Geoff Unwin

Interviewed by

Alan Cane

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It's Thursday March the 3rd 2016 here on a brilliantly sunny day in London, England. I'm Alan Cane, and today I'm talking to Geoff Unwin, formerly Chief Executive of Capgemini, one of the world's largest IT services and consulting companies, and a former Executive Chairman of Hoskyns, one of the most iconic of the early British computing services companies. Good morning Geoff.

Good morning Alan. Good morning.

Now I know you're a very keen skier, so let's start on the nursery slopes. Tell me when and where you were born, and tell me a little bit about your upbringing.

OK. Well I was born in Radcliffe-on-Trent. I don't know why I was born in Radcliffe-on-Trent. I think my mother was passing through at the time. But, that's it. So, I was born there. And shortly after I was born, I was just one year old, my father was killed in the war, which must have been a terrible thing for my mother.

Yes.

And, I think, she moved around a bit. I remember a time, she was working in Skegness, I think as a waitress, you know, just to make ends meet. And then, she remarried when I was about four, an old boyfriend who lived up in Newcastle upon Tyne. So, he then, obviously was my stepfather. And I was raised in Geordieland, up in Newcastle upon Tyne.

Would you say you had a deprived childhood, or…

No.

…fairly affluent?

No. No. My stepfather was a pharmacist, and, he and his family had about half a dozen pharmacy shops in Newcastle. He had a famous Geordie name, which is Milburn, which of course, everybody, is known up there, recognises Wor Jackie, Wor Jackie Milburn. So, it was obviously some part of the family I guess somewhere. But no, I mean it was a sort of, a pretty comfortable sort of, middle-class upbringing I would say, sort of, looking, looking back on it. I mean it never appears like that at the time, but I mean that's what I would imagine it to be.

[02:31]
Were you happy as a child?

Yes, I think, I think I was. Again, when I look back on that, I realise, I was extremely slow to mature. I'm an August birthday, so that meant I was always very much the youngest in the, in the class.

Yes. Indeed.

And pretty much the smallest in the class. And, I'm sure that had some sort of effect, but, I mean, I just, I say, I just look back on it and I realise that, you know, I just was immature at the, for my years.

[03:10]
But nevertheless, you went to Heaton Grammar School. How did you get there?

Usual route of, you know, going to the, you know, the school before that, sitting your Eleven Plus; passing the Eleven Plus as it was in those days; and then getting into grammar school. And, I did moderately well academically.

You were on the science side rather than the arts, I think?

That was… Yes, that was, that was more of my, my interest, I would say. And, so, I did, I did reasonably well at, at grammar school. Tried to do a bit of sport, but, was not particularly good at it, [laughs] I have to say.

What, rugby, or…?

Actually cricket was a passion.

Cricket, mm.

Cricket was a passion then, yes, I was passionate about cricket.

Right.

And that was in the days when England really did have some very good cricketers, I have to say. So that was my, that was my, my passion there. And then, and then I went from the grammar school to university.

Mm.

And, I went to…

[04:35]
Was it expected you would go to university? There was a sort of pressure within the family for you to, to go up?

I wouldn't say there was, I wouldn't say there was pressure in the family. But it was just the sort of, route that one went down. And, so I went to King's College, Durham.

Durham.

Which is in Newcastle. And, nowadays, I mean it is now Newcastle University, I mean a huge, huge university in its own right.

Mm, that's right. And you did Chemistry.

I did Chemistry.

Why were you particularly attracted to chemistry? It's become a bit of a Cinderella subject these days.

Yes. I think there's… I think in part it was probably, you know, the roots with my, you know, stepfather's business, which was pharmacy, and, you know, there was, there was some talk of my becoming a pharmacist or going into that business.

[05:37]

Oh sorry, I should have asked about that. He was a pharmacist?

He was. Yes. Yes. And so, during school holidays I would work in the pharmacy shops, dispensing, under supervision I hasten to add. [laughter] And serving and so on and so forth. But I, I really didn't want to get involved with the family. And I suppose that was, I suppose, the first evidence of some independent streaks beginning to come out. But nevertheless, curiosity about all, a bias towards sciences rather than the arts.

When you were helping out, though, in the pharmacies, was it the business of pharmacy that interested you, or the, the chemicals if you like?

I think it was just to earn a bit of money. [laughter] A bit of pocket money.

Mm

But again, I mean there was always the interest of, you know, the customers that came in and the characters that came in, and, you know, just seeing that side of life, I mean, you know, apart from, you know, what you see in school, which you wouldn't normally, you wouldn't normally see.

[06:40]

Right. So you have an Honours degree in Chemistry. What do you do next, how do you set about finding a job?

Well the routine then was that, you applied into various, typically sort of, blue chip companies, who were all recruiting graduates, putting them through their own sort of graduate programmes. So, I would apply to companies like Unilever, I applied to Cadbury's, I applied to Rowntree's, you know, companies, ICI, companies like that, who were typically taking on a reasonably sizeable graduate intake every year. And, I, I ended up being accepted by Cadbury's.

This was 1963.

And this must have been '63. Yes, 1963. So I joined, I suppose, a graduate intake of about 20, then. And, what they did was, they just put the various graduates into various departments. So some would go into marketing, some would go into sales, some would go into production, some would go into accounting. And yours truly was put into quality control. So I was therefore thrust into that. And also, as a group, we were a pretty close-knit sort of group of graduates. And, so that, you know, we were sharing flats with, with each other, and so on and so forth. So, again, there was a sort of, education by, by osmosis going on there. I shared a flat with a couple of the guys that were in marketing. So of course they would come home in the evenings and they would take about what they were doing in marketing, and inevitably that sort of, rubs off on you. I mean, you know, it, it does.
[08:42]
The training that Cadbury's put in was fantastic, absolutely fantastic. At the time it didn't feel like it, but it clearly was. I remember, I remember clearly to this day, Alan, being, having a talk on accounting by Adrian Cadbury, Sir Adrian as he later became, and I remember the, I remember the question I asked him, on accounting, which is, 'What is goodwill?' Because I had no clue what goodwill was, I mean no clue of the concept or anything like that at all. And, you know, he, he gave the answer.

Mm.

But, you know, that sort of training was very good, they were very good employers. So there I was in the quality control department. One of the first things I was given to do was to administer the running of the tasting panels.

[switch to mono]

[09:41]

So you came in as graduate trainees with no specialism assigned. You're going to do various jobs in the firm. Tell me about that.

OK. So you would spend six weeks at the very start, going through different functions in the firm, including spending a week on the night shift, really just to get an exposure to, how the firm worked, and, you know, the important constituents of it. I was put, I was designated to go into the quality control department, and, one of the jobs of the quality control department was actually making sure that the product was OK, by definition, and I was put in charge, pretty quickly, almost straight away, on administering the tasting panels which would taste the products. And, one of the functions there is that you're also having to taste the product through until it comes to a stage where you decide it's inedible, because that determines how long the shelf life is of the product. And also whenever they change the packaging on the product, you know, the wrapping and so on and so forth, that can have a profound effect on the shelf life. And somebody's got to determine how long that is, and the way you do that is, you've got to taste the stuff. And you can accelerate the deterioration of the product by increasing temperature and humidity and all that sort of stuff, which is what was done.
[11:14]
Anyway. There's a lot of statistics in doing that. So, I then had to go on a course of statistics, and to increase my knowledge of, I had done maths at university…

Oh you would have been a reasonable mathematician if you were going to do chemistry at university level.

Yes. And, and so therefore, getting very much more involved with statistics, probability theory, and so on and so forth. And out of that, there then was a management sciences department in Cadbury's, and, they provided a service to the quality control department on, advising them on, you know, the most appropriate statistical methods to use and so on and so forth. So I then got involved with the management sciences department, really looking at problems in the area of distribution. So, I wrote, in today's terminology, an algorithm for routing vehicles round shops, with the aim being of minimising the mileage and maximising the loads in any vehicles and so on and so forth. And this had to be done by hand, you know.

Mm.

So devising an algorithm which somebody in a depot could use. And within a few years of that, so back into the, early Seventies, you would then be using computers to, to do that far more efficiently, but they didn't exist at that, at that stage they weren't around, in the commercial world, to do that.

This sounds like the famous travelling salesman problem.

Exactly. That is exactly what it is Alan, you're absolutely right. That's what, that's what it is. And this is the, the practical application of it. Or depot siting, you know, things like that.

Mm.

[13:10]
And so, this was then getting me into the world of management science. The clock is now ticking towards 1968. So I was then, I had been there then five years, and I was just thinking, mm, maybe it's time to sort of move on a bit. And I had seen some adverts for a company called John Hoskyns & Co.

