



## THE ASCENT: A TENZING PODCAST - GLENN ELLIOTT

### Title:

Glenn Elliott talks doubters, deja vu and tough decisions

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### Episode Overview:

Tenzing's very own Entrepreneur-in-Residence and retired CEO of [Reward Gateway](#), [Glenn Elliott](#) talks about his high-yield teenage entrepreneurial endeavours... the importance of listening to your gut, having faith in your beliefs and being comfortable ignoring the received wisdom... and how being endlessly curious, and relentless in the pursuit of simplicity, is key to doing things differently, successfully.

### Quick-fire Round:

- **Favourite book?** [No Rules Rules](#)
- **Most inspirational person?** [Brené Brown](#) or [Arianna Huffington](#)
- **Most important qualities for a founder or entrepreneur?** Being people-centric, being caring and thinking about your people and how to get the best out of them.

## GLENN ELLIOTT TRANSCRIPT

GUY:

Glenn Elliott, founder and retired CEO of Reward Gateway, author of best-selling engagement book, [The Rebel Playbook](#), and most importantly chair of [Tenzing's Entrepreneur's Panel](#) - and now full-time running our growth team at Tenzing. For those of us that know you, you're quite a flamboyant character - colourful shirts, bit of body art, now big hair - but I've seen photos of you at the start of Reward Gateway and you look like a software engineer! And you did ten years at BT, and, if I remember, it was software testing as well, so I'd love to dig into that... ten years is quite a long time in a big public organisation like BT or a utility, so tell me about what your decision was when you left uni, and why you did that, and why you did it for so long? I think people will be surprised that you did it for such a period of time...

GLENN:

I'd always been into computers, as we called them in the 80s. I got my first computer at 12 or 13 - a Sinclair ZX81 - with 1KB of memory... that's less memory than would hold the head of an email these days! And I programmed for that. I always knew I wanted to be involved with software. I loved my degree in software engineering. What's interesting about how I ended up in software testing, was a complete accident of the BT graduate scheme.

I remember joining on my first day at BT, and there were three of us joining on the same day, and we all got into the lift... and we went up to the second floor and the HR person took two of the other graduates out and said to me, "*stay here you're going to the sixth floor*", and I thought, *wow, the 6th floor, that sounds exciting, right at the top...* and it was the software testing department, which I'd never really heard of, because when you're training as a software engineer you don't really think about testing, it's an afterthought.

If I was perturbed on day one of not being in the job I wanted, I grew to really love it. I love testing. I did it for years. One of my natural attributes is, I'm very curious about things, so I'm always learning about stuff. You can stick me in any empty room and I wouldn't get bored. Software testing really plays to your curiosity instinct, finding the boundaries of things, finding out about how things work, and trying to figure them out. But the thing that made me leave, really, was realising if I didn't leave at ten years I'd probably be there for the rest of my life. And that was the trigger- I realised that wasn't really what I wanted, and I wanted to do something else.

I'd been involved in a business enterprise programme at school, in my teens, so I'd had the bug then but I paused it for a while... but got it back quickly when I got into coding websites for myself and clients.

GUY:

So leaving BT wasn't your first taste of entrepreneurship? Didn't you run a tuck shop at school?

GLENN:

Yeah, I was so fortunate. When I was 15, so that's 1987, at my school, we had a fantastic form teacher, Ken Scaife, with big shaggy hair. During the summer he was a roadie for a rock group, and he smoked roll-ups in the corner of the classroom all throughout the lesson, because it was the 80s... He got involved with the NatWest bank business enterprise programme, where he would help you come up with a business plan, you'd traipse down to the bank after school, they would politely look at it, they would give you a business cheque book and a £50 overdraft - which was a huge amount of money when you're 13, 14 - and then you would run your business and pay 10% tax to the school.

And I did a series of businesses. I was involved in a soft toy production company. Made

Winnie the Poohs and Piglets, obviously with no licensing paid to Disney, and we did that for six months. I ran a school magazine that was banned after two issues - we used to copy articles out of *The Sun*, which my dad got, and that was deemed nefarious so that got killed. And then I found a cupboard in the school corridor that I turned into a school tuck shop, and I opened every break time and I made a fortune. In fact, I had more spare cash in those two years than I had for years after, because you make a lot of money selling chocolates and crisps to kids at school..!

So I guess that's where it started, and it's interesting, I was only at school, I was very, very young, but it taught us basic bookkeeping, basic accounting, the idea of tax, how to deal with a supplier and it was a pretty marvellous programme, really. It was there that I got my first seeds. And as I say, I took a ten-year corporate post, but I learned a lot in that ten years.

I'd been working with a marketing agency in my last job in BT and I thought that would be interesting and like something I could do. Fortunately, I knew very little about it. If I'd known everything I'd yet to learn I'd probably be too terrified to start, so I set up a marketing agency, building websites initially, and getting into brands and print media and all sorts of stuff.

GUY:

Tell me about that. Was that on your own and was it successful?

GLENN:

It was with my partner at the time, Gavin - he was Creative Director. He was finishing a PhD in media studies, so we worked together as a team. Got it to about £1m turnover and 15-20 people, largely living from hand to mouth. That sort of business teaches you a lot about cash flow management, and how salary and tax bills are going to put you out of business - having that feeling at 4am waking up worrying about where next month's salary is going to come from for everyone.

