

Stephen Kelly

Boardwave Patron and Chair of Tech Nation



Boardwave Patron and Chair of Tech Nation, Stephen Kelly, talks to Jane Wakefield about building businesses, commuting via Concorde, and why he once took a packed lunch to a lavish dinner.

Stephen Kelly has flown to the moon and back five times.

Not literally of course, but he estimates that that is the amount of air miles he has clocked up during a lifetime working for US tech firms such as Oracle and Chordiant.

These days, in his role as the Chair of Tech Nation, he prefers to stay closer to home – choosing to cycle or walk when he can and favouring a non-meat diet.

Tech Nation, which nurtures and fuels British tech scale-ups, has a big focus on green tech, which is something close to Stephen's heart.

"Life is not a land of regrets, but I don't feel good about the extreme and obsessive work and travel schedules. I feel terrible about the climate crisis for the planet and know that technology has a massive role to play."

But back in the days when he was flying around the globe, such things were not on his radar.

For eighteen months back at the turn of millennium, Stephen used to commute from London to New York on Concorde, after he negotiated a special rate with British Airways meaning it cost "the same as a scheduled BA flight." And for a couple of years, he even commuted to California while his family remained in Europe.

He tells me how one of his three daughters recently revealed that when he used to head back to the States at the end of the weekend, after saying 'goodbyes', she would go upstairs and cry.

"That just breaks my heart now. I never knew that at the time, and I didn't stop and pause to reflect on the impact on those around me who were supporting and loving me."

He would leave on a Monday morning and take the 11am flight on the iconic jet.

"If you were in South West London you would see this amazing bird taking off and roaring away through the skies."

He was actually mid-flight to NYC when the Concorde operated by Air France crashed in July 2000.

"We were met by a barrage of press photographers and journalists at JFK asking how we felt about the flight that had just crashed – at that time, none of us passengers had a clue," he tells me.

So, it probably says a lot about his mindset at the time that he still flew back via Concorde at the end of that week.

"I was pretty much the only person on the flight, everyone had cancelled because of safety fears."

How we work, whether we are prepared to travel, and if we choose to spend time in the office or working from home are questions firmly back on the agenda with quiet quitting (a refusal to work more than contracted hours), the Great Resignation and hybrid working all real considerations for both employees and firms looking to retain talent. Recently Elon Musk told Twitter staff that they needed to commit to a 'hardcore' culture or leave.

Back in the day, Stephen was living the Musk philosophy.

"I was the guy who worked harder than most. There are probably three or four people that I know who worked as hard as I did," he tells me.

A typical day for him back then would make even the biggest show-offs on LinkedIn seem sloth-like.



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"I was definitely a believer in hard work, fanatical about customers and presenteeism. And I worked ridiculous hours. I made massive sacrifices. I don't feel good about that looking back."

And that lifestyle took a toll on his mental and physical health.

22 years ago, he was diagnosed with diabetes, and while he cannot say that was due to his "crazy lifestyle, lack of sleep, and endless work and travel", it is likely to have played a role.

He says he had a Saul-like moment on the road to Damascus. So, no, he is not now in favour of Musk's tough regime.

"As a CEO, you want to be the best version of that that you can be. But that doesn't necessarily mean you have to work 100 hour weeks".

"I think you can build great companies without destroying your life. I would argue that what you really want, as a leader, is to have people who love coming to work and create an inspiring and compelling culture. And you have a huge duty of care and responsibility to your colleagues who work for you to make sure you're watching out for their mental and physical health."

He has taken his own advice and now enjoys downtime, rambling with his wife, playing

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tennis and golf, and visiting Stamford Bridge to watch Chelsea with his three grown-up daughters. And he has even started meditating and yoga.

But back in the days when he was helping grow tech empires, there was, he says, a massive separation between work and life.

“No-one at work knew a lot about anybody else. They didn’t know if their colleague was a brownie leader, or coached kid’s football on the weekend. And no-one worked from home.”

He feels that Covid has played a huge role in changing attitudes and allowing people to “strike the balance and sometimes relax and chill”.

Via the Zoom and Teams calls that became a staple of the pandemic, we learned “what artwork people had on their walls, the books they read. We even met their children and their pets”.

There is plenty of nice artwork hanging on Stephen’s walls – much of it painted by one of his daughters, who is an artist and looking at a career in interior design.

And he thinks that this mix between the work self and the self outside of the office is not only healthy, but offers huge opportunities for businesses.

It is why, when he was CEO of Micro Focus and then Sage, he connected the companies with strong social purpose, setting up the Sage Foundation, allowing employees to be paid for volunteering time and tackling massive social challenges like homelessness and domestic violence.

The Sage Foundation has had a major positive impact working for charities, from building schools in Soweto to reducing youth homelessness in

Newcastle where Sage was based.

“People could pursue their own passions outside of work and use the company as a vehicle to do this. Charity projects they are passionate about, or working at say, a hospice. And we gave them days paid to volunteer.”

The idea that you needed to be first

in the office and last to leave was instilled in him during his time at Oracle, a firm he was headhunted for back in 1987. It had, he says, a “work hard, play hard” culture.

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Tell me something surprising about you?

Like many people, I feel ‘imposter syndrome’ and still feel like the younger version of myself with little confidence.

If you weren’t a CEO, what would you be?

I love children and the joy of seeing their energy, enthusiasm and emotions. I believe teaching is a gift and vocation – it is a shame I have only one life. I would have loved to be a teacher – maths and sports would be a perfect combo.

