



CRITICLEYE

Not Just a Numbers Game

Technical expertise around governance is no longer enough for a non-executive director. Bob Beveridge tells Criticleye about what it takes to bring value to the boardroom

It can be somewhat daunting to make the step from executive to non-executive director, but Bob Beveridge appears to be relishing the challenge after spending 20 years as a finance director in a diverse range of large companies. “Having that breadth of experience is what people are paying for when they hire you as a NED – it’s all about my grey hairs and battle scars,” he quips.

There are some people who struggle to make the adjustment, but Bob’s various roles at companies such as United Biscuits and Cable & Wireless means that he understands the dynamics that make a company work well. He joined Mars in 1981 and spent 12 years at the confectionery giant, which he says provided a fantastic learning ground (he

isn’t the first ex-employee to eulogise about the way that organisation identified, motivated and nurtured talent).

“It’s a very well-run company,” says Bob, who moved up the ranks to become Financial Controller for the European division. “It has a very open culture so no matter which part of the business you’ve worked in, you have very close working relationships with people in other functions and as a result a good understanding of how each function adds value to a business.”

The most important lesson he learned from his time at Mars was how people were developed to support long-term success. “People were recruited not because they were technically brilliant but because of

certain behaviours that were regarded as critical for a big business. Intellect and ambition were important, but also interpersonal and teamworking skills, being a self-starter and not having a big ego. By being careful about recruiting people with appropriate behaviours they were able to work with each other effectively and in big business it all depends on how well its people work together,” he says.

After Mars he moved to United Biscuits which, he says, didn’t quite match his previous employer in terms of employee engagement: “The biggest difference was people. Mars was full of high calibre, highly motivated people and in United Biscuits there was a wider range of skills and behaviours and therefore you had to learn to manage people in a slightly different way.”

At present, Bob is bringing his experience to bear as Non-executive Director of the fast-growing AIM-listed mobile technology and marketing and entertainment company, InternetQ, and as Chairman of the audit committee at Hampshire Hospitals NHS Foundation Trust. “Having been an FD provides quite good training for being a NED because you’ve spent a long time challenging people but you are not actually in charge; so you develop skills to influence and persuade people to your point of view and to challenge without being annoying,” he says.

MOVING ON

As InternetQ looks to expand internationally and even opt for a major market listing within the next few years, Bob is confident his big company know-how can be put to work on these ambitious plans. “In technology companies, analysis only gets you a certain amount of the way down the line as to be successful you need to use your intuition, experience and judgement on top of analytical and interpersonal skills,” he says.

Vital Statistics

Born:	25th February 1956
Married:	Yes, with four sons
Hobbies:	Sports (season ticket holder at Reading fc), Music (plays piano, organ)
Education:	BA hons in Economics and Accounting from Newcastle University
Favourite Band:	Pink Floyd
Top Film:	Toy Story 2
Best Holiday:	A family holiday in 2001 travelling across Canada from Vancouver Island on the west coast to Quebec on the east coast

He is no stranger to sudden shifts in strategy either. “I know what’s needed if you need to sell a company or division in order to realise value for shareholders, or conduct a major efficiency drive to restore profitability or even to implement a programme to ensure people are motivated and engaged in the business,” he says.

There have been some sizable M&A deals too. In 2005 as FD at IT provider Marlborough Stirling, he oversaw its sale to Vertex, a wholly-owned subsidiary of United Utilities Plc – a deal worth approximately £95 million.

Then, in 2007, as FD at household and personal care manufacturer McBride, he led the acquisition of the European own-label household products business from Henkel for £40 million, including two factories in the UK and Luxembourg, and the subsequent integration. “Both [deals were] strategically very important to my companies and were very successful in adding value to our shareholders,” says Bob.

He also assisted McBride in 2009 in buying a 70 per cent interest in Dermacol, a producer of skin care products located in the Czech Republic. “I struck a deal with the owner to pay an amount upfront and then an earn-out based on how well the business performed as part of the McBride Group. If you’ve been through these kinds of things before, you’ve got a broader perspective and hopefully better judgement to give advice without feeling stressed or like you’ve been rushed into it.”

This perspective, in Bob’s view, is a significant part of the value in having an effective non-executive director. “What you want to do as a NED is to help executives

with difficult decisions and not just focus on governance and box ticking. Running an audit committee is my day job but I like to think that I do a lot more and to give advice on a wide variety of different issues,” he says.

The NED role within an NHS Foundation Trust has proved satisfying for Bob on a number of levels. “It feels good to be working in an organisation whose sole purpose is to make people well, healthy and better without any profit motives,” he says. “What drives me at this stage of life is to give something back. I spent most of my career trying to earn as much money as I could, to look after my family, and give my children an education, and now it’s time for another phase of my life.”

In many ways, Bob has come full circle from what he saw during his time at Mars: “People are the single most important thing to make a business successful. That might be an unusual thing for a finance director to say, but I really believe it’s true.” ■

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Bob Beveridge

Non-executive Director
InternetQ Plc

Bob is a portfolio non-executive director with positions on the boards of technology and healthcare businesses. Since 1998 he has been Finance Director of three technology companies: Cable & Wireless Communications Plc, Fast Search & Transfer, now a Microsoft subsidiary, and Marlborough Stirling Plc, which provided information technology to the financial services industry.

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