Sorry, just taking you back a step. You decided to move on. I mean, you were happy there, or, you just felt you were not being stretched enough?

I just felt that… Yes, I just felt that I, I wanted a, a different, a different experience, a different experience. So, I'd seen some adverts for jobs as consultants with a fledgling computer consultancy called John Hoskyns & Co, and, these adverts, if I may say so, were extremely well written. Pretty demanding. And I looked at them and I thought, well that's an interesting company, but, I mean, I just didn't think I was good enough to get in. So I didn't even apply.

What kind of jobs were these with the company?

Oh, these, these were jobs to advise people on preparing the way for computerising their operations, but also they had a management science division, doing the sorts of things that I was doing at, at Cadbury's.

But they didn't expect you to write code? Or perhaps they did.

[hesitates] No. No. But, very quick… Well I'll come to that in a second, Alan.

Yes please.

So, I didn't think I was good enough to get in. But then I was approached by some headhunter, who actually thought that my experience was relevant to them. So, in I go for interview. And, so I was interviewed by the heads of the management science division, a chap called Andrew Muir and David Dillistone. And, it was the most gruelling set of interviews I've ever been through. And then ultimately John Hoskyns, the founder, and John Pearce. So, for example, I had to solve a mathematical problem. I had to prepare a presentation, and give it. I had to write a letter to the *Times*. And then this was all critiqued, and one was grilled, and you went through this, you know, series of, of interviews, culminating in an interview with John Hoskyns himself. And I came out of there as if I had been through the wringer. And I had no idea, none, as to how I had done. I mean, just you, you know, I came out and I saw my wife, and she said, 'How did it go?' And I said… I told her what had happened. She said, 'Well how do you think it went?' And I said, 'I've got no idea. None.' But fortunately for me, about three days later the offer letter thumped onto the, onto the mat, and I opened it with some trepidation, and there I was, offered a job. And, so then I joined Hoskyns's management science division in September '68.

[16:36]
Mm. You say, you were married at the time. So, it was important to have a job. [laughs]

Oh yes it was, it was pretty, pretty crucial to, you know, to be earning, and…

You couldn't take off around the world and…

No. No no no, not at all. And, so then I… So then the career started in, in Hoskyns. And then back to this question of, whether one was expected to code or anything like that. We were just then beginning to use computers to solve some of the problems. And one of my colleagues was a, a very bright Frenchman, who could code, and I mean you were coding in FORTRAN typically then, in the management science division. And, so solving the problems for vehicle routing, he would write the algorithm. And then, one of the secretaries would then punch it into paper tape, and feed it into a time-sharing computer. I mean you couldn't afford one of your own then. And, I remember the first time it didn't compile, it didn't work. And this guy was so confident of himself, that he just said, 'One of the secretaries must have typed it in wrongly. There's a punctuation mark wrong somewhere.' Anyway, that was just the start of doing that.

[17:54]
Sorry. So, in 1968, Hoskyns didn't have its own computer?

Well it, it did, it did have… The other, the other division, which was the, you know, the consultancy division, which was then specialising in advising people about implementing computers, they were then just beginning to sort of, come in. I can't remember precisely when Hoskyns bought his very first computer. And, that would have been, very early, '69, '70, round about that sort of time, that they did that.

Mm.

In the management science division we worked on some interesting things. For example, we worked on the project to decide how many coins the country needed to have for the change to decimalisation. The Mint had made an estimate, and the Treasury had made an estimate, of how many coins needed to be minted. And there was a huge difference between the two estimates. So we came in to provide a third one. And interestingly enough, one of the things we had to do was to survey where coins were. And we only ever found something like 78 per cent of the coins in circulation.

Really?

We couldn't find the rest. And we would come in every Monday morning and say, 'OK Alan, where do you think they might be?' And, you know, they're in gas meters or…

The backs of sofas. [laughs]

The backs of sofas. Well backs of sofas is the most likely explanation as to where the, the missing coins are. Because we would give people incentives to, we'd survey homes and we'd say, 'If you can find more than 50 coins, we would give you a set of these new, brand new shiny decimal coins.' Because it's more difficult to get people to talk about money than it is to get them to talk about sex. And, we just never found the, the coins. So in the end we said, 'Well we don't think these missing coins are going to walk down to the bank on D Day and be asked to be replaced. So, we won't mint 'em.'

Mm.

[20:03]
And, so our estimate was way lower, and, we didn't run out of money. But this was the, this was really the foothills of using computers to solve these sorts of problems, and within Hoskyns they had got consultancy divisions, advising customers on the best way of implementing it. But this was an era where, if you wanted to recruit a computer consultant, you couldn't find one. Because there weren't any. And therefore, massive effort was put into training, education. I was dispatched up to Glasgow to help Rolls Royce for example, putting in a huge production control system there. And again, we had to, you know, train analysts, train programmers, to, to do that sort of work.

But you would have to train yourselves first, wouldn't you?

And ourselves first. Absolutely.

I mean presumably you were learning on the job, and then passing on that knowledge.

Correct.

Yes.

And, you know, looking back on it, it's difficult to imagine that, that sort of era where, there was a burgeoning demand for computers, and for people to understand them, implement them, work them, programme them and so on and so forth, but there was no workforce at all to do that.

Mm.

And as I say, so, you know, Hoskyns set up its own education centre which thrived down in Bournemouth. So people were recruited from all sorts of walks of life.

Mm.

[21:51]
And we had an office in Furnival Street in Holborn. And, one of the guys that we recruited was a bookmaker. And, people said, 'Why did you apply to join?' And he said, [laughs] 'Well I saw lots of guys coming from the office to place bets on, and I thought, well that must be a good place to work, it obviously paid lots of money.' But I mean it's just an illustration of, you know, the different walks of life; people came from, from business like myself, people came in from the armed services, bookmakers, all sorts of backgrounds, you know. So there was no standard area you can go to.

But what were you looking for in these? I know, when I spoke to John Leighfield he made the point that he recruited graduates because he wanted, you know, the highest quality minds. I mean, what were you looking for in, in these people?

Well that's, I think that, I think that's right. I mean, I think you wanted, you know, you wanted people who had, you know, good, logical, logical minds, so graduates were a typical source, but, but not exclusively. And I remember discussing this with John Hoskyns, the founder, just a few years ago, and I said to him, I posed this question to him, I said, 'Look, when we look at the sorts of people that we recruited, they came from all sorts of backgrounds, all sorts of backgrounds. What was the, what was the common thread?' And he said that, deep down what they were looking for was integrity, and the notion that people wouldn't be afraid to admit when they were wrong.' And, if I look through the cadre of people that were around, I think that was a sort of thread that was there. You know, people would say, 'Actually, this isn't right.' And they weren't afraid to actually say that, and to backtrack. Because again, people would say of that era, very often it seemed as if you were just making it up as you went along. Well actually, you were.

Yes.

Because there was no precedence. You know, there was… And we'll come to talk about some of these things in a moment. But, there was no, there's no history beforehand, or no precedent for doing these things. They had to be developed from scratch. And that, that's how the industry was. And it was, there were huge innovations, some of which are commonplace now, which we'll come to talk about. For example, round about that stage, very late Sixties, early Seventies, Hoskyns spent quite a lot of investment trying to develop automatic code generators for example. Well I mean this was a holy grail. And I mean lots of money had been put into that area to try and do it, but largely without success at all, because it was just, damn difficult to do.

Very difficult.

Damn difficult to do. But these were the sorts of things that people were trying to do. So, very quickly we moved into an era where, heavy emphasis on training as I say, so, a very strong education unit within the company, training people in systems analysis, problem-solving, that sort of stuff. It was a time when, of course, everything was being written from scratch, and, it was clear that this was inefficient. So early Seventies would be, in fact late, it was late Sixties, '69, where we started developing the first, what we called standard application systems, modular application systems we called them, MAS, on ICL 1900 computers, predominantly for the manufacturing industry, medium size manufacturing companies. So the usual suite of programs which you would find in areas like SAP today, standard accounting, accounting systems, payroll systems, stock control systems, production control systems, things like that. So, modular application systems, which you could therefore adapt and move from one company to another without having to re-code it, re-code it all.

[26:36]
So, would these have been systems which worked the same way in each company, or were they modules which you would put together to create a, a tailor-made solution for a company?

The latter. The latter. But, you know, I don't know, maybe 80 per cent of the code was standard. So you could adapt them to the particular circumstances of the company. But that was new, that was new. So we developed that on ICL computers to start with. Computers were relatively, very expensive indeed, big investments for companies. Often they couldn't be, couldn't justify them. So then, we developed the notion of, would it be a good idea if people could share portions of computers between themselves? And that was the start of the, the idea of facilities management, where you would have a computer, but you would have several clients on it. So that the investment could be, could…

Could be shared.

