a) my birth, b) marrying my father, and c) then helping him to run the, run the pub.

[04:57]
*Run the pub.  You are an only child.  How did that affect you?*

[pause] Well everyone has their own views [laughs] of what only children are.  In one sense I suppose I might have been spoilt, but in the other, having the, the pub, the bars, the people coming in and so on, meant that I was never one of these isolated only children, and, I can remember from an early age, maybe twelve, fourteen,

arguing with the local councillors and the local MP who used to come into my father's pub. And of course, there was a whole spectrum of, of people there. During the day the pub opened up and served rough cider, and my father used to tell some of the people in there to get out and get some work, which is what his view was. But there were also one or two injured miners that came in. And that was the sort of, the daytime trade. The evening trade, the saloon bar opened up, and, that's why I say, the local councillors and local MP and all the, and quite a fair number of local bigwigs would turn up there, because they all knew my father from his days on the Council et cetera.

[06:11]

*Were they interested in your education?*

The thing that I was told by my father from a very early age was, 'You had better pass your exams because there's a shovel waiting for you to go underground if you don't.' Being a big bloke, I realised there was no room for me underground, so I had better pass the exams. Which I did. So they were, they were very concerned to keep on pushing, pushing in that regard, and if I fell behind in any particular subject my father used to go rushing around to find somebody who could give me some tuition so I could catch up. So, education in, in the Valleys of South Wales was seen as the way to get out.

*Yes. And you went to a school for boys only, in 1957, is that right?*

Yes, I went to the Lewis School, Pengam, which had a long history, it goes back to 1729 and the so-called Lewis leaving money to educate ten poor boys. But the, the school grew in stature, and became one of the premier Welsh grammar schools, and I suppose creamed off is the right word, creamed off people from the local valleys. It had quite a large geographical spread. So it peeled off the, the top Eleven Plus passers. And so, 90 of us would start each year in the school. But there was a second-tier grammar school as well as a secondary modern, depending upon how well you did or didn't do in the Eleven Plus exam.

*You did well, and passed it. 1957 when you started school, FORTRAN was just launched; Digital Equipment Corporation was just getting under way in Maynard, Massachusetts; ALGOL was about to lift off; and the first integrated circuits are being fiddled with. Well, those were the key events as you entered school. You did English language, English literature, French, Latin, maths, physics, chemistry and biology. That's quite a range of O Levels, and you are able therefore to mix the arts and the sciences.*

No, I don't think I really… The English language, English literature, they were compulsory; the maths was obviously compulsory; and you had to do one modern language. That left you with a choice of four. So, for some strange reason I decided to do, to continue with the Latin, and then, then did the three sciences. So it was quite a, well I'll not say a lurch, but quite a strong steer into the science direction.

[09:03]
*Right. Then you did pass your Eleven Plus, you went to a state grammar school, and you did three, well four A Levels, did you not?*

I… Yes, well I did the two maths, separate A Levels, two maths, applied maths, physics and chemistry.

*What is it that attracts you to maths?*

[hesitates] You have to do it, particularly if you wanted to do physics. [laughing] And, I suppose, I didn't really realise at the time, Richard Feynman's famous saying that, maths is nature's language. And I got to realise that more and more over the years. But it just came with the package, physics, chemistry and, and the maths.

*Right. And, was it physics particularly that you wanted to do?*

Yeah, physics was, yes, that was my natural bias, and I did a special paper [inaud].

*What turned you on about physics?*

I was good at it. [laughs] That was the main thing. It's… I was just reflecting on this recently, and I think a large part of my life has always been to take the next obvious step. So, I was very good at physics, I enjoyed doing it, and so, the next step was to go to university and study it. I don't think it was that considered a decision as to whether I should have done engineering, or, or PPE in Oxbridge, none of those things were considered at all I don't think in my grammar school, which I actually think was an excellent school. That kind of deviance [laughs] was not considered to be appropriate.

[10:57]
*So, you went over the Severn Bridge, or, or went up through Gloucester and down, to Bristol, and you went to university in Bristol, yes?*

That is true. When I… I think one was brought up… I mean there are very good universities in South Wales, but I really did feel that I wanted to go somewhere different. And Bristol was indeed, as you say, via Gloucester, you had to get there. The bridge opened at the end of my first year in Bristol, but in the, in the first year it was the long way round in the car or taking a train. I think I took the train actually, didn't have a car then. And so Bristol was a very different situation. I was… About three weeks before I went to Bristol I had a letter from St John's, Cambridge, saying, 'You can have a place next year if you want to take it.' And, my school were very keen, because of course you measure the success of these grammar schools by the number of Oxbridge entrants that you have. I was so keen on getting on with life and getting to Bristol three weeks before, I wasn't going to turn that down to have a twelve-month delay to go to an Oxbridge college.

