

In this issue

2-3 Route to the Top



Kimmo Alkio, returning CEO and President of F-Secure, shares his route to the top: via Digital Equipment and Nokia.

4 VC Economy

This edition focuses on Clean Tech, one of the hottest investment sectors.

5 Director DNA

A regular feature exploring the personal and professional attributes required to make an outstanding Director. This edition: The CIO.

6-7 The Big Debate

Senior executives from Infosys, Rave, CapGemini and Wipro share their thoughts on the future of offshoring.

8 Global Economy

A round-up of recruitment and sector news from our **mosaic** partners.

9 The Workshop

Two experts debate and remedy a topical news story. This edition: Harvesting great sales talent through sales training.

10-11 A Week in the Life



This edition follows a week in the life of Peter Ellwood CBE, Chairman of one of Britains most famous companies, ICI.

12 Alter Ego

For all those who never aspired to be 'in tech', we interview leaders in desirable careers. This issue: British Airways Captain, Dave Fielding.

The offshore debate

Executives from CapGemini, Rave Technologies, Infosys and Wipro share their predictions for the future of offshoring.

Over the last ten years, outsourcing has been used to provide lower-cost IT coding or call centre operations. But now companies are leveraging offshore partnerships and highly-skilled global talent as a way to deliver innovative products and to stay ahead of both emerging customer needs and the competition.

Bangalore, Beijing, Poland, even Manila and Mexico are being 'co-opted' to form a 'global technology and innovation ecosystem.'

And it's not just new talent that companies are looking for. They're also thinking about innovation: where it comes from and how it should best be managed.

Multi-sourcing

Customers believe that it is not realistic for one service provider to be

good at everything, and concentrating on 'best of breed' is more likely to deliver real business value. Instead of risking whole business lines with a single service provider in a multi-year mega contract, shorter duration and smaller value deals are a direct result of clients wanting more flexibility, says Shreedhara Shetty, Senior Vice-President of European Sales & Operations at Wipro Technologies.

"The low-hanging fruit has all but disappeared. Boards are now asking 'What can I report in the next quarter?' Back in the 90s ROI was measured in years not months. Now, they're much more conscious about what money they're putting into technology and processes, and they're looking for a return within one or two quarters."

Continued on pages six and seven ➔

Viewfinder

As Gillamor Stephens enters its fourth year of publishing a quarterly magazine, we have decided to adopt a new name that reflects our goal of providing *insight* into the people and technologies shaping global business and investment. So, *iopener* has become *GS-insight*.

Gillamor Stephens is the leading executive search and selection company serving the international ICT sector. We trust you will find

GS-insight continues to offer thought-provoking and informative articles on the business sectors we serve, as well as interesting views and perspectives from leaders in other industries.

GS-insight is published in both print and electronic formats, and can be viewed and downloaded from www.gillamorstephens.com.

We welcome your feedback at gs-insight@gillamorstephens.com.
Steve Morrison, *Founding Partner*

Kimmo Alkio

Kimmo Alkio, President and CEO of security specialist F-Secure Corporation shares his route to the top, and emphasises his belief that putting talent selection and development at the top of his agenda makes for a successful company.



GS-insight: You've been back at F-Secure just under a year. What is it like returning only 18 months after leaving to go to Nokia?

Kimmo Alkio: I really did not imagine leaving Nokia. Nokia is a company I really respect and value. But the opportunity to come back as President and CEO of F-Secure was just impossible to turn down.

My intention as CEO is for us to become globally a high growth company. I took on this role from Risto Siilasmaa, our founder and a strong leader for the first 18 years of company's history. We have managed a very smooth managerial handover since last November and had a successful start for the year, with strong growth and healthy profitability.

As a company we have been ranked number one in revenue growth for 15 successive quarters among publicly listed anti-virus companies. Looking ahead, we'll need to execute well in both the sales and marketing side as well as in new solution innovation to continue growing faster than the industry.

GSi: What did you learn at Nokia that you could apply career-wise as President and CEO at F-Secure?

KA: I learned at Nokia that you have to be extremely focused and selective on the business you expect to excel in and you have to concentrate on getting the right talent and experience

in the right places across the organisation. That means you have to have a clear focus on the breadth of the leadership team, and make people selection and development really important. Why is that? Because people with the right experience and attitude are the ones to make big things happen; these are the type of people that don't take No for an answer. The people with the proper balance of experience, drive, ambition and interest to develop individuals in the organisation also tend to be the ones to deliver best results.