Could be shared. And this was, this was quite a strong and attractive proposition. But again it was new, it was new to the UK. It had been done in the States. But Hoskyns was the pioneer of that into the UK market, and that was, that was very well accepted. And that was, that was really the start of, of lots of these innovations that came through.

[28:14]
Mm. You joined Hoskyns in 1968, and you were Managing Director of Hoskyns Systems Development by 1978, ten years. That's pretty fast promotion. Can you

identify reasons, you know, for your quite, quite rapid movement through the company?

[pause] Yes. [laughs] You probably get the impression, well, an impression from this, and I mean it was a fact, that the market was moving very fast indeed. So during that time, we developed standard applications starting on ICL. Then it was moved on to IBM computers. We had struck up a relationship with Martin Marietta in the States for example, where they put some investment in to complete the migration of these systems onto larger IBM mainframes. And in the mid-Seventies of course you were then beginning to get the emergence of minicomputers, from DEC, PDP-11s and then, PDP-9s and 11s and then VAXes, and also Hewlett-Packard minicomputers coming through, and putting the same, migrating the same application systems onto these minicomputers, which were far more cost-effective.

Mm.

And Hoskyns put the first commercial applications on Digital computers, on DEC computers. And again, that was, and that was in a division that I had then become responsible for. And, the background to your question, of, you know, how did I manage to go through the company so, so quickly? One of the things I think which was a trait of mine was that, I knew I would get bored fairly quickly. And I was continually looking for new challenges and wanting to move on. So in order for me to be able to move on, I recognised that, if I was to move on, then I would need people who could fill my role. And therefore I wasn't frightened about recruiting very good people around me. And in fact this was an adage that was driven in by John Hoskyns himself. And I remember in the early Seventies John Hoskyns coming into the office from having a meeting with a client, and he was hyper-excited, and John doesn't do hyper-excitedness at all, but he was, he was hyper-excited. And, he said to a few of us who were just there, he said, 'I've just had this really interesting conversation with a client.' And the client had said to him, 'John,' he said, 'there's something very peculiar about your, and unique, about your company.' And he said, 'And that is, the further down your company you go, the better it gets.' And John said, 'That's it.' And he turned to John Pearce and he said, 'John, from now on we've got to recruit people that are better than we are.' And John Pearce sort of gulped. But I think…

But John Hoskyns really did believe that. And that was instilled in us, to, to actually do that.

Mm.

So then, when we were looking for somebody to explore a new area of the market, yours truly often came to the top of that list to do it. And I believe, it was certainly not because I was the best, not because I was the most competent; it was because I had made myself available, that I could be moved. Whereas other people would be indispensable, and they'd say, well, you can't move Tom, I mean, because there's no one behind him that, you know, could fill his, fill his role. And I think that's a very important philosophy Alan. And that's stayed with me right through my, my career.

[32:40]
I think that's very interesting. John Hoskyns, sadly, is no longer with us, but did you know him well?

Oh absolutely , yes. Yes, very well.

Was he an inspirational figure, did he…?

He was. He was. I mean he… I mean he was absolutely an iconoclast. He had a, a very sharp brain on him. And he would really question perceived or conventional wisdom. And he left, he sold out, Hoskyns, to Martin Marietta in 1976, and then moved into the world of politics. And, he led the Policy Unit for Thatcher when she came into power in, '78?

Yes.

And, he was very much behind a lot of the thinking, and a lot of the policies, of the Thatcher revolution.

Mm. I think it was actually '75 that Martin Marietta…

’75?

‘75m, I think, yes.

Yes, you’re right, ’75. ’75.

[33:55]
What were the reasons for that? I mean, John presumably didn’t have to sell to pursue his political ambitions.

I think… No, I think the, I think the approach was very much from Martin Marietta. They could see that…

Of course you were doing a lot of work for them.

We were doing a lot of work for them. We had a lot of good assets, which they could put more money behind. And at that stage, John was definitely moving mentally to the problems of politics and the, the country as a whole, and I think it probably just came together that this was a good opportunity for him, you know, to sell, to get money to be then financially independent, which he then was, to move into that world of, world of politics.

Mm.

But he, yes, he was a big influence, big influence.

[34:54]
Mm. In 1982 you became Director of the Hoskyns Group, and in ’84 you were Managing Director.

Yup.

Again, for the same reasons, that you were, as it were, available?

[hesitates] Yes. I mean, Martin Marietta had been through a series of changes of management within Hoskyns, they didn't agree with what the management was then doing. And just to be clear about it, [laughs] I was totally supportive of what the management was doing, no question about that. So one managing director was asked to leave, and then another one came in, and he found the regime of the parent company, frankly, not right. And he decided that he was going to leave on principle. And I begged him not to, I really did.

Can you tell us who that is?

That was Tony Robinson.

Oh it was Tony Robinson.

Tony Robinson. Yes. I pleaded with him not to. I said, 'Look, things, things will change, things will change. Just stick it out.' But his principles were such that he, he decided, no, he, he couldn't put up with it. He would go. So he went. And, then, I was promoted and put in charge. Shortly afterwards there was the change in management that we thought would, would happen on the other side of the, of the Pond. And very shortly after that, we had been pressing to see if we could float Hoskyns, for two reasons. One, to give a currency by which we could incentivise people. Because remember, this was a, this was an industry that was very hot in terms of talent, of finding talent, persuading them to join a company, and then keeping them. So that's the first reason. And the second reason was also to have a, a currency to go and acquire other companies. Because, the industry was starting to, starting to consolidate.

Right.

So we, we had been pressing for this to happen. And, in the September of '86 I remember the financial director of Martin Marietta coming over to us, and meeting myself and the financial director, Ray Harsant. And he said, 'We've been thinking about what you've been asking about floating Hoskyns. Do you think you could do it before the end of the year?' So I suspect they probably needed some money for the year end, for whatever reasons. And of course we said, 'Absolutely, we can do that.' And, so that was mid-September. And, we floated the company in six weeks. It was quite a, it was quite extraordinary. And we could have done it perhaps even faster, except it was the time when British Gas was floated, if you remember the…

Mhm. Oh…

There was an infamous 'Tell Sid' campaign, which was one of those where it was a big utility being, being privatised, and shares being put out to the, to the public. And the Stock Exchange wanted all that to clear through the markets before we came on. So we were floated on the, on the 18th of December 1986. And, one of the things that I'm most proud of on that flotation is that, in the prospectus I said, 'Well look, you know, Hoskyns is a people company, that is what we're selling, we're selling the people, the talent that's in the company.' And, I said, 'What I want to do is, on the inside covers of the prospectus,' which I will give you a copy of, Alan, for the archives, 'I want to put the name of every single employee that's in the company.' And the lawyer said, 'You can't do that Geoff, because, on the day of flotation you can't verify that everybody is actually there, on the cover, in the company.' And I said, 'I don't care. I'll take that risk. It's the notion that this is who we are.' And it had the most galvanising effect on the company.

Really?

Galvanising. Absolutely galvanising. Young girls who had just joined the company, working in administration. I know one of them came up to me with a prospectus in her hand, an eighteen-year-old who, like me when I was, having joined Cadbury's, not understanding, you know, lots of what accounting was about, would say, 'This is wonderful, and I took this home to show my grandmother.' And I thought, that's fantastic. That is just, absolutely fantastic. And it did. And, so we then got options to be able to motivate people And I would say, OK, we've got a certain pool of options,' saying to the management. 'We will decide on those allocations dependent on people's ambition and their, and their performance. And it was the first time in my career that I've ever had to cut budgets back, rather than try and get them moved up.

But, that was the beginning of a, again a, a golden age, through the, the nineteen… you know, through 1980s. I mean, Hoskyns had grown at a tremendous rate.

[41:03]

Yes. So how did it work? I mean Martin Marietta had 75 per cent of the shares. So you had 25 per cent.

We had to have a 25 per cent float. So 25 per cent were floated. There was an allocation of shares put up for options so there would be future dilution for employees.

For all employees, or only some?

It went, it went… Well, there was a save-as-you-earn scheme, which all employees could go into.

Ah, OK.

So that meant that everybody could participate in on this. And then there were options for some of the more senior people.

[41:43]

Mm. OK. I see from this document you've kindly provided me with that the P/E was 17.1. How did that compare with other computing services companies at that time do you think?

There weren't a lot around.

There weren't a lot around?

There weren't a lot around. So I would imagine it would be a pretty, a pretty decent, a pretty decent rating. But, I mean the… Because, the track record of Hoskyns was, extraordinary. I mean it had, it had had no reversals in terms of revenue growth, or profit and EPS growth, during the Eighties. So again, looking back on it, it was a, it was a very hot company in that sense, to be able to, to be able to float.