*And, you were too young for National Service, weren't you?*

I'm pleased to say, yes. [laughter]

*You just, you missed that. So '64 to '67 you are an undergraduate in Bristol. BASIC was being developed then, programming language. The 1900 range from ICT was announced in '64, and the Ministry of Technology was set up by the Labour*

*government, '64 to '67. What type of a student were you? Did you play rugby for example?*

[hesitates] I think that the… I was asked in one of my job interviews at the end of my undergraduate years what I did that was special or whatever. I said, 'Frankly,' I said, 'I'm a typical student: I enjoy my friends, I enjoy the bar, and I do a bit of work.' And [laughs] that summed up my undergraduate years. I think it was… As I look back on it, even though I did a lot of amateur dramatics in grammar school, I spoke frequently at the debating society, when I got to university, it may have been a little bit of social mobility, but somewhere, going into hall and the debating society with 300 or 400 people there, and rather eloquent guys chatting, and many of whom became MPs, I found it somewhat intimidating frankly. And it took me a little time to build up speed and so on, and I really didn't make it as an undergraduate. When I became a postgraduate, I may have been a bit more, full of self-confidence and so on, but as an undergraduate I don't think I had it

*How was living away from home?*

That was all right. Though my first year was spent in, in digs, and that wasn't a great experience because you didn't actually meet too many other students, except perhaps in lectures or whatever. And it's a shame, I think, with hindsight, that I did not end up in the hall of residence, which most probably compounded the difficulties I was just mentioning to you. But I moved into a hall of residence in the, in my second year, and, and made a lot of friends, and enjoyed that et cetera et cetera.

[14:38]
*You decided to stay on and do a PhD in physics, 1967 to 1970. Now those were politically turbulent times in the student world. Were you political?*

[hesitates] Somewhat. But… [laughs] One of my great claims to fame in that regard is that, first of all I went out on the streets to demonstrate against the South African Springboks in, I think it was '68, anti-apartheid. And, the University of Bristol at that time wanted to make the Duke of Beaufort the chancellor, and we were all out demonstrating against that. It didn't seem to me that in the white heat of the

technological revolution which we were supposed to be having at the back end of the Sixties that the right thing for a university was to take a, a duke, you know, with his inherited titles et cetera et cetera. So I was in that demonstration. The Senate House was of course occupied by some group, I mean that's what every student group did at that stage, but I wasn't part of that, of that group, spending my time in the Senate House; I seemed to have spent my time in the physics lab. University then decided, though, that it wanted to have a, a review of communications in the university. I think, we might think of political reasons why they came up with that. But I ended up on that committee as a representative of the postgraduates, and, I guess that was a part of my coming out in a wider sense. It certainly gave me something to talk about when I was looking for my next job [laughs], which would have been better than the, what I had to talk about at the end of my undergraduate years.

[16:27]
*Had you met a computer yet?*

The only computer I had met was in my PhD, which, a desktop Hewlett-Packard machine, which programmed to 196 steps I seem to remember. And, I did that through doing some calculations, don't ask me what they were now, I've totally forgotten. But I do remember being on the computer there. There was a computer in the university, but, I didn't take any advantage of it. I think one or two people did some ALGOL programming, but, I wasn't part of that group.

[17:07]
*When you left Bristol, in 1970, ARPANET was just starting, and Ted Codd was publishing papers about this strange thing called a relational database, which has been fabulously successful. And there were 79,000 computers in the world in 1970, only 79,000. The next year you joined Arthur Andersen, s-e-n. Did you find them, or did they find you?*

[hesitates] I think we found each other. The end, or in my final year of my PhD, a group, I mean again I can't remember the name exactly, took PhD students off for, for a week to learn about business, and, alternative careers. And I went on that. The sessions were led by Charles Handy, couldn't have been a better man than that to do

it, and there were, a number of the, tutors I suppose you would call them, were Harvard MBAs. I met them, and while we were discussing that, I was thinking, a life of, spent doing physics and in physics labs wasn't exactly going to turn me on, whereas this funny thing called management consultancy, which meant problem-solving and ability to explain your ideas and communicate et cetera, might be more in my line. So, I applied to a few of the firms that I had heard about from the, the tutors on the course, and lo and behold, I ended up in the Administrative Services Division of Arthur Andersen and Co.