GSi: You've had a 20-year career in the ICT sector, including 14 years at Digital. What knowledge did you gain there in dealing with people and issues that you can apply now at F-Secure?

KA: A big influence on my career was Bruce Claflin, who was Senior Vice-President for Sales and Marketing at Digital. I was 33 at the time and brought out to the US to join him as an Executive Assistant for a year.

I learned a number of things from Bruce that I've been able to adopt in my subsequent career. For example, I learned that personal skills-wise, you have to be a good coach and mentor, and you have to be both tough and gentle at times. At that level, you really have to be able to deal with a fast pace and enjoy

it! One needs to be able to shift between highly strategic topics and very specific issues for any given function, country or customer.

You have to be a leader, and have belief in what you do: be focused, driven, mix tactical business needs with longer term strategic differentiation and be frank with people while inspiring and empowering the organisation.

GSi: How would you sum up your qualities that have enabled you to have a successful career across three different sectors: the ICT space with Digital and Compaq, the mobile world with Nokia, and the IT security arena with F-Secure?

KA: There are three things that are part of my make-up that people tell me usually come across strongly. I am performance-driven to achieve results, and I also enjoy the strategic aspects of the business to drive longer term strategic differentiation. The third point I strongly believe is active and inspiring leadership; to work closely with and through people, being a coach and mentor, and as applicable very much hands-on. Working across the organisation, you need to have the interest to do what I call 'deep dives' on any relevant topic of the company's business. Where necessary, have the interest and ability to dive into details of the given topic, which may require support across

“ The best run companies balance visionary thinking and operational management...every day is an opportunity to improve on both. ”

the organisation to achieve step function level improvements. This usually requires deep analysis, problem solving and execution skills to break out of the usual norms of the operation.

I believe that in the best run companies, there is a healthy balance of visionary thinking and operational management using techniques such as the ‘deep dives’. For any leader every day is an opportunity to improve on both of these.

GSi: Is the security software world unique, compared with life at Digital or Nokia? Or are the mechanics of producing security software products really no different from producing software/hardware/services anywhere else in the ICT sector?

KA: You can look at it two ways. Sales and marketing is very similar across the IT industry, yes, but in the security industry, getting the latest information on threats is very important, and we see 7000 new threat samples on a daily basis. So there is a very strong technical focus involved in protecting our customers.

The nature of these threats to security means companies such as F-Secure also have a greater public purpose; in our case this is about protecting people and to warn of new threats as they relate to the Internet and malware.

Overall, I believe a company

should seek to exhibit a role in the society which supports its mission, both to the employees and external constituents.

There are still an enormous number of insufficiently protected PCs around the world and the depth of knowledge by end users on Internet threats tends to vary a lot. The world of mobile security is in its infancy, while the requirements for protection are expected to become very similar to the PC world.

It is fair to say that the level of threats is intensifying, and there are new types of challenges, with ‘zero day attacks’ which means attacks are being made in a way which the traditional security applications (such as anti-virus) do not detect and tend to spread very rapidly. The involvement of organised crime means things are certainly getting worse, not better.

GSi: You benefited from gaining international experience with Digital Equipment and Compaq in Germany and the US. How important is international experience in the development of a ‘C’ level executive?

KA: Having those skills as part of your development is very important. Indeed, the importance of that international experience really cannot be over-emphasised in high growth companies. It’s exactly the sort of things we - and other companies - need.

In order for F-Secure to scale we need to continue to develop the organisation with global leadership skills.

GSi: One of the things we’re regularly hearing about is the need to get the work-life balance right. In such a high profile job, can you still manage to do that?

KA: Yes, although it is an all-encompassing role for the CEO, keeping the work-life balance is important. It is very challenging for the CEO - and senior managers too - to get the balance right: work-family-fitness.

Although in a past life I used to play competitive tennis, these days I work out pretty actively whether at home or on the road. Today, I’m more likely to go out on longer bike rides and get some fresh air, or play a round of golf.

The main thing is to keep yourself fit in a way that suits your business and family schedules. ■

Career Highlights

Kimmo Alkio started as President and CEO of F-Secure in November 2006. He joined from Nokia where he was VP Consulting & Integration. Prior to Nokia, Mr. Alkio was COO with F-Secure. He spent 14 years with Digital Equipment Corporation and Compaq Computer in various management positions in Switzerland, Germany and the US.