[42:34]

Now the ownership of the company changed hands in rather convoluted ways after that.

It did. It did.

Can you take us through that Geoff?

Well it then, it then became an absolute sort of, an absolute rollercoaster. I think, I think when we, we floated, our market cap was… I'm just looking at some notes here. I think it was about…

£46.8 million…

£46 million? Yes.

Yes.

So we floated with a market cap of £46 million. And, surprisingly, shortly after we floated there was a change in management at Martin Marietta, at the top of Martin Marietta. And, they decided that, it was about eighteen months after we floated, the new boss of Martin Marietta decided that we were not core to their operations.

I suppose I should just make the point, for the record, that Martin Marietta's a huge US corporation in aerospace and defence.

Aerospace. Yes, aerospace and defence. Huge, huge, huge company.

Indeed.

But again, IT, computers, very important to them. And I tried to argue that, actually this was the future, and that we should be retained. But of course the boss, as bosses do, prevailed, and he said, 'No, we want to sell you.' So, it was Norman Augustine.

And so he told me that, reluctantly they wanted to sell Hoskyns. So I said, 'OK, I'll find you a buyer.' And, we found a buyer, in the name of Plessey, Plessey, a large electronics company, quoted electronics company in the UK at the time. And so we engaged in talks with Stephen Walls, who was their CEO. And, he could see the potential from Hoskyns. And I persuaded him that the, the potential would best be realised by keeping Hoskyns public. So they would own 75 per cent of it, but it would still be quoted. And he agreed with that. And furthermore, he, he then reversed a lot of the IT assets of Plessey into Hoskyns, which therefore accelerated our growth even further. So of course, Hoskyns was then sort of, taken out again, but was continuing on the, on the public markets. And so, Martin Marietta sold out their stake. So, in, just under two years the value of Hoskyns had moved from £46 million to £178 million. So they had done all right out of it, they'd done all right out of it.

Mm.

[46:47]
However, we had only just been absorbed, or bought by Plessey, when Plessey themselves were subject to a takeover bid by GEC, GEC of UK fame, not GEC of America.

No no, indeed. Indeed.

Arnold Weinstock. So, late '91. So, GEC were successful in their takeover of Plessey. So then effectively, we're owned by Plessey. So, the deal had just gone unconditional. And we're sitting there waiting to see what would happen. And, about three days afterwards, my PA said, 'I've got Lord Weinstock on the phone for you Geoff.' So, I pick up the phone, and say, 'Good morning Lord Weinstock.' [laughs] And he said, 'Mr Unwin,' he said, 'I think we own you.' I said, 'I think you do.' [laughter] He said, 'We ought to meet.' I said, 'Absolutely right, we ought to meet.' So we arranged to meet. So I went down to his office at Stanhope Place [Gate]. And, I was then exposed to the most extreme sales pitch I think I have probably ever had in my life, about, how he was looking for young talent, and how his company desperately needed young talent; how he tried to recruit what was now a very famous entrepreneur in the UK, Alan Sugar, but he decided that Alan Sugar was un-house trainable. [laughter] I don't know whether we leave that in or cut it out, but I mean that's what he said.

I think we can leave that in.

And I think, you know… 'And that's why we need,' you know, 'people like you, Mr Unwin,' and so on and so forth, 'and you've got a great future here,' and, so on and so forth. And clearly what he was doing is, he didn't want this horse bolting. I mean he was a great horse lover as we know, and he didn't want this horse bolting. [pause] So, we then continue on our way, and, by the way, the quote was still there. And, after a few months, I then get a call from him, and he said, 'Mr Unwin, I've decided, you're non-core to GEC, and we're going to sell you.' And I said, 'Lord Weinstock, you're right. I don't think we fit well within your empire. I will find you a buyer.' And he said, 'No Mr Unwin, you don't understand. We will find you the buyer.' And I said, 'No, Lord Weinstock, you don't understand. I'll find you the buyer. Because if the guys don't like it, they ain't coming.'

Mm.

And, that is the nature of a people-based company.

Mhm.

[49:14]
We then went through a rather awkward time I have to say of, who was really trying to find the buyer, and, they tried to sell us to some companies where frankly, I knew that the cultures, I mean, although they were very good companies, the cultures were just so different, it just wouldn't work. And I said, 'Look, there's no point in me even going and talking to these companies, because, you know, we're just so different. And you know, culture in this industry is, is a very sensitive thing, but it's a very, very important factor.' And, anyway, the process goes on. And, we got an interest from a Japanese company. And… So we had serious talks with them.

Which one was that?

I can’t remember their name now Alan.

No?

I’m not sure that they’re, even whether they still exist.

OK.

But, again, owned by a Japanese entrepreneur.

Mm. Mm.

And that eventually fell apart when they started talking about how the company would be run and so on and so forth. And I remember saying to them, I said, ‘I presume you would want to put some of your, your people over here in London?’ And they said, ‘Yes,’ you know, I don’t know, ‘we’d put sixteen people over here.’ And I said, ‘Well, where would they go?’ And, ‘Oh, four or five would go into the systems integration division, four or five would go into the facilities management division, three or four into the finance department.’ And it left three over. And I said, ‘And where are the remaining three going to go?’ And they said, ‘Oh they’re going to be with you, Geoff.’ And I thought, my life isn’t that interesting, that I want to be shadowed by three Japanese all the time. And I thought, this isn’t going to work, this isn’t going to work. [laughs] So, we… And it’s just one of those seminal moments, I mean you remember it very clearly.
[51:31]
So we then started another scurry round the marketplace. And we had had some discussions with Capgemini, and, so those were hastily reignited, and, three of us, four of us, went over to Paris to meet them. And…

Who was running Capgemini? Was it Serge?

It was Serge Kampf, Serge Kampf was, was running it. And, his lieutenant at the time, Michel Jalabert, I don’t know if you remember him.

Oh yes, very well, mm.

Yes, Michel. They were on an absolute tear of acquisitions across Europe, I mean, they had bought all sorts of companies. Aggressively sort of, consolidating, and, you know, to become the, the largest IT player in Europe. So we went over there, and that went well. Similar routine, we believe that it's important to keep the, the shareholding listed, which they agreed to do for a further, until 1993. So we were talking to them in, 1990. So those shareholders that wanted to come out then, there was an offer made for the, for the company then. So GEC came out. And, so, at that stage, the share price was now up to 330p a share, which was equivalent to the 64p a share that we had floated at. So again, GEC had made a very significant return on their investment, in a very short period of time. And, Capgemini agreed that they would buy out the, the minority that they owned in March 1993, at a minimum price of 469p, or at a certain multiple of the, of the earnings, at that stage. As it happened, the 469p prevailed. So when Hoskyns was bought out eventually in 1993, during the five years it had been on the market it was then, it had then been the second highest most consistently performing company on the entire London Stock Exchange. Never mind the IT sector, the entire London Stock Exchange. I mean, it was just extraordinary.

Mm.

So we had moved from 64p to 469p in a period of, of five years. So then began an era when we were then, obviously, 1990 we then became a wholly-owned subsidiary of Capgemini. So I then went onto the executive committee at Capgemini.

Well you were, at that time, Executive Chairman of Hoskyns.

Of Hoskyns.

Yes.

Yes. So I then went onto the executive board of Capgemini. And in 1992 was put in charge of all the operations of Capgemini. And then went on with my career with them, until I retired from Capgemini in 2002, having ultimately risen to be their CEO.

[55:20]

How did running a company of that size and breadth compare with the earlier days with Hoskyns?

I mean quite, I mean quite different. And this is, this is a question that I've been asked a number of times. Firstly there was a philosophy of splitting the company into lots of profit centres. And people say, you know, how do you sleep at night? And the answer was, well, there are 400 people worrying about the profit before I start worrying about the profit, I thought was a, a pretty important philosophy. But also, back to a point I made earlier, probably about, 60, 70 per cent of my time was spent talent-spotting. Because if I didn't do it…

Talent-spotting for the upper echelons?

Within Capgemini. And remember, we're now in a market which is very hot.

Mm. Mm.

So talent is being poached or moving on all the time. And it's a bit like a nuclear reaction in that sense, that, the head of a particular unit or a country or a sector or something would move on to pastures new, and you certainly had to replace them, and decide who could replace them, and then, and of course the replacement of their position. And that's what I mean by that sort of, nuclear reaction sort of thing that was going on all the time. So, talent-spotting was absolutely key, absolutely key. And I suppose my line of sight would go down to about, 400 people. We had our own university at Capgemini where I would go, once, twice a month and talk to people who were on the courses there. But also, very much with an eye to just, spotting up-and-coming talent. And, you know, this was a crucial function of it. So firstly a delegation of authority in that sense, Alan, but also making sure you got the, you know, the right people in position, and the right talent. Also, it was a time during the

Nineties when, two things were happening, or three things. I mean, firstly, the technology revolution was, was continuing, you know, we were then getting the era of the Internet coming through, and I remember one of, our head of technology talking to Bill Gates about, you know, the impact that the Internet was going to have, and even the mighty Bill Gates hadn't spotted it at that stage.