*Where was that?*

That was, that was in, based in London. And, and that was… I joined it, at that time the group was only 60, I think 60, 70 people strong. We joined in the middle of a recession, so that, nine months later it was down to 60 from, from 70. On my second day I was told I was in the Operations Research Group, and I was told by the partner in charge of that that I was surplus to his requirements, which I thought wasn't a particularly fine welcome, but nevertheless, one would get on with it. In reality, I was hanging around for about six or, six or nine months before I got on my first client assignment. And thereafter, I never stopped. [laughs] So…

[19:51]
*What was the culture of Arthur Andersen on the consulting side then?*

Well the culture developed very much over the years, but we inherited a lot from the accountants: a lot of heavy training, and, to get us up to the mark; sort of, thoroughness, proper documentation, structure, planning, that sort of thing was very much inherited from the, from the accounting side.

*Did you go abroad for training, or was that in the UK?*

Well my first training in that sort of fallow first nine months was actually to learn to write programs in PLAN. And, so I guess those 79,000 computers you mentioned in 1970, I must have programmed on one of them in 1971. And, it was all punch card systems, and that was good, and I learnt a few things like, be careful what you write

[laughs], and one mistake can take a long time to sort out. And then, after a while I was sent off to what they call basic systems school in, in Andersen's, which was essentially a three-week boot camp, learning about systems. There was this famous case study of suburban pump, and that tried to teach you some of the certain basics of business, and of systems. And, so I did, went off for my three weeks. It was intended, I think, to be, to see if you could take the pressure. These days, that's not the way people approach it, but in those days it was, make you work late, make you work overnight [laughs] if necessary, to get the presentations done the next morning, and so on. I guess, at the bottom, I'm still somewhat sympathetic to that approach, particularly since I survived it. And, that sort of, sent me off, you know, equipped with a basic knowledge of systems, a basic knowledge of PLAN, and lo and behold, I was sent on my first job, which was at the Department of Health, which was setting up an operations research unit, and they wanted somebody to start writing a, a simulation program to explore running community outpatients facilities. I actually found that the simulation was not the way to go. It was much easier to focus on what the question was, and do some sums to work out the answer, which is what I did.

*Right. PLAN was an ICT programming language, was it not?*

What, PLAN?

*Yes.*

Yeah, it… Well, it's… It was the, the assembler language for the 1900 range.

[22:53]
*Right. OK. Now, 1971, we got the first microprocessors, we got floppy disks, and we got 4,500 computers in the UK, and we got TCP/IP. It was said by the critics, your, well not your critics necessarily, your rivals, of Andersen, that you were androids, the Andersen Androids. Have you heard of that?*

Oh, surely not, surely not. [laughs] Richard, let me back up for a moment and actually talk a little bit about my PhD, because…

*Sure.*

That was a mixture of low temperature physics, there were some theoretical quantum mechanics in there, but there was also a lot of, of circuitry which we had to build and, design and build, so that we could do our experiments. And, so, I was introduced, at least to integrated circuits, transistors, and making, and understanding basic feedback circuits et cetera. And that came with the, with the PhD. And, the main message… People said to me, what did I learn out of that? Well, I learnt, obviously, a bit about spin-lattice relaxation, but I don't think I'll take you very far down that. But the one thing I did learn was, what you don't understand, would eventually come back and bite you on the backside. So it would be a good idea to sit down and try and understand things. And, that was something which guided me, I think, through all my career. You may not instantly understand it, it may take you six months or twelve months to understand it, but, my goodness, you ought to try to make sure you understood it. And, that was a, quite an important principle and guide to my career I think.

*Are you partly an autodidact?*

An autodidact?

*Yes.*

What the heck do you mean by that? [laughs]

*Did you, do you train yourself, you educate yourself?*

[hesitates] Somewhat, but, not, not overly so. You know, one's always picking up, learning et cetera, and I think, I still enjoy doing that. And, and my retirement is, I think, spent, amongst other things, in relearning the things I've forgotten, but also doing the things that I never knew anything about. So it's, those, the idea of being acquisitive for knowledge is, has been a driving force in my life, yes.

[25:34]

*This is 1970 to '75, you are on the staff of Arthur Andersen. Who was the competition?*

The competition at that time was, the other accounting firms, but they were very different, in the sense that they had not focused as strongly on IT as, as Andersen's had. I mean it's worth saying in the culture of the firm that, we, the firm supposedly built the first business computer, they said it was the first, whether it really was, I don't know, but way back in 1953, '54, an accounting system for the General Dynamics company. So, the culture was, in the Administrative Services Division, was very much that there's an underpinning of information technology there. And, we did walk in to a lot of the knowledge and experience that people had accumulated in what they called the EDP, the electronic data processing binders, which were the basic documents. But the main thing I remember of there was a kind of checklist you had. 'Are you pioneering?' was the question, with the implication that if you were pioneering, you were wrong.

*[laughs] Oh really?*

That was something that I never followed. My guiding light to myself, and to the people who work with me, is that, if you are doing the same thing again, you're out of date. So, you needed to keep pushing the boundaries as much as you could.