European VC investments start to clean up in 'Cleantech'

Venture Capital has a new word – 'Cleantech', coined by The Cleantech Group to describe one of the hottest investment growth sectors, writes Ray Fortney of LGES.

Cleantech has become a new investment class, with an annual growth rate exceeding 50 percent with over \$3.6 billion in venture capital invested in 2006.

The phrase itself comes from The Cleantech Group, which was formed in the USA to promote the sector.

Cleantech's appeal has continued in the first quarter of 2007 in both North America and Europe. North American investments reached \$731m, a 19 percent increase above the Q4 2006 amount of \$613m, while in Europe investments rose to \$172.5m, up from \$162.4m in Q4.

What is Cleantech?

Overall, the sector embraces a wide range of products, services, and technologies that improve utilisation of critical natural resources; significantly reduce or eliminate environmental impacts; improve quality of life; result in substantial cost reductions, and improve corporate performance, both from a society and financial perspective.

The sector crosses many industry verticals and markets including: energy generation, efficiency, infrastructure & storage, transportation, water & wastewater, air, materials, manufacturing, agriculture, and recycling and waste management.

America has certainly been more effective at promoting Cleantech as an investment sector,

but environmental awareness has been established in Europe for a far greater time, and as a result a number of interesting European companies have been established that have leadership positions in Cleantech. These range from Q-Cells in solar power through to Metalysis in energy efficient metals processing.

“Cleantech is where the tech sector addresses environmental problems.”

Europe leads the way

Arthur Bullard, Chairman of pioneering Oxford-based nano-scale vacuum technology specialist General Applications believes the sector can go from strength to strength. “The market opportunity is exciting as companies are looking for new innovations. The development of any new business is challenging, especially when you are seeking to develop new technologies in a fledgling sector which has huge potential for the future.” General Applications' development of an insulating material that uses the properties of a vacuum to keep products cold (or warm) many times longer than

conventional materials is just one example of cleantech's potential. It can be applied in a wide range of industries from the drinks sector, in packaging through to building supplies and pharmaceuticals.

Facilitating awareness

The Cleantech Group has brought investors, executives, thought leaders, policy makers and entrepreneurs together to facilitate the growth of cleantech globally through five business units: Cleantech Network, Cleantech Advisors, Cleantech Indices, Cleantech China, and Cleantech Search. Although the Group's activities started in the USA, Cleantech is unusual in that underlying technology leadership comes from Europe.

Recently Europe has seen the formation of some top-tier funds dedicated to Cleantech, most notably The Environmental Technologies Fund (ETF), which recently led a £13m investment round in Metalysis.

Patrick Sheehan, one of the Funds founders at ETF says, “We formed ETF to address a major opportunity where, for once, Europe has a clear competitive edge”. He continues, “Cleantech investing has arrived in Europe and is an exciting growth area that we should watch in the future.” ■

LGES is a mosaic alliance member
See www.mosaicexecutive.com

12 things to do before breakfast

There are some who used to joke that CIO meant ‘Career is Over’. Now it could mean ‘Chief Innovation Officer’. It’s a far cry from when companies wanted CIOs with a programming or systems analyst background.

Peter Hambling, CIO for Lloyds of London and Ian Campbell, CIO of British Energy both recently appeared in the Silicon.com Top 50 UK CIOs list. Here, they speak to GS-insight about what makes a great CIO.

“The other day I had to deal with the IT logistics around organising a large charity dinner on the 12th floor of the Lloyd’s building. Then the next day, I was dealing with a new system. You need to have the ability to cope with that variety - and to enjoy and thrive on it. You cannot live in a silo. I’ve just come from an early morning meeting with the CEO, and it looks like I have 12 things to do before breakfast. That’s part of the job.”

That is Hambling’s view of the variety involved in a CIO’s role.

Today, in-demand CIOs must have technology insight and communicate technical things in terms that non-technical people can comprehend, understand the business, its pressure points, how technology can be applied to alleviate those pressure points, and deliver innovation and strategic advantages in the face of fierce competition.

So what makes up a CIO’s DNA?

Campbell, CIO of British Energy says CIOs are now organisation change agents and have to stop worrying about their technical skills and be aware of their need

for new ‘business change’ skills.

“As we all move to new, standardised applications, with organisations considering outsourcing to get new skills at lower costs, CIOs will need to have the business skills to be able to manage all that, setting up deals. It’s a bit Darwin-like. CIOs must change or die. It’s not about technology and IT any more, but taking up the mantra of cross-functional change across the business.”