No. No.

[58:15]
So, that was continuing. There was consolidation in the industry going on, new big competitors coming in, the IBMs of this world, the Hewlett-Packards of this world, the big hardware manufacturers really, big time into the computer services. But also, it was at the foothills of beginning to see what could happen from India. And I remember clearly being asked to go and talk, in Paris, to the equivalent of their industry body, and it must have been round about '93, something like that. And I remember talking to them, about all sorts of things, about, you know, the trends in the industry, but one of the things I said to them, 'You really have to be prepared, and position yourself, for the future threat that's going to happen in the marketplace from India.' [pause] And I was audibly booed in the audience. I mean, very audibly booed. Because they didn't like what I was saying. I mean, obviously didn't believe it. And they believed that, you know, Fortress France would somehow be able to resist it. I mean I knew that, you know, that was wrong, I mean, you know, how do you resist things like that? I mean you can try but it's, it's very Canute-like. And I thought, well, if they can't see that far ahead, I ain't coming to talk to them any more. [laughter] But it was quite, it was quite a seminal moment on me. I remember saying, I mean it was… I mean they were clearly shocked. But I was just as shocked by their reaction, that, you know, they felt so strongly that I was, I was wrong, I was wrong.

I mean, was the feeling, was your feeling that the industry had, or at least that part of the industry, had become, in a sense sclerotic, that it couldn't shift, it couldn't move?

Well it was partly that, but I think, I suppose the biggest feeling from them, that, you know, that this was traitor's talk.

Mm.

You know, you shouldn't talk like that. You know, you should fight them, and, and so on. Of course we fight them, but, you know, but, you know, there are certain things in life that, you've just go to walk backwards as slowly as possible from, you know. [laughter]

Absolutely.

But you know, that was a trend that was clearly there, and was going to come, and, I mean, and, and history now shows that, that that is what was happening.

Absolutely.

But, I think it's just an, you know, it's just evidence, looking back on, you know, the development of the industry, of how certain things were not seen, or not appreciated. And I think this is back to the, the training of, of not looking too far ahead.
[1:01:05]
And there was another instance of this which I can give you Alan, which was that, again, shortly after I came into Capgemini, they were discussing with Daimler-Benz to take a major stake in Capgemini.

Oh yes.

Which they did. Which they did. And I remember as part of their due diligence, people from the, you know, the M&A side of Daimler-Benz coming in to see me. And, they asked me for my five-year plan, broken down by geography, sector, service offerings, goodness knows what. And I said, 'I don't have one.' And they said, 'Surely you must have a five-year plan?' I said, 'The furthest I look ahead is three years.' And I said, 'I would certainly not develop any plan over any longer period than that.' And they said, 'Well why don't you do that?' And I said, 'Because I believe it would be positively dangerous.' Because, the risk is, I would believe it, and start executing on it. And the fact is that this industry is always disrupted by technological changes, which are very, very difficult to predict. You know, the impact of the minicomputer, the impact of the PC coming in, the impact of the Internet, and so on. And before the event, it was very difficult to see that those things would necessarily, either happen or that they would have the profound effect on the industry that they did have. And therefore, you had to have, and to this day you still have to have, a mindset which recognises that something is going to happen which is going to have a profound effect on the industry. And by Jove, you'd better react and react quickly to it.

Right.

And therefore be flexible in terms of your agility to react to those technological changes. And that's, you know, that's why that's so important.

Right.

So this was again an important philosophy of instilling into people, and getting them to look forward, for the sorts of things that they could see on the horizon which were likely to have those sorts of impacts.

Do you think you managed to change the mindset of Capgemini?

Within Capgemini? For sure.

You did?

Absolutely. Absolutely. Because again, when I first came in, it was, and I remember Serge Kampf saying to me… One of the things I came in, when I… I first tried to understand what it was that they were selling. And they were selling, all sorts of stuff. I mean largely professional services, skilled people. Because, the market was hot for skilled people, so it became a question of, how many could you recruit? But then in the early 1990s the market changed, because that was the first recession that the industry had really felt, really felt. And that had some profound effects. So you then had to look at the nature of what it was that you were selling. You may still be selling the skills of people, but they were wrapped up in what we would call a service offering of some sort, applications management for example, systems integration. And I remember getting one of my French colleagues to analyse their revenue into some sort of shape of service offerings, and then to say, and I can say this now because it's a big industry, then to say, OK, let's just extrapolate according to the market forecasts for those individual offerings, what would happen to the revenue growth of the group as a whole? And the answer was, there would be a very significant loss of market share. And what that said was, there was too much predominance on trying to sell the things that the market no longer wanted. And what we had to move was the things that the market did want. And this was to this point of flexibility of changing what it is that you are selling. So, one of the first things was, introducing this concept of a service offering. I mean today, everyone talks about it.

Mm. Mm.

But people didn't then. And that was one of the things that I, I certainly brought, via Hoskyns, into Capgemini. And Serge Kampf afterwards, he said, of all the things that were brought in, and we brought many skills, like, you know, the knowledge of outsourcing and so on, that was one of the most profound. It was very simple, I mean and you know, people get it immediately. And then when you partition what you're selling up into these service offerings, you can see whether they're really going to be successful or not.

[1:06:07]
Right. So, just, what do you think the out… You know, you've mentioned a number of things which Hoskyns pioneered. What do you think the most important ones were? I mean, facilities management perhaps?

[pause] In the early days, probably education actually. Because, we talked quite a bit about this, but, you know, and I can't emphasise that enough, I mean just because of the nature of how the industry was then, there wasn't one. There wasn't one. This was an industry which was being created in, what is it… I mean, you know, during the Eighties we talked about, or the late Seventies, we talked about the miners' strikes and all the rest of it, and the impact on the, the pits and, which was a terrible human

tragedy, but it shows how industries grow and decay, and, everyone was really concerned about, you know, the loss of all that employment, but I mean the IT industry now employs way more than was ever employed, you know, in, in that sector.

Absolutely.

So it's really, you know, how, how the industry grew up. So, that was one of the first things. I think then, the notion of systems integration. The notion of providing a turnkey solution to people where you would provide the hardware, you would provide the software, you would build the systems for them, you would implement it for them. And if need be, ultimately, you would run it for them, in, in the form of facilities management, or outsourcing as it now is. And I think those would be the, you know, the three really big sort of, building blocks.

You mentioned the modular approach to developing applications.

Applications. Yes. Again, you know, so standard application systems, so… [pause] What lies behind all of this is, is really the driving force of efficiency and productivity. So with standard application systems, that you're not writing the same but a code over, over and over again, which of course now people will take for granted. I mean, you know, you don't build your own payroll system, you don't build your own email system. You know, you take it off the shelf and you use it from somebody. And again, in terms of just the efficiency of running computers, there are economies of scale to be had through outsourcing them. But these were all new concepts which had to be developed, explained, sold, refined, which is what happened through the, you know, the Seventies and eighties.

[1:08:53]
Did the UK experience a shortage of skills throughout your time in the industry?

Pretty much. Pretty much. I mean I can remember some pretty horrendous forecasts coming out of the degree of shortage of skills. I'm just trying to think. I'm just looking at some of my notes here of… Yes, 1988, the National Computing Centre highlighted that within three years… Sorry. That there was currently, then, so we're talking 1988, a shortage of 20,000 skilled IT professionals, and by, within three years that would rise to 53,000. So, it gave some sort of feel for the two things of, how hot the market was, and, again back to the, the point of how important it was, you know, to train and develop the, basically the workforce to, you know, to supply the industry, meet the, meet the demands.

I mean, you're still in touch with the industry. Is the shortage still as bad, or has it got better?

Well of course it's shifted. I mean it's shifted. I mean, and it's back to this effect we were talking about, India.

India.

Look at my, my old company, Capgemini. I don't know how many people they've got in India today, I mean, 60,000, 70,000 people in India. I think, they recruit an Indian every five minutes.

How do you manage a people business with those sorts of numbers?

Well…

You know, Hoskyns, 500 people, perhaps yes, you can do it.

Yes.

Several thousand, tens of thousands?