[27:11]
*You were allocated to a particular client, were you?*

[hesitates] Yes. So I, I said the Department of Health. I did… And my second job actually I think was for the Home Office, trying to document a, a criminal intelligence system that was written in PLAN. Somebody had written, produced this thing, and nobody knew what the heck was in the program. So I was given piles of PLAN programs to try and work out what was happening in it. That was, [laughs] that was difficult, but nevertheless, I did that. And then, I did some more work in health operations research, including a nice little study which I was proud of at the time, which was working out the consequences of a new policy of treating the mentally ill, and just doing some simple maths, drawing graphs, it was clear that there was a pile

of people who had been kept in hospital and institutionalised, and that those numbers were decreasing as the treatment was getting better. And we were then able to… Well in fact we, I think I forecast ten years ahead of time that people were going to end up with great big large mental institutions in which the patients were rattling around. Anyway, pointed that out; I don't think it made any difference to anyone, but I pointed it out. And, I also learnt there, doing the OR work, I think I was on the community hospital project, and I remember saying to some, some Department of Health official that this policy didn't make any sense, and if he gave a little bit more work to do, I could prove that it didn't make any sense. And he said, 'Don't do it.' [laughter] And that was another lesson in government. But nevertheless, it was clear that, they didn't have a better idea in town, so they were going to cling to this policy, which wasn't, wasn't practical at all. But, anyway.

[29:09]
*The process of client handling was very important in Andersen I understand. You were presumably trained in that, were you?*

[hesitates] We trained in, trained in project management, and later, well later, much more senior at that time, we sort of did, psychology, you know, how do people learn, how do you react, how do you deal with disagreements, and all of that kind of thing. But my… But as I, as a staff, and then as a, a senior, which is, was the next… These things were all pinched from the accountants. So you were staff, then senior, then a manager, and then a partner. So those things were all quite, quite structured. But as I was transferring from a staff to a senior, I was given the job of leading a project for the Department of Industry at the time, which was concerned about, helping them keep financial control, another area where I was in for quite a while. But that was the first significant large IT project that I was involved with.

[30:23]
*It is said of Andersen by, again, its competition, you can only get fired for one thing in Andersen, that is, not having, in the client's diary, another meeting date.*

[pause] [laughs] I wish we were that well organised. But there tends to be a bit of a habit of producing a client report and saying, these are the things to do, one, two,

three, four, and the fifth would be, hire us again to do some more work.  So that, so that…  But of course, if you didn't do good work, you didn't get hired again.  So, I think that was the, that was the lesson: the better the work you did, the more work you had.

*Was it particularly competitive with the other people?*

[hesitates]  It was…  It was competitive.  Not particularly on the IT side.  There we were more competing with the CAPs, the, the C-A-P, the Sema, or whatever, who seemed…  Well the UK IT industry had a number of people, many of whom you've interviewed as part of this programme, and, we weren't part of the club.  We were outside that club.  And that was from time to time irritating, you say, why are they in there, why are they doing that?  But we were never part of the, of the, ICL, and, some of the more established IT firms that had sort of, grabbed the, the IT business in the UK.  So there was obviously a little bit of busting into them.

*Were you members of the Computer Services Association?*

[hesitates]  Not at…  Not at that time.  We gradually did become members.  But I mean we were, johnny-come-lately to most of that.

[32:20]
*Right.  1975 you became a manager, again in Arthur Andersen and Company, again in London.  What is your style of management, Keith?*

[pause]  I…  Obviously it's changed over the years.  I'm quite comfortable debating points with people.  That doesn't mean it's always been well-accepted, but if, if some piece of work came to me to be reviewed, if, if I could find weaknesses or flaws or errors in it, I would sort of, be like water going into a dam, into the foundations or whatever.  So I would tend to follow that through.  I'm…  People at times think, think I'm being a control freak; that isn't the case.  But I, I'm quite prepared to let people get on with it, but if they get, if they're getting it wrong, then I'm going to dive in, which was a large part of where I was going.  Later on in my career, I can remember that I had a mentor, and he said to me, 'Keith, you don't need to be the brightest kid

on the block any more, you've proved that. Your job is to bring on the next generation.' And, I took that very much to heart, and people thought in later years of my career that I had mellowed. They thought I, I had problems, because my wife had had a, a brain haemorrhage and so on, and they thought I had mellowed from that. That isn't the case. [laughs] It was… Though that did have some impact on my life. But I did feel that it was much more a responsibility to keep building the company, to bring on the next steps. We all had a sense of, the partners had a sense of stewardship. You know, we, the company is there for the long term, we're just passing through. Our job is to make it bigger and better as we pass through.