What piece of tech (other than your phone) would you not be without?

An app called All Trails – my wife and I love walking and this app has nailed it and opened our eyes to the beauty of nature, the outdoors and exercise.

What’s the best piece of advice you’ve received?

It came from the Chairman of Chordiant, Sam Spadafora – the best Chairman that I have ever worked for when I was CEO and he said “Just try to be yourself. Be the best version of yourself. And do what you always think is the right thing to do.”

“It was a culture where people worked exceptional hours. But it was also a culture where there were unbelievable rewards around performance. If you were a top performer there would be incredible parties, clubs, trips. You know, going off to Hawaii for Achievers Club.”

At the time, Oracle was “a pretty early stage company” that no-one had heard of. “Everyone thought I was mad,” he says.

But working for Oracle meant he got to see one of the crucial transformations of the tech age – the birth of Silicon Valley.

“Only ten years before the valley had been cherry orchards and fruit fields. It was incredibly embryonic and it was really a transition that we witnessed, where farms and cherry orchards were replaced with glass buildings that became tech companies.”

It was a life Stephen could not have dreamt of when he left his working class roots in the deprived town of Folkestone, Kent, to become the first generation in his family to go into higher education.

While at Bath University studying Business Administration, he spied opportunity.

“It was a time when the UK industrial heart was decimated and communities were on their knees in terms of coal mining, ship building, steel works, textiles, but there was this hint of, hopefully, a brave new world of technology,” he explains.

Out of university, Stephen wanted a part of that and joined ICL, the biggest British technology company around at the time.

The Oracle job followed shortly afterwards but after nine years he felt it was time to move on and see if he could apply the same principles that had transformed Oracle into one of the globe’s largest tech firms, to a start-up.

He describes his time at Chordiant as being like a “field of dreams”.

“We went from nought to \$100 million in revenue in four years. We put it on the NASDAQ and it was a big IPO. It was a fintech company before we had the term, it was a unicorn before



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we had that word and it was valued at \$2bn. The playbooks of building a global market leader that were developed at Oracle worked perfectly – 80% of the world's top banks were strategic customers”.

“We made a lot of people successful. Everyone in the company had stock options. For some people, it was life changing”

Stephen finally gave up his transatlantic commute in 2005, making the decision to settle back in the UK mainly for the sake of his daughters' education.



He took a job at MicroFocus but announced he would step down in 2009. Again, MicroFocus was a case study for the growth 'blueprints' –tripling revenues, doubling profitability and a seven-fold increase in stock price, making MicroFocus the top performing FTSE stock.

But the following year, his career path took a somewhat unusual turn.

The government at the time wanted to “do some radical things for the nation”, digitising government services, creating Gov.uk, and it was keen to learn from private industry. A new role of Chief Operating Officer was created to oversee efficiency and reform government across the Civil Service, under then cabinet minister Francis Maude.

“They asked if I would be interested and I thought, you know, I've been state educated, I've had a full grant at university, I'm a lucky boy and it is time to give something back so I applied. I rolled up my sleeves and became a civil servant.”

Again, he was keen to see whether what he describes as the “playbooks of success,” developed at Oracle and applied to Chordiant and MicroFocus, could also work in the public sector – the principles of “vision, growth, strategy, awesome execution, delivery, engagement, culture and success”.

“And I can attest that everything in the private sector works perfectly in this 200 year old institution called the British Civil Service,” he tells me.

He also found that some of the excesses of private industry had spilled over into the public sector.

“I found one supplier who was spending £1m a year on Wimbledon, hosting senior civil servants on finals day.

“I absolutely stopped that because you cannot have any contamination of conscience and must treat taxpayers' money with absolute sanctity.”

He felt he had to lead by example.

“I remember going to a supplier's lunch in Pall Mall and all the companies, HP, IBM, Fujitsu, were there and I took my own packed lunch. They obviously had fine wines and it was very very lavish, but I bought myself a bottle of water and a sandwich from Pret a Manger.

I didn't want it just to be symbolic. It was all about delivering great services to citizens and saving the taxpayer a lot of money.”

He left government in 2014, having led the team that saved £50bn for the public purse, and joined Sage, where he worked for four years, overseeing a strategy conversion to the cloud, strong performance and growth, and a doubling of its market valuation.

What are your top tips for success in business?

Develop a bold vision. Be obsessed about the customer and the pursuit of the product market fit. Grow fast and build plans to grow fast and bring people with you. Build a fabulous culture where people can be the best version of themselves, take delight in coming into work, love what they do and who they work with.

Now, as he reflects on his lifetime in the fast lane of tech innovation, his main advice is to slow down.

“We all create deadlines in our heads, but they don't really matter. What really matters is to be with the people you love and who love you. You can build great companies and remember what your priorities are.”

His three daughters have opened his eyes to the world of the patriarchy. He attended an early WOW (Women of the World) conference and sat through a workshop with his eldest daughter.

“I was the only man in the audience and afterwards she asked me what I had learned. And I said it is less about what I learned. It's almost what I need to unlearn because I have worked in a very male misogynistic culture for decades”.

“A lot of things are unconscious and subliminal, so I need to really think about how we unlearn those things and think about things with a lot more insight, sensitivity and become a champion for diversity and inclusion.”

Life is, he says, a process of education, and you never stop learning with youthful curiosity.

“I am 60 years old, but I am still learning from the younger generations, especially my daughters and their friends, because they have got such an insight into how we can create and participate in a much better world.”

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