You've got to do what I said, of, you know, you've got to split it into manageable bits, and then have good, competent people heading up those management… sorry, those relevant bits of it. I mean that's the only, I mean, that's the only way you can do it. I mean you can't, you can't tell what everybody's doing, you can't, you can't see every customer. This is back to the point of, you know, people said, how did you spend your time when you were running a company like that? Well, I can't go and see every customer. I can't. I've got to see sufficient so that I know what's happening and I get an appreciation of their needs at first hand, but beyond that, the most important thing is talent-spotting. That's what it is, talent-spotting. Getting the people who can, you know, develop the new offerings, run and develop talent effectively. Just manage a business. Look after the top line and look after the bottom line, and all that goes in between. Yah, it just… I mean it is frightening when you, [laughs] you know, to look back on it, or even to look backwards to looking forwards to where Capgemini is today for example, I mean, enormous.

[1:12:13]
Mm. Would I be right in thinking that it's really the management of this kind of business which fascinates you rather than the technology?

I never knew anything about computers. And it was the management. [pause] I will lose credibility. No, it's, it's a…

No, you would be amazed so many people in computing services, particularly from that era, [laughs] didn't know anything about computers.

Well… I can show you some adverts of, when we floated Hoskyns, and I mean there was… Because we were trying to identify with the, the audience, you know, other captains of industry who would be the, you know, the ultimate buyer of our services. And I've got pictures of one of the adverts we ran at that time, which happened to be of yours truly saying, 'I've never touched a computer in my life.'

Mm.

At that stage I hadn't. And, so this was a, I mean it was a, it's a Luddite statement, and I realise that. But, it's how it was.

Mm.

The managing directors or CEOs of the vast majority of companies would not have touched a computer, or been even near to one.

Right.

I mean it changed rapidly.

Yes.

And it does seem bizarre to, for us sitting here today, saying that. But, but that is how it was. But yes, it, it's the management of it which intrigued me more. I realised that I would never understand all the technology that was in the various offerings, or what was coming down the line. What was important was that, you identified a handful of people whose opinion you really trusted. I mean there was a great Frenchman for example in Capgemini, Jean-Paul Figer, who absolutely met that criteria. He was the one who told Gates about the Internet.

Oh, right.

And, he was very far-sighted, very forthright. If you didn't understand what he was telling you, that's your problem, is what he was, [laughs] was his attitude. And he really, he was right. But he was somebody that I would listen to, very hard, about what was, not only what was happening, but what was likely to happen. Because that's where you're placing your bets.

[1:14:57]
In your career, have you been responsible for, for raising money at any point? I mean, I know you found, you found customers for your company various times, but, have you ever had to go out and search for money from the City, or…?

Well we did that obviously when we floated.

Yes.

Yes. Which we, which we did. And…

Because that's a corporate exercise really.

It's a corporate.

Presumably bankers would have been…

Yes, it's a corporate exercise. And of course I did it big time when, in the last three years of my career when we took over the consulting operations of Ernst & Young.

Oh yes.

Which came as a huge exercise in raising, in raising money.

How much did you have to raise for that?

Oh God. I mean, I think it was something like, 8 billion euros, 8 billion euros. But, fortunately, through the early days of Hoskyns, I was too junior, thank God, to worry about the, the raising of money. But clearly that was happening, that was happening by John Hoskyns, John Pearce, in terms of doing that, of, you know, the initial funding and then raising more money, ultimately through American Express, through Schroders, and then finally through, through Martin Marietta.

Mhm.

[1:16:27]
But I know that's, I mean that's, that's a big issue today for tech companies, of source of financing. And interestingly, I mean just talking on sort of source of financing aspects, and which I think is interesting from a historical point of view.

Yes.

In, in 1990, when Hoskyns had been floated and we were then on our third change of ownership, the move into Capgemini, we looked very hard at doing a management buyout of Hoskyns, and talked to several private equity companies about doing it. But the nature of the private, of the private equity industry at the time, was such that the thinking was not that far developed that they could deal with buying companies whose assets were all goodwill, or predominantly goodwill. In other words, the companies which were being bought out were companies which had strong asset backing, strong cash flows, but services companies couldn't get their heads round. And we tried, by goodness we tried. But I mean if you contrast that today, I mean, this is an ideal sort of company that private equity would try and, try to have acquired. But, quite different, quite different in 1990. Couldn't be done. Couldn't be done.

Mm. I've just realised how significant your question to John Hoskyns was about goodwill.

To, to Adrian Cadbury? To…

Oh was it Adrian Cadbury?

Adrian Cadbury, yes.

Oh Adrian Cadbury, sorry.

Goodwill. Yes. Yes, absolutely. Because, that's, that's what these companies are. I mean there's, there's very few tangible assets in there, maybe the odd computer or something like that, but, no, it's all, it's all goodwill. Yes.

[1:18:33]
While you were running Cap Gemini Sogeti, what were the important acquisitions? Ernst & Young you mentioned.

Well that was the big one. Well I mean the, the big thing that had happened was that, at exactly the time when they acquired Hoskyns, they'd been round hoovering up other big companies in, in Europe. They acquired Volmac in the Netherlands, Programator in the, in the Nordic area. And so on.

Mhm.

And, one of the, one of the strategic things that I was facing, and which led to the very strong view that we ought to sell ourselves to Capgemini, was an experience that I had just before then, when we were selling a major, major systems integration project to one of the big utilities which was in the process of being privatised, one of the big water companies. And, so, this company had to transform itself into this new deregulated world where, God forbid, you know, the consumer had a choice. So their systems had to change, their procedures had to change, everything. And we bid for that piece of work. And I remember we were beaten by Accenture. We thought we'd, we'd absolutely put in the best bid we could, but we got beaten by Accenture, for one reason. They said, 'We've done this before, on a project that we'd done in the United States.' But here in the UK, the market hadn't been deregulated, so we had got no experience of it.

No, right.

So we just couldn't compete. And I could see that more of that sort of effect was going to happen of knowledge, knowledge transfer. So we then come into the world of, of Capgemini. And, I remember in 1992, standing up in my first management conference with Capgemini, where all this, all these acquisitions had been going on, and, I remember making a speech to them about these trends in the industry, and how knowledge sharing of having done something in another country, was important to be able to transport that to, that knowledge to another country to win business. And I said, 'We face a very simple choice. We can either remain as a conglomerate of companies, all very good companies in their own territory or their own specialisation, and please just send your annual dividends to us in Paris, or we truly try and make the group a group.' And I said, 'What we have to do is, we have to have commonality of what we sell, how we sell it, and how we deliver it. And that's the choice. So either we become truly a group, or we remain as a conglomerate.'

Mhm.

And I said to them, 'I know which way my vote is going. To compete, we've got to be a group.' And at that stage, they voted, that's what we were going to do. And of course that was very easy to say it, but then damn difficult to do it. Because, effectively, you are, you are integrating, including the acquisitions of the acquisitions they had made, I counted it up, it was integrating 56 acquisitions, some of which were very small, and almost disappeared, but for the others, you know, they'd all have their different service offerings. Everybody without doubt had the best methodology for implementing projects, but they were all different, but we had to choose one. And so it went on. And…

They would all have their own accounting systems.

They'd all have their own accounting systems, different forecasting systems, all that sort of… We had to get one. And so that was a big, big project. And, fortunately, fortunately, I mean, that happened at a time when the industry was going through very tough times, and that was helpful, to force through those changes. You know, because otherwise people would say, 'Well we're doing all right, why do we need to change?'

No, indeed.

So that, you know, that was helpful. And that took about, we set a very fast pace to do that, about eighteen months to do that. And that really was the beginning of the creation of a, of a group, and the group that you see today, but it was, that was a big step, big step. And, my French colleagues Serge Kampf, Michel Jalabert, were extremely brave in terms of doing that. But, another reason we could do it was, at that stage Serge Kampf still had control over the group through a series of different holding companies, so that we weren't vulnerable to takeover, otherwise, if you embark on something like that, you could be very vulnerable during the, during that process.

[1:24:10]

So how did it work? You were Chief Executive of the group?

I was in charge, I was in charge of what they called the Regions then, which was the, which was really the sort of, operations.

Ah, OK.

And, I was, I was appointed CEO when the decision to acquire Ernst & Young was made.

So Serge Kampf would then be, Chairman?

He was the Chairman.

Chairman. And Michel Jalabert would be…?

He was on the, he was on the board.

He was…

On the board, yes.

He was a significant board member?

Yes.

OK.

Yes.

[1:24:46]
Mhm. You left in 2002?

Two.

Was that just retirement then?

I had planned to leave in 2009.

Ah.