Hambling elaborates, “Flexibility is also key, plus an ability to deal with different cultures. If you’re involved with a global business, you can’t treat all the regions the same. You have to optimise what different cultures offer, and know which strategy to adopt for each one.”

Establishing critical relationships

A good working relationship with the CEO is critical, because the CIO can give the CEO an impartial opinion of how things really are within the organisation. Given the CEO’s strong security of tenure and the need to institute organisational change, the CIO is often the key executive to implement that.

To accomplish change, the CIO also has to be able to work with other key executives, such as Sales, Marketing and Operations, while in bigger organisations, the CIO will work closely with the CFO.

In organisations with an online

presence, e.g. financial services, the CIO’s affinity with Operations offers possibilities for promotion. A possible career path is to become CEO of the online channel, and use that as a springboard to pitch for the main CEO role when it becomes available.

Understanding your opponents

If the CEO is the CIO’s prime ally, then who is his or her rival?

“Your main opponent on the Board is always likely to be the other biggest budget-holder in the organisation, because you’re both competing for resources,” says Campbell. “That means you have to have resilience because there is a risk of the CIO getting the blame when things go wrong.”

Hambling concurs that the CIO now has to have a business development brief.

“You have to understand the company’s cost base, be integrated and optimised with the business, match technology to the business’s needs, and align those tools for the benefit of the business.”

Talking to the Board

Presentation skills and the ability to argue a case are critical. And the best organisations will test that ability right from the start.

“As part of the Lloyd’s selection process, I had to give a presentation to the Board on a problem that they could make a decision on. It had to be business focused, and in a language that all of the Board could understand; there was nothing to be gained from using any technical jargon,” says Hambling. ■

See www.gillamorstephens.com for more Director DNA interviews

How will offshoring companies transform processes in future?

Offshoring used to mean cutting IT costs. Now, the services offered by 'global service providers' are aimed at stimulating innovation and as one CEO says, "...moving all non-core business functions outside the company."

Shreedhara Shetty
SVP - Europe Sales & Operations
Wipro Technologies



➔ *Continued from cover page*

Innovation as a USP

Karl Deacon, CTO at Capgemini Outsourcing Services believes organisations now understand that innovation is the name of the game.

"Organisations must be able to shape and brand new, very dynamic business models that can tip industries overnight. And you need to utilise the emerging tools in order to achieve that goal. You can now move very quickly, very broadly and very cost effectively, and that's what people want to do: it's all about sustainable profitable growth through innovation and globalisation."

Deacon believes yesterday's IT management - whether it's outsourced services or not - has matured, because it has had to.

"Tomorrow's delivery of IT is going to be incredibly complex. What you did yesterday is not a differentiator if you don't know how to use new tools to allow you to move much faster with new products and services into new geographies, and to do so very cheaply.

"Ask yourself how you operate

from a services and process perspective, and how integrated is your IT with the business? Not just aligned, but integrated."

Melvyn Burgoyne, Managing Director of Rave Technologies (UK) agrees and sees some significant challenges for offshore service providers in the 'best of breed' debate.

"Innovation can only be supported by a partner that can not only deliver a solution but one who can contribute its realisation. This means that specialisation and sector awareness is becoming increasingly important.

"Rave focuses solely in helping independent software vendors (ISVs) get innovative products to market faster and in a cost effective way. Our customers are very sensitive to sharing their plans for innovation, and therefore they seek a partner they can trust to deliver the product and remain absolutely focused on their offering.

"The huge growth in offshoring over the past few years has created a concern that the leading players are becoming too big and diverse to maintain this agility and focus".

Gautam Thakkar, Vice-President Head of Europe at Infosys, says that discussions with existing customers show that cutting IT costs is still a driver, but not the only one.

"A lot of companies are running their back offices reasonably well. But I think they want to get to the next level of efficiency. Outsourcing is really a means to an end; who does it is really incidental, it's rather how you do it.

"A lot of organisations need to start sticking to what is core to their business. And running back offices is not necessarily it because inefficiencies creep in over a period of time. Our clients are recognising that and we are helping them through leveraging some best practices gained from working across multiple clients."

The vital questions

Deacon suggests it is 'scary' for organisations because they're having to deal with a number of problems that are queuing up to be solved.