*Almost your whole career was spent in Andersen, and then what became Accenture.*

[hesitates] I spent, well I say 30 years, it's 29 and a half I think years, and left there in 2000. I was quite, quite senior at the time I left. I had worldwide responsibilities for start-up businesses, worldwide responsibilities for the outsourcing business, and, I left, at the end… I, potentially I could have been the CEO worldwide, but I don't think I never played my politics well enough for that. And so when, my line is, when the king changes, the courtiers change. So… And 2000, it was the right time to go. I think I had run my course.

[35:17]
*1980, you were made a partner, and you were a partner for eight years. And then 1988 you were made a managing partner. What's the difference between the two?*

Well obviously the, the managing partner is that I took over running the UK, or the leadership of the UK, and I did that until '94 when I took worldwide responsibilities for developing our skills and our training, and I did that until '97 when I took over the running of the outsourcing and a number of the start-up businesses.

*As a manging partner in the period '88 to '94, that seems to me to be a period where Andersen was really moving forward.*

Oh well, I'd like to think so [laughter], since I was in charge at the time. I think we… Stepping back, I mean, part of the Eighties I had been leading the work to rebuild the

social security systems, and that was a major, large project, major development of ideas and thoughts about how one did that kind of work. And, and as I became managing partner, I focused much more on a public relations programme as well. So we were a very profitable business in the UK. There were recessions around and about, but we never fired anybody as a result of the recession. And, as I say, we ran a PR programme so that more and more people knew about us. It was also the time we brought in advertising and so on, which was done on a worldwide basis, though we in the UK decided we didn't like the worldwide stuff, and so we'd have some local stuff in the UK, much to the chagrin of those that lived on the other side of the Atlantic. That battle went on for three or four years and was eventually lost of course, but nevertheless, [laughs] it was an interesting battle while it was going on.

[37:29]
*You forced, by your success, a number of other companies to merge, PricewaterhouseCoopers for example, a conglomerate. You always grew organically, did you?*

At that time, yes. And I think… [pause] I think, since I left in 2000, I've never, and I've not stayed close to what is now Accenture, because I think they've taken over various businesses. But we went at various points… We started off life by only recruiting people at the, at the junior level, and bringing them through the organisation. There were big decisions in the Eighties about whether we would bring in experienced hires, and what it would do to the culture. And, I mean we did bring them in; one or two were successes and others were failures. But we started broadening what we were at to feed the growth, and as we were going into new service lines, for example into outsourcing, we needed to hire people who were more expert in that. You mentioned earlier relational databases. I think I recall we were hiring people who were experts in that area, and that was all part of, of moving forward. I think… We did one small takeover, a specialist engineering consultant company, in the early Nineties, but generally we felt we could do better by just growing, growing ourselves, putting our energy into that, rather than bringing in some, inverted commas, 'alien', close inverted commas, some alien culture, which would take time to deal with. And I mean experience subsequently has shown that, it takes a hell of a long time to change the culture of another organisation, particularly if

you are trying to turn it round, it can take, you know, it's not an overnight job, it can take three, four, five years to really do that, and some may argue it's never done. But you sling together companies with remarkably different cultures and ways of working and sense of disciplines et cetera, and it's, it's a big problem. I think, incompatible cultures have been the, the cause of a number of major business crashes. I won't name names, that's a ground that I don't want to be [inaud]. [laughter] [inaud].

*When people senior were brought in to Andersen, what was the difference between those who failed and those who succeeded?*

[pause] Oh that's a very good question. I think it was, most probably how they were working as a team. Were they team players? Did they fit into that team approach? And the ways and capabilities they had for dealing with clients. I mean, when you are brought up sort of, getting used to dealing with clients and relationships, steering committee meetings et cetera, you know, the people we were bringing in were technical experts but hadn't had that much experience in doing that sort of thing. And they tended not to be that successful at it, or not be interested in it, or not wanting to put the effort and the time into it. I mean that said, there is, as I said, there are successes and there were one or two, two failures. And I think, what occurs to me is, some people had very strong personal agendas, and I don't think strong personal agendas worked in our culture.

[41:20]

*Right. When you were a managing partner, and then worldwide managing partner, you had an overview of Andersen, and during that period IBM was increasingly being interested in your work, i.e., taking your market away from you, as Fujitsu became more interested in it, and as others did. And you faced a lot more competition in the Eighties and Nineties than you really had in the Seventies, and certainly from very strong companies. How did you tackle that?*

Well first off, the, the business really grew in the Eighties, it started growing, and the philosophy of selling work further on et cetera, and trying to build, well, long-term client relationships, rather than just doing a job. So in the Seventies we just did a job or an assignment; whereas in the Eighties we started trying to build relationships. So

