

## Reflections on Leadership

Steve Morrison of SH Gillamor Stephens reviews what are the key leadership traits of some of the Technology sector's most successful CEOs.

Over recent years, it has been my pleasure to edit the Insight magazine, in which my colleagues and I interview Chief Executives and Non-Executives from across the technology sector. These are wide ranging interviews on companies, markets and technology, but a subject that is regularly discussed is, what does it take to be a successful leader of a technology business? While clearly there are many characteristics and traits that define a great leader, I thought it would be interesting to review some of the previous interviews to determine if there are recurrent themes that were important to our interviewees when they articulated their views on leadership.

### The Importance of People, Culture & Diversity

We have seen some of the best performing technology companies thrive because of the emphasis put on culture. **Colin Brown** (Former MD of Softcat) was adamant that culture was the key to success and stated 'Softcat wouldn't be Softcat without the culture and that's all thanks to our founder Peter Kelly. Peter is the typical slightly eccentric entrepreneur, and he built the business in his own mould. He believes in being successful and having fun in the process.' For **Graham Charlton** (CFO at Softcat), strong leadership means putting significant effort into creating a culture where people feel valued, and by extension, delivering a unique employee experience. He said, 'We hope our people genuinely care about the business they work for, care about each other, and as a result feel like they are working somewhere special, unique even.' This sentiment is echoed by a number of leaders we have spoken to over the years – culture has a direct impact on the success of a business and leadership.



Charles Nasser

For **Charles Nasser** (CEO of Claranet), culture is at the forefront of the conversation. 'I have a fantastic team around me which is a huge factor in our success. I think cultural fit is a really big part of it. When we are hiring, it is an elimination criterion that gets exercised a lot. Clearly there are a lot of competent people in the IT industry with good CVs and track records, but we would never want to

work with them if they are not team players. We are very, very clear that for somebody to be effective, they have to work in a team at Claranet. It is an environment where success only comes through teamwork...'

*“Strong leadership means putting significant effort into creating a culture where people feel valued.”*

For **Rob Coupland** (CEO of Pulsant), teamwork has to exist across all levels within the business and 'It is about trying to breed that environment of aspiring for big things, everybody staying focused on the overall goal and making sure you have a leadership team that is really focused on the bigger picture and not just their individual functional responsibilities.'

Successful technology companies recognise the importance of aligning their people strategy with business goals. As **Jenny Davies** (CEO of M247) outlines: 'I believe we have a very open and transparent culture. People need to know that they are valued and how the role they play impacts on the business achieving its overall goals.' Understanding the needs, wants and motivations of a diverse workforce enables businesses to attract and retain 'high-performing' talent and this aligns to having a focus on the long-term strategy of the business. **Mike Ettling** (now CEO of Unit4, when interviewed he was President of SAP SuccessFactors) said 'Your people are most likely doing a fantastic job but if you don't prepare and develop them properly, they won't necessarily have the right skills for the business. I believe innovative and effective approaches to talent management and development will be a key difference for the Cloud companies that are really able to scale effectively.'



Jenny Davies

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It is clear that strong leaders are open and willing to embrace diversity. **Anne De Kerckhove** (CEO of Freespee) said 'I encourage diversity and it works - you need to pay attention to it and pro-actively make changes! In tech firms, it is one of our most important challenges to resolve, because diversity produces better results. If you only hire people that look like you, talk like you, went to the same school as you - you don't have different perspectives! No one challenges you properly. At Freespee, our 22 different nationalities challenge each other every day and produce better results because of it. This in turn not only creates an inclusive environment, but also significantly benefits her leadership, where she says: I get fantastic energy from a team that is super motivated to innovate every day.'