"There's the convergence factor. The emergence and acquisition of global skills. Do you understand the art of the possible, in strategic

“ This new focus on innovation and value is turning up the heat to think big, build faster, provide cheaper, and create more dynamic models. ”

Karl Deacon, Chief Technology Officer at Capgemini Outsourcing Services

business terms, from these new technologies? Open Source, Web 2.0, Social networking - what can they do for you? But most importantly, can you think about brand new business models? What can you do from a business model perspective using new skills to do it faster, on a global basis, more innovatively and cheaper? Are you acquiring brain or brawn? These are the questions you have to answer to innovate.”

Burgoyne adds that it is not just technical capability that helps offshore companies contribute to innovation.

“Indian based companies benefit not only from their growing international experience, but also the impact of the Indian domestic economy. The Indian market is getting much more modern, sophisticated, and competitive. Finally, we have seen Indian companies increasingly partnering or even acquiring companies in the West to provide better cultural and market integration”.

Developing external relations

Deacon suggests the traditional corporation now has to go further to accommodate outside influencers.

“You’ve got external groups of consumers forming communities that are helping shape your product. You’ve got to bring those people inside the firewall. Once there, they’ll want to interact with your business product and shape its development further. So now you’ve got product development happening with people from outside

what we had traditionally thought of as ‘your corporation’ too.”

What that means for outsourcing companies is that they’ll need to demonstrate the ability to help transform businesses through combining deep strategic business skills, innovation and globalisation if they’re going to compete.

Changing geographies

Thakkar believes the future of offshoring lies on the Continent.

“Outsourcing and offshoring has been done for a long time across the UK and North America. But what we haven’t seen is the same scale across Continental Europe. It’s going to be interesting how the labour markets pan out. That will open up geographies and create the opportunity to start looking at offshoring and near-shoring from a business process standpoint. A client of mine believes that anything not a core part of the business, should be outsourced. That statement holds a lot of power, and it opens up a lot of areas in certain types of organisations which haven’t been considered before. Things are changing so rapidly. For example, legal outsourcing might be the next wave.”

Timing is everything

Shetty says Wipro has a strong interest in lean thinking and is trying to bring that lean methodology into software development too.

“In today’s world, who moves first is critical. In lean manufacturing, once the technique is out,

people are going to copy it. But when there’s a differentiator, you don’t have to have absolute superiority; just a marginal gap ahead of the pack is enough.

“The challenge for companies is how fast they can launch a product. They could use a design house to manage their complete supply chain. It doesn’t even have its own brand, but it can do the complete engineering part for a company: the software and hardware engineering; the mechanical engineering, even the production. And that offers greater flexibility in terms of volume or scale of operations.”

Burgoyne agrees, “The major change in offshore services has been the realisation that using a global flexible talent can reduce cycle time for the delivery of new products and services in addition to improving the efficiency of non-core support or back office processes. Attracting customers and then generating loyalty is absolutely essential.”

According to Deacon, organisations have gone from a business change timeframe of 18 months to 18 weeks for new products and services. And Boards are now asking some serious questions: Can Web 2.0 technologies really help? Where do we get the skills from; How should they be structured? Are they interim, permanent or contract? Are they contributing value?

Deacon summarises: “It’s like a jigsaw. Lots of parts - some not as useful as others, some a bit better, but you still have to first clearly grasp the picture on the box.” ■

US Set to Ride SaaS Bandwagon

Bob Currie, Partner at LGES — a fellow member of the mosaic global executive search alliance explains how Software as a Service (SaaS) will drive investment and recruitment opportunities.

New data from the MoneyTree survey regarding the US market shows venture capital investment is growing steadily. The big news was that corporate venture divisions invested \$1.3 bn last quarter - the highest level since 2001 and a 30 percent jump over the same period last year. And software companies drew 20 percent of all VC investment during the second quarter - more than any other industry - with Software as a Service firms representing the lion's share of that total (software) investment.

According to The Gartner Group, the SaaS market will represent the single largest growth area within technology during the next few years. While the SaaS market is still relatively small at a market size of \$6.3 bn at the end of 2006, Gartner estimates the size of the market to triple to over \$19.3 bn by 2011. This market's expansion outside the more typical CRM and HR space to new areas, like procurement and compliance management,

will fuel the growth. As such, the market for senior level executives to drive the growth of these newer companies will increase. Noted successes within this space, firms like Salesforce.com, are few, but there are many which are growing, morphing out of the more well known and traditional ASP firms.