I thought my job was, done. I… Capgemini was growing very well, organically. And, I was negotiating, or, negotiating, I was talking to Serge about retiring. And, then the, the regulators in the States were pressuring the big audit companies, the big five, to split, split off their consulting operations. So we talked to a number of them, and, Ernst & Young, we thought the cultural fit with Ernst & Young was the, was the best. Capgemini were sort of, for historical reasons, underweight in the United States, and also in Germany, and of course Ernst & Young were very strong in the United States. So that's why we, we thought strategically it was the right thing to do. And I remember… So we talked to them. And this was coming to a, a decision. And the board had said, 'Well, we'll only do this acquisition, Geoff, if you will stay around to see it through.' Which therefore meant a commitment for another, two to three years. One of my blind spots as an individual is, I never know the date. I think partly because it changes every day, and therefore I don't bother to remember it. But I just don't, I just don't know dates. I mean I'm terrible about it. But I remember this date, because it was my birthday in, which was beginning of August in '99. And I had gone away to reflect on whether I was prepared to commit, and whether this was strategically right. And I remember ringing up Serge, who was on holiday in Venice at the time, and I spoke to him, and I said, 'Serge, I've thought about this, and I think strategically this is the right thing for us to do, and furthermore, I'll commit for another two to three years to see it through.'

[1:27:10]
So you had planned to leave in 1999.

'99.

And stayed on to 2002.

And so, I then said to Serge, ‘I think this is strategically the right thing to do, and furthermore I will commit to see it through.’ And Serge said, ‘Geoff, you’re absolutely right, I agree with you. Go back on holiday, and don’t change your mind.’ Which is what we then did. And then we, we picked it up in the September.

OK.

And of course, I mean that was the, and with hindsight, I mean it was a very difficult acquisition to do, because it was, 26 partnerships, it was the height of the dotcom boom, it was the height of the year 2000 stuff that was going on.

All of that, yes.

Very hot time. Just a dreadful time or the industry. So we completed it, I think in the March of that year, the year after. And then of course, there was that huge recession which then started, well just a few months afterwards, so, the timing was not good, so we were strategically right but dreadful sort of timing, but there we are.

So you did resign from Capgemini in 2002?

Retired. Retired.

You retired.

Retired. Retired. And then I remained on the board for a few more years, with the wonderful title of a *censeur*, which is a non-voting director. And I don’t normally agree with CEOs lingering on the boards… sorry, CEOs lingering on the boards that they’ve been CEOs of, but in France, firstly, it’s quite an unusual country in the way it sort of operates, you know, and, having those sorts of contacts I thought was important. But I just, I gave my written resignation to Serge Kampf and said, ‘Stick that in the top drawer of your bureau, and any time you want to pull it out, or any time I think I’m not adding value, we’re done, that’s it.’ And that was it. So I mean that continued for a few more years, and, which was interesting, but, now I've still got, you know, colleagues there which I see, but that's, that's it now.

[1:29:31]
And you're still quite involved with the industry in one way and another?

[hesitates] Yes, to a certain extent, but I mean nothing like the, you know, the intensity then. I mean it was really, very intensive.

Mm. But you have a number of chairmanships of...

Yes. Yes. Yes, and predominantly with…

…IT companies of one sort or another.

Yes, predominantly companies which are, you know, service related, but, you know, not exclusively.

[1:30:00]
Mhm. OK. What's your view on the importance of the IT industry to the UK?

Oh, crucial.

Crucial?

Crucial.

Can you go a bit further on that?

Well… [laughter] Well I mean if we have an outage on the Internet, I mean, [laughter] the place would, the economy would grind to a halt.

Mm.

No, it's, it is absolutely crucial. Because we, we know, I mean, it's just all-pervasive these days, I mean, not just in, in business, in government, but in our private lives. I mean, I think one of the, one of the dangers is that, almost it's become too pervasive.

Mm.

You know, how do people switch off, through this flow of information all the time? I mean, you know, I look at people in the street, you know, looking on their devices and not looking where they're going, and bumping into people, and all the rest of it. And it's this constant need to be, you know, to be in touch, and the fear that somehow you're missing something if you're not.

Mm.

And, so, there's no question, I mean it's a, it's a crucial part of the, of the economy.

Are you surprised at the way it's developed, looking back to the early days of Hoskyns?

It's one of those points. I mean, you couldn't predict it. And you still can't. You still can't. I would be hard pushed to say what will be new within the next five years that's going to come out and change things dramatically. But there will be something, you know, there will be, because, there always has been. Well there has been within, you know, my working career.

[1:31:52]
Mm. Mm. What do you think are the most important decisions you made during your career?

[pause] Some of the, I mean some of the, some of the strategy discussions. I've given you the example of the, Capgemini becoming a group.

Yes.

I think I've given you the example of spotting, I wouldn't claim this alone, but I mean, just recognising the importance of the capabilities that were being developed in, in India.

Mhm.

So strategic decisions like that I would view as crucial. But I think probably the, you know, the greatest pleasure has come from, you know, the interaction with people, and, particularly giving people a decent opportunity, a good opportunity to really prove themselves.

Mm. OK.

And, we talked a little bit about mentors, but, just to mention that, there was a period when we were owned by Martin Marietta in the States, in the Seventies, and they were run by a very charismatic CEO called Tom Pownall. And, for some reason, Tom, although, I mean he was a huge, hugely important guy, and I mean I was sort of, nothing, I mean I was a, a yoik down, down there somewhere, he seemed to take a shine to me. And, I remember going over there and having to make a presentation, or he asked me to make a presentation, to all these very senior guys in Martin Marietta. I was very nervous about it, I was very nervous about it, and I said to Tom, I said, 'Are you sure you're really wanting me to talk to these guys?' And he says, 'Yeah yeah yeah.' I said, 'Well, you know, I'm not sure what I'm going to say.' He said, 'Just talk to them Geoff. You'll be fine.' And it was just those reassuring words of, you know, of trust and confidence that he just, in a matter of just two sentences, instilled in me. And I never forgot that. And the ability, I hope, you know, that one has, I mean, to do the same thing with other people, just say, 'Alan, it's going to be fine. It's going to be fine. It's, it's going to be fine, trust me, it's going to be fine.' And, it normally is, it normally is. But he was, he was a very charismatic guy, and, I learnt a lot, I learnt a lot from him. I mean a very different character from John Hoskyns. You know, when people talk about their mentors, I mean, I think truth be known, I mean, certainly in my experience, you get influences from a lot of people, you know, good and bad.

Mm, indeed.

You know good and bad. You know, it's, I think it's very unusual where you actually say, 'Oh yes, there's one person who was my mentor.' You know, there's inputs from lots of people. I mean I remember the early days of, when I first joined Hoskyns, I was put under the wing of a guy called Andrew Muir, and, he was a, again a very confident guy. And, I told you, I developed this sort of, system of routing vehicles for delivering stuff which would reduce distribution costs. And that was pretty important. And, he would find his way into various companies, and, you know, big important companies, and we'd go into the boardroom, and, Andrew would make the introduction remarks and say, 'OK, I'll pass it over to Geoff who will explain how all this stuff works.' Well I suppose within a year I must have been thrown out of more boardrooms [laughter] than most people have ever been in in their entire careers, you know. And again, that was just a huge impact on you of, you know, [laughs] just getting that sort of exposure. But largely an exposure, I've got to say, more of failure than success. [laughter] But nevertheless, it had its effect.

[1:36:12]
Oh it's interesting. I mean rather like Philip Hughes at Logica, who went off to do art rather than…

Yes.

…rather than computing.

I have many of his paintings in my, in my home.

Do you?

I do. I do.

Oh excellent. Excellent. Oh. And of course John Hoskyns went off to do politics rather than…

Yes he did.

How successful was he in that role, do you think?

Oh hugely. Hugely.

Tell me about that.

Well, he was, he was very disturbed by, you know, the way the country was heading. And it was in a mess. I remember a few years ago when Thatcher died, and I was sitting in a cab going up Tottenham Court Road, and, it was announced, you know, Thatcher's funeral was going to be, such and such a date. And the cabbie said to me, he said, 'God, thank God for that, she's gone. I mean, what a bitch she was.' And I said, 'Look, people have got their views about Thatcher, and all sorts of different views on her, but you've got to remember the state the country was in then. And you,' the cab driver, 'were too young to remember it. But,' I said, 'we were facing almost anarchy. And a lot is talked about the miners' strike.' I said, 'Do you realise what the miners were striking for, what their wage increase was that they were looking for?' He said, 'No.' I said, 'Would you like to take a guess?' So he, I don't know, ten per cent or whatever. I said, 'They were striking for a 36 per cent wage increase.' And that was the sort of unaffordable lunacy that the country was, the country was facing. And somebody had to get a grip of it. Now this is where John Hoskyns comes in. He saw that, he saw that, and he wanted to do his bit, whatever he could do, to help change it. So that's when, Thatcher came into power, he went in, ultimately as head of a policy unit. And, he wrote a book called *Just In Time*, where he described, well he kept diaries and he, he described what went, what went on. But he worked through the logic of what needed to change in the country. And all sorts of aspects, from, you know, fiscal policy to dealing with the unions and so on and so forth. And very typical of the sort of, I suppose the, the thinking that was, was prevalent within Hoskyns the company, in the back of the book you will see there is a drawing, or, a diagram, of a flip chart board where he had drawn out all the dependencies in the economy which Thatcher referred to as 'the wiring diagram'. But this showed all the major blocks and their interdependencies, and what had to be dealt with. And of course this was a hugely difficult task, to make that sort of transformation. But he was very clear, this is what it is, and also, that they needed two terms to do it, you couldn't do it in one term, that was, that was different. And therefore, you had to pick your timing as to when you were going to deal with which of these boxes or issues when. But of course the, the danger of that, or one of the, the big risks with all of that, is the very nature of politics being dictated by events. People for political reasons, pragmatic reasons, veer off the plan. And so, a lot of the, you know, his role, was in effect, stiffening backbones. But he said, you know, when he attended Cabinet meetings and so on and so forth, lots of ministers would think that the, the way of implementing a particular part of strategy was to make a speech, and that was it.