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**Phil Brown** (CEO of Causeway) highlighted the value of utilising psychometric profiling and assessment tools to build a detailed understanding of leadership teams in a business transforming and driving a growth agenda. 'I needed to be certain that our existing management team (including myself) have the requisite core competencies to scale as we grow. In all cases I have been able to get a more analytical understanding of the current team's strengths, weaknesses and development needs. It's now much easier to identify who is the best fit for each role in the new management structure, as well as identifying gaps in the current leadership. It is critical that a high performing team is in place moving forward in order for the business to deliver on our growth ambitions.'

### The Importance of Mentors

While the CEO must be able to inspire, mentor and develop their teams, they equally require strong advisors and counsel around themselves to support them in moving the business forward. Many CEOs we have spoken to outlined the benefits to them of an effective Non-Executive Chair. **Fiona Pearson** (Former CEO of Clinisys) commented that

'the Chair's role is really key' and provided a different set of experiences to lead the company through the Private Equity model, when she and the CFO were relatively new to PE. **Heath Davies** a very experienced software company CEO, agrees that 'to have a really good Chair working with you, who will complement your style is essential.' A CEO may have overall day-to-day responsibility for the company, but they cannot do it alone. Heath recognises that he 'really learnt the skill of becoming a CEO by having a mentor that was happy to spend the time to teach me some of the softer parts of becoming a CEO.'

***"To have a really good Chair working with you, who will complement your style is essential!"***

Indeed, reflecting on his role as a Non-Executive Chair, **Mike Hedger** (former Chair at Mimecast and eCommera) saw his remit was to share his experience and knowledge with the CEO and Board: 'My version of Chairmanship is we can discuss any problem. I've done almost everything in business, I've succeeded, and I've failed. Sometimes failing is just as important as succeeding but it has given me this vast knowledge, competence and ability to communicate and make it happen.' **Chris Stone**, an experienced Chair of both publicly listed and PE owned businesses acknowledges that 'it's not my job to run all the business. It is my job to provide insight and to give early warnings. If I think somebody hasn't fully thought through all the outcomes of a decision, then I find ways to share my experience without taking over.' Equally, **Mike Tobin** (Serial Non-Executive and former CEO at Telecity) offered some sage advice, 'try and surround yourself with positive people, not negative people, because negative people will just spread and transmit negativity...'

### Customer Obsessed

'Customer trust is critical to us.' This is a clear statement made by **Nick Hungerford** (Founder of Nutmeg) which is echoed by multiple CEOs who we have interviewed. **Adam Hale**, (Former CEO at Fairsail), reflected that one of the key pillars for the successful growth and exit of Fairsail to Sage in 2017 was their dedication to the customer 'and really driving a customers' for life philosophy.' No company can be successful without its customers and **Colin Brown's** view on why Softcat has been so tremendously successful

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is that success for the customer, comes through success in the team: 'We constantly ask, what can we do for our employees; are we providing the right environment? We empower them and they repay us by delivering high customer satisfaction and, in turn, better revenues.'

Upon joining Kerridge Commercial Systems in April 2020 as CEO for North America, **Heather Preu** made it a priority to engage with her customers straight away: 'Just about every day I have one or two introductory video calls with customers to touch base, to see how they are doing, to see how we can help and just introduce myself.' Every CEO knows that the quality of your customer relationship is tantamount to business success or failure, and one should always make time to prioritise the customer needs. This is reflected in both a B2B and B2C technology perspective, as **James Bromley** (Former COO, Swiftkey) concurred 'We are obsessed with making the world's best keyboard. This means constantly developing to meet our users' needs, providing first class support and feedback.' **Jenny Davies** (CEO, M247) was clear in her view that a business cannot simply impose their product or solution onto a customer, hoping one size fits all, rather they need to take the time to understand the customer's situation and specific requirements in order to provide the best service and solution. This only comes with taking the time to engage and 'intimately understand what the customers' needs are.'