I think that was a key part of, of our success at that time. If we come round to the competition where other people were trying to eat our lunch, what we did in the late Eighties, early Nineties, and I will claim some success, some part in this, is that we, we realised, or I realised at the time and others did too, that just doing the, the systems integration part of work by itself was not producing business success at the end of the day. And we came up with the view that what we were looking for was not systems integration, but business integration, and that meant getting the strategy, the people side of the organisation, the processes it would follow, and the technology, all aligned with each other, set up. And we came on this '89, '90, and so, we started working very hard on each one of those areas, building up a strategy business, being much more aware of the changed management, the people side of things, as well as the process which we would have understood before, and the technology. But nevertheless, the business integration view changed the shape and the direction, but it became our core business model. And, and I, I was, perhaps kindly, given a lot of the credit for coming up with that view, but it certainly ensured that the business stayed broad, and it stayed relevant in the business world, and that was the driving force I guess behind me in due course having responsibilities for the competencies and so on. But that broader approach I think ensured that we would, we stayed ahead of the immediate competition.

[44:15]
*In these 29 years or so that you were at Arthur Andersen, did it ever pop into your head, why don't I launch Keith Burgess and Associates, because I know how to do this?*

No, I had a strong sense of partnership, and I, I did throughout all my years. One or two individuals I know sort of broke out from that, and I used to take that as a bit of a personal insult. I think we were there collectively, and I think as a collective we were stronger than we would have been as individuals. I think we had got a working method in terms of the way we trained and developed our people, and a methodology for doing these things, this business integration thing that I talked about, which required scale to be able to achieve. And I think, I recognised that the structure underneath helped me to be bigger and better than I would otherwise have been, and some of those that didn't quite recognise it and thought it was solely them, weren't

quite so successful. So I think it's recognising the partnership was a partnership, and that we were joined together to achieve success.

*How important was US ownership?*

I, I don't concede that it was US ownership. I think it was a worldwide partnership.

*Right.*

And so we were all partners in a worldwide firm, and… And so, in practice legally we were partnerships in each of the separate countries that we operated in, but collectively we believed that we were a, a worldwide operation.

[45:55]
*You have, you and your partners and colleagues have built multiple systems for people in the private and the public sector, and there does seem to be, and I need your reaction to this, there does seem to be a horrible ability of the UK public sector to often screw it up in IT systems. I can point of course to patient records in the NHS; I can point to the, I think it's called Horizon system for the Post Office on counters. I can point to numerous, going back, numerous examples. First, is that a correct vision, and second, why, if so?*

[pause] Aha. [laughs] Yeah, why if so. Yes. My case study, which is where we did what was called the operational strategy for the, for the Department of Work and Pensions as it now is, when we were rebuilding the systems in the Eighties, if you go back in time, there was a number of big pioneering systems which the, the chaps in, in the government department had created, and they, you know, they need to be praised for that. But suddenly they got to the point where they couldn't make it work beyond that stage. And the problem wasn't just the technology, which I think, I think more or less could be mastered, but the idea of dealing with officials, getting things defined clearly, not letting them change their mind, not letting it evolve, I think, all of that… The basic disciplines and project disciplines were just absent. And so, yes it's partly skills, but its basic disciplines that, about the right way to go about these things seemed to be absent. And I am concerned these days as to, although I, my view is a

distant view now, as to whether our systems integration capabilities in the UK as a strategic asset, is whether it's good enough, and whether we're focusing on it being good enough. You know, are we developing the right skills, are we training the right people, and are we making things happen in the right kind of way? But, it… So I guess I would summarise it though, [laughs] this may seem a little trite, but going back to my business integration view, where are we going, what are the processes we need, what's the technology, what are we going to do with the people? And that's a hell of a big area to manage, and I don't think that they manage it all very well.

[48:37]
*It was said to me once by someone, when I put this question to them, said, 'Richard, you've got to realise, Government cannot, public sector cannot choose its clients. It can't choose its customers. The private sector can. And the public sector is often dealing with a whole lot of people, for instance, DHSS with universal benefit and so on, a whole lot of people who are down the end of the social scale, and are giving them services which are complex and difficult to provide to them through IT systems, and that's one of the reasons.' Does that ring true for you?*

[pause] Well I think it's true that there are situations where there is a lot of complexity. The trick is to know how much complexity you're going to take on board as part of the development of the system. And if you over-reach, then you're going to fall flat on your, on your face. So, I think it is a potential to deal with it. And you then have to go back, and back to my point about, what is the strategy, what are we doing, and try to force some kind of simplification in the exercise, because it just can't be done. Are they good at doing that? No. And if you let, give politicians their heads, since they don't understand any of this, you're going to end up with something horrendously complicated, which then becomes incredibly, very difficult to, to implement. So that is a contributing factor. Is it the sole factor? No, but it's a contributing factor.