Mm. Mm.

Well I mean, you make a speech and nothing else happens after, after that. [laughter] Something else has got to connect with the road. And it was, you know, it was, it was just engendering this, this sort of philosophy, and practicality. And again here, he was an entrepreneur who had created a company, built it up, you know, from, from nothing and so on and so forth, who had actually run something. Whereas most politicians haven't at all. And, so, there's no question, he was hugely influential on, on what happened.

[1:41:18]
Mm. What are two biggest mistakes do you think?

Mistakes?

Mistakes.

[pause] Well certainly, certainly regret of perhaps not being able to buy out Hoskyns, but I think about that logically.

OK.

It had to be part of a, a larger group to compete. So, we would have had to have been the consolidator.

Mm. That wasn't really a mistake though. I mean that was a force of circumstance, wasn't it? That's a regret.

It's a regret. It is, it is. I… I mean, most of them, most of them are to do with people, Alan.

Mm. Appointing the wrong people to the wrong…?

Appointing the wrong people, and that's your, that's your problem, that's my problem.

Mhm.

Because I would have made the decision. And less, necessarily, the, the fault of the individual.

Mm.

The one thing that in business you tend to regret is not making changes sooner, you know, and, you know, particularly, you know, the tough ones, the tough decisions tend to be around people, and probably not making them soon enough.

[1:42:24]
So if you had your time over again, is there anything you would do differently, do you think?

Oh a lot of things. I mean, you know, I mean with the benefit of hindsight, but, you know, the point is, you are where you are at the particular time, and, all you can do is play the ball that's in front of you. I mean that's all you can do. I mean, you can't wish it somewhere else, it's, it's there, you've got to, you've got to deal with it.

Mm.

No, I mean, I have been extraordinarily lucky, no question of it. You know, to get in this industry in the first place, it was chance. I've explained that. It was chance. Did I plan it? No. Could I have foreseen it? No. It happened. I've done a few things which I think have been helpful to my own career and my own position, but I never planned it. I never planned it.

[1:43:26]
OK. And the kind of things you're doing now, with these various companies, I mean, what's the impetus behind that?

Well for myself, to stay involved with people. And I think that's what I get the most satisfaction from. I mean, I admire Philip Hughes for example, who we both know very well, you know, going off and, on a completely different career.

Indeed.

Completely different career, and very successfully, and getting obviously huge satisfaction from it. I've never done that. I don't have the talent to do that. [laughs] But, I think, at least I'd like to think that the, it does like with people, and, I have been asked to mentor several people, which I do, and, you know, it's up to them, I mean, advice is for giving but not necessary for taking.

[laughs] OK.

But, also, I mean, if one sits, from a position where you've got no axe to grind, other than giving the best advice you possibly can, I mean, it's a pretty powerful place to be.

[1:44:54]
Indeed. Indeed. Yes. Yes, so, I mean just following on from that. What advice would you have for a young person setting out in IT today, fresh out of university, looking for a career? I say university, college or whatever.

Yes. Yes yes. Well firstly find something that you believe in. I think it's very difficult to work for a company whose products or services you don't really believe in. If you've got a choice. If you've got a choice. So I think something which really strikes you as being interesting. But equally don't be afraid to consider changing. I know that's always sort of, slightly nerve-racking, you know, to, dive back into cold water again maybe, of looking for a different opportunity, but there's all sorts of opportunities out there. And I think just to keep on trying new things. I mean, I suppose, you know, that's a characteristic of what happened to me, that, I was always trying to seek new things to do, and put myself into a position where I could explore those.

[1:46:10]
Right. Mm. You've been President of the Computer Services Association here in the UK, and you're a founder member of the Company of Information Technologists.

I was. I was, yes.

Do you think these organisations, or, also the British Institute of Management, you're a Companion now. Are these organisations important to the UK?

I think they are. You know, if you take the CSA for example, I mean that was a good forum for exchanging ideas. I mean, you know, we're all competitive in this world, but, you know, there are some things that, that are important, and I think that was, certainly in my days, and it's, it's continued beyond that, a very useful institution for, for enabling that sort of thing to, to happen. Institutions like the Worshipful Company, again I think that's more for, as much a forum of dealing with exactly what we're talking about now, you know, the history of the, of the industry and the way it developed, and it's very difficult to think of other institutions which would do that, Alan.

Mm. No, that's absolutely true. Mhm.

You know, and when you look at the people that are in the company, a huge number of people who were, all part of that history.

[1:47:53]
Indeed. Mm. Mm. So, you know, you've been honoured in these ways. Have you had other honours or awards or…?

I don't think so.

No?

I don't… And it doesn't… [pause] It's never, it's never particularly attracted me. I mean as a, as a CEO, at stages you've got to be particularly, you know, you've got no option but to be, have a reasonably high profile, but out of that, I try not to be. I, I'm quite a private person in that regard.

[1:48:30]
OK. Geoff, we've covered a lot of ground I think in this last couple of hours. Are there things you think we should talk about that I haven't asked you, that we haven't covered?

I don't think so. I mean we've covered a lot of ground. I mean, when I was first asked about this project, Alan, I must admit my first thought that flashed through my mind was, why on earth would you want to do that? And then when I, when I thought about it for a nanosecond, I realised that in my own mind, I couldn't remember precisely, when did this happen, or when did that happen, or put, you know, accurate timings on it. And, suddenly – well not suddenly, but progressively, that would be lost.

Mm.

It would be lost, unless somebody actually, did it. So what I did was that, I then sent out an email, now that I touch a computer [laughter], to some of my old colleagues, and, you know, described this project, and I said, 'Look, I've just laid down a very rough timeline here of some of the important things that I think happened within the, within Hoskyns, and then, going a little bit into, into Capgemini, but I've certainly got some gaps here where I can't remember when this happened or that happened. Help.' And the reaction was quite extraordinary. And it was, it was just like sort of, triggering a huge sort of, Wikipedia explosion, you know, that people would say, 'Well I can't remember all the details on that particular project, but I know so-and-so was working on it, so-and-so was working on it, and I've emailed them,' and then, they come back with more and so on. And it's just sort of, snowballing. And, that in its own right says to me, in that very small sample, from, you know, just one company, there is an interest in this, and that it, it hadn't been documented. And I know that a number of people are interested in actually just doing that, you know, for posterity, that you can, you can actually refer to it. So I think it's, I think it's an extraordinarily good thing to do, because, I mean, in a few yeas' time, we won't be here to talk to. [laughter]

I'm afraid not.

And, and you know, just, reflecting on our own conversation here, some of it will no doubt appear bizarre to people. And, in a generation or two, it will be even more bizarre. In fact I've got something to show you. I took my, I took my diary out of my pocket when we started this conversation, just to make way for the mic. But you may be surprised to see, Alan, that I still use these things.

Ah. 80-column card.

There you go. Which, for a future generation, this is what you call a punch card, which is where, on the back here you would punch in the holes which would then give you the data, which you would then feed into a computer. These are probably worth a fortune today. But they're very good for writing notes on. And I've only got a few dozen left, that's all I've got. But, but that just shows… You wouldn't recognise one. You recognise it, Alan, because you're…

Just about.

Just about.

Just about, yes.

Do you recognise it?

Yeah, I did a video of them, so… [laughter]

Ah, well there you go.

Are they ICL or IBM?

[pause] I'm not sure who it is. I think this is an ICL one actually. Yes. No, it's an ICL one. Yeah yeah. So there we go.

OK.

History.

Indeed. Geoff Unwin, thank you very much indeed.

Thank you Alan, I enjoyed it.

[End of Interview]