LGES have recently served several SaaS firms, searching for the experienced CMO or VP of Sales Executive and have found that while there are quite a few folks who have had a level of experience in SaaS, most of the SaaS firms they have served in are small. Thus, it is best to incorporate very successful enterprise software experience with the latest two to three years of smaller firm experience with one or two SaaS firms, and also, where they have gained experience in internet marketing to the SMB market.

"While many SaaS firms would like to have their candidate have SaaS experience prior to hiring, most recognise that SaaS is

relatively new, albeit a fast growth segment of our market. Most firms are making such experience a 'nice to have' rather than a 'need to have'," says Currie.

However, the scale of change involved in moving to a SaaS approach is proving hard for many vendors to manage. "Due to the law of large numbers, traditional IT product models are becoming victims of their own success, while the relative smallness of new approaches facilitates growth much more easily," said Ben Pring, research vice president for The Gartner Group.

The SaaS approach is here to stay, it appears, until it too is superseded by new technology and newer ways to deliver it. We suggest that it is time to get on the bandwagon and, if you don't want to occupy a permanent seat, hold onto the handholds like you would on a San Francisco cable car! ■

See www.mosaicexecutive.com for more information on the mosaic global executive search alliance.

A Quick Guide to SaaS

- In the SaaS model, the software application is delivered through a subscription over the Internet. The customer does not own any of the software, but instead rents a solution that is delivered remotely.
- Market research group IDC predicts that worldwide spending on SaaS, which totalled \$4 billion in 2004, will reach \$10.7 billion by 2009.
- SaaS applications are generally priced on a per-user basis, sometimes with a relatively small minimum number of users, with additional fees for extra bandwidth and storage.

Moving into the SaaS Sector

- Read widely; there is much being written about SaaS now. Become as familiar as you can on the concept. Take Salesforce.com, the most successful example of an early SaaS, as a case study.
- Most firms are making SaaS experience a 'nice to have' rather than a 'must have' so focus on your transferable software experience and skills and how they will relate to SaaS.
- Clearly define how your skills and participation has resulted in significant growth at the companies you have previously represented.

An inside track on closing the deal

Do the great IT sales training programmes established in the 80s still exist – and how have they evolved to offer effective sales training for today’s marketplace?

It has often been said that the best companies to work for are the ones that offer an outstanding training base which sets employees up for a whole career.

Xerox - and IBM in its heyday - have long been regarded as the

leading players in training their sales people in the technology marketplace. But how should sales training be practised now?

Darren Cassidy, Director and General Manager of Xerox UK’s Office business and a 17-year

Xerox veteran, and Simon Webster, Worldwide Sales Director of IT Business Management specialist Touchpaper who undertook graduate and sales training at ICL in the mid-80s, share their views on building great sales teams.



Darren Cassidy
Director and General Manager
Xerox UK, Office Business



Simon Webster
Worldwide Sales Director
Touchpaper

“Training was for too long a black hole. You did it thinking it would change your life and it didn’t. Over the last three years, we have championed a new approach with a partner called Gazing Performance which is acknowledged internally to have delivered exceptional business results, and which has been rolled out both over the whole UK business and also throughout Europe.

We now integrate training with a wide range of functions in the business, all with the focus of performance improvement with the use of Maps and clear structures at its core. It has shifted the emphasis from the training event itself to how performance is improved by integrating traditional training methodologies with coaching, assessment, and recently using the Salesforce.com CRM system, all of which has led to dramatic, sustainable change in sales performance.

Training is no longer separate from the ‘day job’ - it is a key part of it, for everyone in the organisation and beyond, even channel partners.

I assess my direct reports twice annually within this framework, using tools which include role plays, evidence based presentations and video analysis.

League tables are published showing how individuals rank, which feed into compensation and incentives. This assessment cascades throughout the business.

We all need to constantly practice and refine our skills because these are the key to delivering performance - especially under pressure, when you have that key 20 minute slot with the CEO.”

“ICL had a very well run, structured programme. In fact it was so good, that companies were queuing up to make offers after you finished the training. I had 8 job offers and eventually found one from HP too good to turn down. I learned a lot from the training, but these days, I’m a little sceptical about what’s offered by third party companies.

However, Target Account Selling (TAS) and ‘Selling Value, not Price’ training are useful common sense. I’m a great proponent of selling value - you can hold the price because you’ve established the value, but not all sales people can go from product to solution selling. You have to be business driven, and able to talk to the CFO, CIO and business people, and some people just can’t do that.