Heather Preu

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### Agility and Innovation

While every high growth business has a clear vision and plan to build market share or disrupt their market and grow, it is not always a linear and steady path to success. Many of the CEOs who we have interviewed over the years have explained that pivoting and changing direction or being agile enough to rapidly adapt to a new market dynamic is essential to continual growth and success. Having an entrepreneurial and problem-solving outlook was a key contributor to Fairsail's success, according to

**Adam Hale**, who said that 'where our competitors run away from international complexity, we run towards it because we can manage it.' A sentiment shared by **Nick Hungerford** (Nutmeg, Founder), who commented that 'digital change is very fast moving, and the consumers' expectations are evolving quicker than ever before. We need a constant flow of good ideas and improvements, and the right expertise to make them a reality – quickly.'

However, while it is important to be agile, **Klaus Nyengaard** (Former CEO, Just-Eat) is clear in his view that in order to truly grow and scale, 'the whole business also needs to be supported by robust structure, process and reporting.' While this sentiment is often reflected as a core pillar in a business success, **Nick Hungerford** succinctly summaries that 'process is important, but innovation needs room to breathe' and it is through CEO's creating an agile customer centred business that innovation can thrive and fast growth can be achieved.

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### Authenticity and Communication

For any leader to be successful, authenticity and clarity of vision combined with open communication are crucial. Upon reflection, for **Heather Preu**, these traits were arguably the most important for a CEO. 'I believe transparency and communication are incredibly important... I am very cognisant that I need to have frequent communication, even if it's just an email or a quick video message to the team, whether it's an acknowledgement of deals won or there are books that I'd recommend.' If a leader cannot be approachable as well as dependable, this could have a negative impact on the workforce, and in turn the business. **Mike Etting** told us, 'For me, good leaders have to be authentic. If your company or your environment puts you into a situation where you can't be yourself, you need to quit....Unless you are authentic, there is absolutely no way that you can be an effective leader.'

In **Anne De Kerckhove's** view, 'Both internally and externally, people look at the CEO and expect them to have

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good values and for them to communicate those values and to adhere to them. I think it's a great time for women to make it to the top of tech companies, because they bring that added perspective.' **Audrey Mandela** (Co-Founder of MapInfo and Chair of Women in IT) also highlighted the importance of this when she said, 'we worked harder to ensure that the team saw us not just as their employers but also as people they could turn to for advice and guidance.'

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### Conclusion

Throughout the years of interviewing CEOs and Executives, we have seen recurring themes arise when discussing leadership. These are:

- 1 **Culture** – building and cultivating the right culture to breed success.
- 2 **People** – ensure people feel valued, are team players and are able to develop their skills and experiences.
- 3 **Authenticity and communication** – clarity of vision and strategy; self-aware, openness, integrity and trust.
- 4 **Diversity** – surround yourself with diverse thought and experiences to implement into a successful strategy.
- 5 **Mentors** – develop yourself with the support of strong allies and guidance to push yourself as well as the business forward.
- 6 **Customers** – being absolutely obsessed by the customer and a clear drive to succeed for the customer.
- 7 **Agility and Innovation** – being flexible in your approach to adapt and change as required.

The technology sector is booming and constantly evolving and while there is no single blueprint for leadership, the current global pandemic has illustrated that CEOs need to be able to proactively adapt their leadership skills to new challenges. As **Rob Coupland** says: 'part of leadership is recognising your strengths but also recognising your weaknesses and then organising around that... I think if you are able to recognise this, then ultimately, you'll be a better leader.'

**“Part of leadership is recognising your strengths but also recognising your weaknesses.”**

*SH Gillamor Stephens is the Technology Sector Practice of Sheffield Haworth, a global talent consulting firm advising customers on people and transformational change. Our aim is to help individuals and organisations realise their potential. SH Gillamor Stephens' services include Executive Search, Board Assessment, Leadership Development and Coaching plus interim consulting. We have proven track record and particular expertise in working with mid-market and "scale-up" UK and European headquartered companies in the following areas:*

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*For more information, please contact Steve Morrison, [smorrison@gillamorstephens.com](mailto:smorrison@gillamorstephens.com).*