[50:09]
*You left in 2000, Andersen that is, and, it was by then Andersen Consulting. And, the whole partnership had made enormous amounts of money out of Y2K, and the issue of the Millennium bug. We've interviewed a lot of people about this, and I've written*

*about it as well, there's a paper on our website about it, and there's a whole spectrum of opinion. One person said to me quite clearly, 'Oh yeah, Gartner pretty well made the whole thing up, so that the consultants could have a really lovely time.' Others say, 'Oh no, it was essential.'*

[laughs]

*What do you, what's your views on this?*

I think the… I don't think there was any particularly large sum of money made out of these Y2K issues.

*Really?*

Not by, not by Accenture or Andersen Consulting, whatever we're going to call it. At the time, those kinds of things were best done, or were equally done, by shipping it off to India or to some, you know, bulk-buying of things, and the kinds of things which we were doing were, I think, further up the, up the scale. That isn't to say that in the Nineties where, you know, suddenly more and more technology et cetera, we were in the right place at the right time, and, that did help profitability. But Y2K? Well certainly it was after my time [laughs], but, or, at the end of my time. I don't think that was a particularly important issue financially. It was the whole interest in the, in the Nineties, and our philosophy, how we had been doing it, and the basis of our long-term client relationship, was, was really the driving force.

[52:09]
*In this long career, what are the biggest business mistakes you've made?*

[laughs] [pause] The biggest business mistakes I… I don't think I've made any big business mistakes frankly. [laughs] Have there been errors? Have there been problems on the way? Yes. Have some projects been more successful than others? Certainly. And some projects have been, have been grim. But, I think we dug our way out of most of those. It's, you know, as a partnership, and this would be easier to do as a partnership than a public company, if we were in trouble, we can decide to

throw the money at the problem, or resources at the problem, and to fix it. And, it would never occur to us at that time to walk away from something. Yes, we may have got it wrong, but we're going to see this through. And that was very much some of the guidance that we had. So, what business mistakes did I make? I don't think there are many. Personal mistakes? A whole pile of them. [laughs] That's a different issue.

[53:26]

*OK. Some other partnerships turn themselves into companies. Why didn't Andersen do that?*

Well it did at the end. In… First of all, the back bit of the Nineties, about a third of my time was spent, as a small team, there were about four of us, negotiating with Arthur Andersen, the accountants, about the way that we were going to go forward. Because, we were very profitable; the auditing and tax side weren't as profitable. We ended up with, we shared our profits worldwide, to the extent tax and all the rest of it allowed, and we were in a worldwide profit-sharing pool. But the, the accounting side wanted to make themselves a damn site more profitable. And arguably we, we gave a bad example to the accountants, because they weren't, they had a natural franchise but it wasn't quite as profitable as our franchise, and that made them very uneasy. And we became uncomfortable bedfellows. And so the latter half of the Nineties was spent negotiating about a settlement or an arrangement. Eventually we went to arbitration, and broke apart from Arthur Andersen, became Accenture, and so on. Then the question is, why did Accenture become a public company? I don't think most of us who were senior management at the end, during the end of Nineties, would have gone down the public company route, and I certainly didn't think it was a great idea to go down the public company route. That may be a subject for, [laughs] for discussion and debate. But in the sort of, the, the boom of the early Noughties, people were very aspiring, said, 'Oh we can make a hell of a lot more money if we do this, and if we go public,' and so on. By then, my writ had run, but that was a view driven very much from the US, people seduced themselves into believing they could make a hell of a lot more money that way. And I thought that the things and the foundations on which I had worked for 30 years were in peril by going to, being a public company.

*And also, the accounting side got tangled up in Enron.*

Well that's, that's part of the problem. I think they were driven… They had lost their natural franchise, and they were driven by trying to chase after our success. And, and I know a lot of the people who were leading that side, they were all good, honest people, but they had a lot of trouble coming to terms with their natural franchise, and kept on trying to push more, and push further, and so on. And, and I think that led them into Enron.

[56:23]
*Right. After just over 29 years you decided to leave. Why?*

It was right. I had reached the end of, the end of my tenure. I, [laughs] I know exactly the moment I decided I was going to go. We had had a, a previous CEO had resigned, we had a new CEO in place. We had run some new worldwide conference, and I was off that weekend with some, London partners, and we went off shooting. They were all full of the new order, the new, the new arrangements, and all the good things it was going to do for them. I went out on one drive, and came back convinced I should leave, that my time had been done, my stewardship was over, I had done my 30 years, it was time for a new, a new set to take the business forward. Which they've done, and successfully I think. But, yeah, so it was time to go.