We use David Firth’s Performance Programme to reinforce the importance of presentations, because they go a long way in setting up pre-sales and sales opportunities. One of my favourite sayings is “we win or lose in front of the customer”.

Internally, we reinforce 20 critical sales principles, such as: What customer need or problem are we addressing? What are the critical success factors? What is our unique business value? Can we win and is it worth winning? Do we have a close plan?

I also get my sales and pre-sales people pitching to each other. Selling to your peers is good training. If you can convince your peers by pitching to them, you’ve got a good chance of convincing the customer.” ■

Peter Ellwood CBE: Chairman

Peter Ellwood CBE has had a leadership role at many retail banks and now holds Chairmanships in public, private and not-for-profit organisations. Here, he offers compelling insight into the Chairman's role at one of Britain's most famous companies by opening his diary for our readers.

Monday

I usually come down to my ICI office in London by train from our home in Northamptonshire, and meet with the ICI Company Secretary who is also our head lawyer and runs our Mergers and Acquisitions team. This wide-ranging meeting always covers the Board agenda plus any governance issues.

The Chairman's role in a company in the UK is very clearly defined and centres on his responsibility for the effective running of the Board, which in turn has the ultimate responsibility to shareholders for determining the strategic direction, objectives, and broad policies of the Group consistent with enhancing long-term shareholder value. It is also the job of the Chairman to be available for consultation with the Chief Executive.

This is a part of the job that I particularly enjoy. Having been a FTSE 50 CEO for 10 years, I have a very clear view both of what the Chairman should and should not do. The two roles must be complementary with no over-lapping of accountability. If a Chairman starts to think his job is to run the business, that spells disaster. I have a first class Chief Executive and there is a high level of openness and

mutual respect and trust in our relationship which is essential.

Over lunch I carry out the annual appraisal of one of our Non-Executive Directors which is a suggestion from the Combined Code of Corporate Governance. Non-Executive Directors play an important role in being constructively challenging and using their individual and collective skills and experience to input particularly on strategic direction. At ICI, they can and do make a very positive impact on our successful development.

During the afternoon I have one of my four formal meetings a year with our external auditors about the quarterly figures to be considered by the Audit Committee and Board the following week.

I use this occasion to try to get a feel for whether there are any little clouds on the far horizon which might have the ability to turn into a nasty shower well into the future. A lot of my job at ICI is about feel, and having a view about people issues

or attitudinal issues that I can share with the Chief Executive to add to his own assessment of situations.

Tuesday

I start with a 7am one hour work out with my personal trainer. I am hardly svelte-like now but I dread to think what I would look like if I didn't do the work-out. I think it makes me feel sharper and more mentally alert.

I come into our central London office to read the daily press cuttings and assorted brokers reports. As a Chairman, whilst you don't run the business you have to have a very good understanding about all the critical levers so



“ Having been a FTSE 50 CEO for 10 years I have a very clear view of what the Chairman should and should not do. A Chairman who thinks his job is to run the business spells disaster. ”

that you can be informed when, for instance, I am abroad looking at some of our businesses. I can also use my past experience and that overlay of ICI business to help offer input to the CEO.

He and I meet weekly, supplemented by a number of short conversations during the day if we are both in the office. We also have dinner once a month.

Tonight I am a dinner guest of one of the Investment Banks. As ever, the setting is grand - one of the London museums - and it is a sophisticated, slightly understated marketing occasion for them.

Wednesday

I take a couple of calls from head hunters wanting to get my view about people I have worked with in the past and who are being considered for new, bigger jobs. I have lunch with one of the top team from ICI, which I do 3 or 4 times a year so that again I can get a feel for what's on their mind and how they see the broader group issues.

In the afternoon I chair the Board of the Work Foundation - a research-based consultancy and advocacy not-for-profit organisation whose objective is enriching working life and increasing productivity. It employs

some very bright thinkers and has done excellent work on company leadership and what distinguishes a really good company from the 'also rans'. It has a rather eclectic Board with a CEO who is also a writer and broadcaster, a senior member of the TUC, a CEO of a large FTSE company and a former Chief Constable. It's fun to chair, though after some 6 years, I am now stepping down to give someone else a chance.

Thursday and Friday

I attend the Board meeting of the Royal Philharmonic Orchestra where I am one of two businessmen on a Board otherwise made up of instrumentalists elected by their fellow players. That is a fascinating Board to be on and the attitude to capitalism is somewhat different from that of a FTSE plc!

