

## The gift of the gab is not enough to lead the big firms of tomorrow

Britain could learn from Silicon Valley and the rise of its specialists and engineers

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If Silicon Valley is the new Hollywood, then the land of the geeks must ensure that the dizzying success of today's tech celebrities – far richer and more powerful than anyone who has made it on the big screen – does not lead to a culture that could stifle the next billion-dollar idea. The math geniuses, software engineers and [super coders](#) behind Silicon Valley's creation must not be replaced by sweet-talking, inexperienced executives as the industry continues its rise.

Big tech boardrooms are fully aware they need to hold onto their expertise. “We’re bringing the geek back,” Intel’s boss Patrick Gelsinger told Fortune last week, months after saying he wanted the company to go back to an “engineering-centric culture”. Days earlier, Twitter picked low-profile Parag Agrawal, its 37-year-old chief technology officer who has enjoyed maths and computers since childhood, to replace [its eccentric founder Jack Dorsey](#).

A star graduate of the Indian Institute of Technology in Bombay and Stanford University, sources told The Washington Post that Dorsey convinced board members that Agrawal was the best choice because of his engineering background and the fact he had been rising through Twitter’s ranks for a decade.

Consultants were quick to point out how rare it is for engineers to make the leap straight from technology head to chief executive, but the swift rise of the tech guru is likely to continue. “You’re going to be seeing more and more of this happening,” one adviser told the Wall Street Journal.

Britain could learn from Silicon Valley’s determination to lift up the specialists over the slick-talkers and their inner circle of chums. “Britain is in love with putting the wrong people into many jobs,” argues Dr Amanda Goodall, an associate professor at Bayes Business School. “I wish our Government would appoint leaders in the way that companies in Silicon Valley do.”



*George Mitchell, who ran HBOS's corporate division until 2006, said years after the global financial crash that 'more directors with direct banking experience may have been beneficial as the crisis took hold' Credit: Jason Alden /Bloomberg*

The pandemic has shone a spotlight on the lack of experience among some of those in key public sector roles. From the US jeweller who was paid by the taxpayer to broker PPE contracts to Sir Gordon Messenger, the Royal Marines general called in to lead the [biggest review of NHS management](#) in 40 years, the experts have often been left out.

“Messenger was a very distinguished Royal Marine. However, perhaps we have to ask ourselves as a nation, whether it would be natural to have a review of the Royal Marines led by a medical doctor,” Andrew Oswald, a professor at the University of Warwick, recently argued in a letter to the Financial Times. Dr Michael Head, a scientist at Southampton University, last summer called the hire of ex-TalkTalk and NHS Test and Trace chief Dido Harding to the new National Institute for Health Protection akin to “Chris Whitty being appointed the Vodafone head of branding and corporate image”.

It is not just the public sector. George Mitchell, who ran collapsed lender HBOS's corporate division until the start of 2006, said years after the 2008 crash that “more directors with direct banking experience may have been beneficial as the financial crisis took hold”. Andy Hornby, the lender's boss leading up to the crisis, was at first hailed as a marketing wunderkind when he joined the bank from Asda with no banking training in 1999. His impressive CV mirrored many others in power in the corporate world. A degree from Oxford, a stint as a management consultant, an MBA at Harvard. Consultancies such as McKinsey have long been described as chief executive factories due to the sheer number of people who go from advising big businesses to running them. Aside from his lack of banking experience, Hornby ticked all the chief executive boxes.



*A scientist at Southampton University called the hire of ex-TalkTalk boss Dido Harding to the new National Institute for Health Protection akin to 'Chris Whitty being appointed the Vodafone head of branding' Credit: PA Video /PA*

Of course, many who tread that well worn route to the top turn out to be smart and impressive leaders. Companies also don't want to go too far the other way and end up promoting experts who make lousy managers. But Dr Goodall's research argues that a corporate obsession with generic management skills has diluted the importance of technical expertise as firms instead value leaders who are generalists. In her view, this matters because someone who has "walked-the-walk" is immediately seen as more credible to staff – an effect that is magnified in professions where people generally would prefer not to be led at all. In some sectors, such as technology and medicine, having specific knowledge and understanding is vital.

Despite calls for companies to diversify their boardrooms or hire more specialists, there is a clear pattern when it comes to picking out who should sit at the very top of some of the world's largest businesses. McKinsey, historically viewed as a bastion of white, privately-educated men, has produced more than 70 past and present Fortune 500 chief executives, and this time a year ago had 12 alumni in FTSE 100 chief or chairman jobs. Over half of FTSE 100 chief executives also have a background in finance, recruitment consultancy Robert Half UK found in 2019.

Big tech giants have turned their back on the formulas followed by so many others and are choosing a smarter way. They are picking their star engineers as leaders rather than being wooed by the consultants, marketing whizzes and finance chiefs who have been taught the gift of the gab.

Staying loyal to their original legion of math geniuses, software engineers and super coders will make the most powerful companies in the world even stronger.