*And what did you go and do?*

Well I then went off and ran… To begin with, the chairman and chief, and CEO of an IT training and consulting company. It wasn't very large, the training had been good, but it was very inflexible adapting to the changing world, and the, and the consulting outfit that they had bought reinforced my view about difficulties of managing cultures and so on. I don't think it was all that successful, because they couldn't work to the standards that I wanted them to work. So I laboured at that for about, six years. And, I don't think I was a great success on it, but I'm not sure that that was a, there wasn't much opportunity to be successful with the ingredients that I had mistakenly taken on board. So I suppose you could come back and say, that's my biggest business

mistake, was moving into…  [laughter]  But a personal mistake that I made was most probably not investing time and effort into planning and thinking about a post-Andersen consulting career.  I just was totally dedicated to what I was doing.  And at that time people didn't let you go off and do part-time jobs and all that sort of thing.  You either did the job, or you went.  And, I did the job, and then I went.  So, that was…  And I think I was too keen to get something else to interest me, and I took on a company which, as I say, didn't have all those, many ingredients to be successful frankly.  And, and we weren't.

*And another issue, therefore, about clashing of cultures.*

It's…  It was clashing of cultures.  There was also another problem as well which was, they had committed themselves to a lot of long-term property issues, so their finances were hit by properties which were unsuitable properties for which we had ongoing cost commitments, which actually were obviously a drain on the P&L.  And then we had, also dealing with people who were stuck in their ways and weren't flexible and adaptable to the changing circumstances.  So that…  So we fought on.  And at the end, the company was sold on into another training company.

*I used to train journalists, and, one of them, one of the courses I did was an oxymoron, called Editorial Management, well not quite an oxymoron.  And, I used to always advise them, never, ever attack the culture of your company.  You will always lose.  Now I have that experience as well.  You also went in to chair BearingPoint. What was that?*

BearingPoint was an offshoot of the KPMG consultancy.  This was the US part of, of KPMG, which was floated off separately from the accounting firm.  And they also bought up a number of the Arthur Andersen, i.e. the accounting bits of, of Arthur Andersen, so they bought the French practice, the Scandinavian practice, and tried to put it together with the German practice.  And the worldwide CEO of BearingPoint at the time had been the, had been brought in to be the, the…  Sorry.  Who had been the financial controller of, of Accenture, then, came over to be the CEO of BearingPoint. He knew of me by repute, and felt that he'd like to have me on board, because his view was that, they were going to be a spin-off in different, of the companies, and he

was going to, that was what he wanted to organise. He had an investment banking background. So I came in as European chairman, and worked with the major dominant German practice, trying to get the European practice going and trying to bring different European cultures from different organisations coming together. We made some progress, but it was still dealing with the culture problems. People businesses are about culture, [laughs] and you've got to get the culture right if you're in a people business. I did that for a couple of years, and then, I ended up with some medical problems, and, and also, [laughs] the worldwide CEO turned up on one day and found he didn't have a job anymore; somebody had convinced the US board that there were other possibilities. They were wrong in my view, but anyway. That all changed. But at the same time I was hospitalised for, and, incapacitated for about three months. And I came back and did a bit of non-ex work for them, and the relationship ended around 2009 I think.

[01:02:38]
*You didn't build a portfolio career after Andersen. Why?*

Well, the first thing, it's the same bit. I had a lot of offers of non-execs after leaving, well let's call them Andersen's, Andersen Consulting, and I thought, no, wait a minute, this job I've taken on with this company, this training and IT consulting company, requires the bulk of my time. So, I didn't think I could, had the time to go on and take a whole portfolio of things. Though I did work for a little while with EDS to support the European management on that; that lasted a couple of years, I enjoyed it, met some nice people who are still friends. And, [laughs] annoying my previous colleagues in Accenture, but that's another story.

*Well EDS was, yes, a bit of a, a bit of a competition for you.*

They were competition in the outsourcing field. And I think they were very good at, at operations. They, on the other hand, tried to go, oh let's call it upriver, or upstream, in terms of consulting, and weren't very successful at that, but they were very good at running operations in the late Nineties, early 2000s. And it was a sort of, I used to think that when the outsourcing business was growing, that, if you were partnering with EDS, would be a bit of a, a dream team in the, you know, we could manage the

clients and the, the systems development and maintenance; EDS could do the operations.  And we did a couple of those deals I think.  But those were done after my time.

[01:04:27]

*I've heard outsourcing described to me as the finance director's revenge on IT people.*

[laughs]  [pause]  Yes, [laughs] that's…  I don't know whether it's the finance director's revenge.  It has its place, I think I would say.  And, you know, it, it brings in a lot of good management which organisations may not be able to apply themselves.  There's no great magic in, when you're doing outsourcing.  It is just good, strong, solid management, and an application of good skills.  But that's beyond the capacity of some organisations.

*Very much so.  Not beyond your capacity though.  That was an extremely good contribution to the archives.  Thank you very much Keith Burgess OBE.*

[End of Interview]