In the afternoon I go to New York for a Board meeting of First Data Corporation which is the largest processor of debit and

credit transactions in the world.

We have a working dinner, a Board meeting on Friday morning and I arrive back at Heathrow early on Saturday morning.

It is interesting to compare the styles of UK and US Boards. The US Board tends to have only one executive on it, the CEO, who is also the Chairman of the company. I must say I prefer the checks and balances of the UK model although First Data is a very successful and well managed company.

The Weekend

Saturday afternoon is a marvelous time to walk around the garden where a couple of lakes and new landscaping I put in are beginning to mature, followed by dinner with family and friends. I attend Church on Sunday morning then, with a bit of luck, I can watch the F1 Grand Prix on television. It's been a great season so far, and I feel very lucky to lead such a varied life. ■

Background

Peter Ellwood was appointed Chairman of ICI on 1st January 2004, having been Non-Executive Director and Deputy Chairman from 2003. He has held a number of senior leadership roles in the retail banking industry including Chief Executive at TSB Bank, Lloyds TSB Group plc and Barclaycard. He was also Chairman of Visa International. Peter was made a Commander of the Order of the British Empire for services to banking in 2001 and is a Fellow of the Chartered Institute of Bankers.

Cleared for Take Off

British Airways' Captain Dave Fielding always dreamed of a job as a pilot. Now, dressed in his hat and stripes, he's demonstrating the leadership, decision-making and flexibility necessary to live the 'high life' - and get the kids to school.



A staggeringly high number of pilots I know confess to having wanted to fly from being a kid. It's just one of those careers that captures the imagination. I was no different and what could be better than doing your hobby and getting paid for it?

Did you always want to become a commercial pilot?

The strictures of the RAF didn't appeal, so I somehow managed to persuade British Airways to take on a Classics graduate and they sponsored me through training.

The harsh realities of the economic world gave me an early lesson when the airline contracted massively after the first Gulf War and I had to wait tables for two years before starting to fly.

Eventually my time came, and after working my way through the ranks I am now a captain on the B757/767 fleet which operates a mix of both short and long haul flights.

How does leadership play a part?

The airline captain's job is a curious mixture. Detailed technical knowledge of the aircraft and its systems are naturally required alongside excellent flying skills. Yet passengers and crew want a leader and figurehead, especially when things don't go to schedule.

Dressed in the hat and stripes you can't really hide, and one of the prime qualities we look

for in pilots is the confidence to stand up and be counted in these situations. This is essential for safety but also for delivering first-class customer service.

Delivering a public announcement whilst looking 200 passengers in the eye is a very real and physical form of leadership. Saying goodbye to those passengers is also immediate feedback on your performance - and you guys certainly aren't backwards in delivering it!

A good leader should be highly visible: sharing the credit yet shouldering the blame. Crew particularly appreciate the latter as they are very much in the front line without having the big picture.

Every time I fly, I lead a team of highly-trained professionals whom I've probably never met before, which in itself leads to some interesting challenges. Their job description is laid out in great detail, so I believe that the best thing you can do is let them get on with it. An authoritarian style may look impressive, but it chokes communication.

Poor decision-making can have instant and far-reaching consequences in our industry. BA works very hard at developing leadership techniques that encourage an environment where ideas can be freely aired and decisions made using wide-ranging input: crucial when decisions are made under extreme pressure.

What attributes must you have to become a successful and respected Captain?

Decisiveness. Any situation, minor or more imperative, has to be resolved immediately and it is the captain's job to drive the decision through to its conclusion in real time. Flexibility is also essential. If new information is presented then we will agree a new plan and switch to it without hesitation or worry about what others might think. It can be interesting taking these characteristics home: I was doing the school run recently and there was gridlock on the road by the gates. I automatically got out of the car and started to unblock the problem by directing the traffic in a decisive captain-like fashion, much to my children's immense embarrassment!

Is it as glamorous as it seems?

Well, an 0340 alarm call in Helsinki in the middle of winter certainly doesn't feel like it, nor does the bottom of your Circadian Rhythm mid-Atlantic. But when you stride through the terminal, resplendent in the uniform, at the head of a team of cabin crew and every head turns to look at you, it still gives me a buzz, even after 15 years. And as for hand-flying a 767 on a glorious summer's day over London or New York or Dar-es-Salaam, it's everything that little boy dreamed of. And more. ■