And it's interesting, I was talking to one of the CEOs of one of our businesses today and he was talking about a CTO we recently helped to hire, and that CTO had also been an entrepreneur, so he was talking about how commercial this CTO was, and how sales-focused he was, and how much he valued that. And I think there's something really special that you learn from running your own business. When it's *you* that has to worry about feeding people, paying salaries, and it's not a corporate employer, you learn something very special from that. It's painful at the time, actually.

GUY:

And then, what made you leave or sell, or how did you evolve that to the next stage?

GLENN:

Running a services business is tough. Whether it's marketing services or professional

services it doesn't really matter - you're selling time, you're selling consultancy, so you have two real problems:

Firstly, everyone really wants the Chief Exec to be their consultant, because everyone wants the chief person, which you can't do, so you have to try to sell in your team. You're always struggling to get recurring revenue because you generally get more one-off projects than recurring revenue. You get a big project, you scale up for that project, the project ends, you end up with staff and a cost base, so limited recurring revenue, too much competition and it's very difficult to really scale... I'm an engineer, so I see the world partly at least as systems, so I was craving to have a system that works smoothly, like a machine would do, and I was desperate to get my agency to the stage where it would work as a self-fulfilling machine that I could step back from. I eventually realised that that was never going to happen...

Quite a few people would say to me, *is that a lifestyle business that you're running?*, and I'd be like *no, it's a business business, not a lifestyle business*, but I realised eventually they weren't asking me, they were telling me. I realised it wasn't a lifestyle that I wanted. While I was interested in marketing and I enjoyed many parts of it, it wasn't my passion to do that. My passion was for business, and I wanted to build a successful business that I could ultimately step back from and it would carry on growing without me. And I realised that had to be a product business, where you could sell essentially the same thing again and again and your profits scale as a result of that.

GUY:

So when you wound that business up, how did you make the jump from service to product?

GLENN

What happened was, I was very unsatisfied at the agency. My relationship with my partner was breaking up at the time - partly because of the stress of the business - so I knew we needed to unravel, and I remember, one of the problems you have when you're running your own business is you've committed so much time and passion and energy to it that the idea of walking away from it seems impossible. I can remember thinking I was trapped, feeling very, very trapped in this business, and we had this fantastic account manager called Stephanie Wilkinson, who was amazing, and she resigned one day and I was, like, *even Stephanie can resign from this business, I'm the only person who's stuck here*.

And I remember having a shower moment... I realised if I left that business, I wasn't leaving everything behind, because the biggest prize I'd gained from that time there was what I'd learned and I would take that with me. So the reward of all that work wasn't the value in the marketing services business, it was the knowledge that I'd learned and the experience I'd gained, and I would take that with me to my next venture.

So I decided that I was also going to leave. About that time, I stumbled upon this business of employee benefits, and I found a company on the internet who was doing something similar in the consumer end, that I thought we could work with. I made contact with a guy called [Chris Whitcombe](#), he ran that business. He was 22 years old running it from his parents' spare bedroom. He was my co-founder in what became Reward Gateway. That was the transition, realising I could let go of what I'd built because hanging onto it was holding me back.

BREAK

GUY:

So when you and Chris kicked off as co-founders, what was the goal when you started?

GLENN:

I mean, we had nothing. We didn't really have a business plan at all. The goal was to build a product that we could sell to an employer for a price. What was interesting, is... I was going to say I was unafraid and different and a rebel, but I'm not sure I *was* unafraid of it... I probably *was* afraid but I did it anyway... When we joined the employee discounts industry, we weren't first at all, there were at least half a dozen competitors in the UK, two of them were actually, bizarrely, owned by banks - Lloyds TSB and Halifax Bank of Scotland. The reason they were in the employee discounts business was they would sell their mortgages through those products to employees. So they were our competitors - two of them very, very well-funded. And they were all free to the employer. My model was, we were going to be charging the employer money, so rather than making money off advertising, we were going to charge the employer for a really amazing service. Everyone said we would fail. Everyone.

I remember negotiating with the trade magazine, and they were very sympathetic, and didn't want to take our money because they thought our idea was so doomed to failure that we weren't going to be their client for very long. But I just had this belief that the products that the market had were very poor, and if we did a really good job it would be worth something to the employer, and whilst we were the only company in the UK who thought that, and I was probably scared about that, to be honest, I didn't let that stop me... so we did it anyway.

GUY:

And when did you go from having a belief about a product to going *ok, this is a real business now*?

GLENN:

Yeah, I remember the first client going live, very exciting. You know when you put your first client live, in the back of your head you're like, *someone's just logged in, someone's just registered, someone we don't know, not my mum but somebody else*. Really, really exciting.

The first two clients we essentially gave product for free - the BBC and British Airways, and the third client was Next Retail. We gave them a very, very good deal, but it was a very powerful way to start, because I remember our first advertising (in those days we were taking out magazine adverts in the trade press) and we had quotes from the BBC, BA and Next Retail about why they chose us, and then everyone was, like, *how did they manage to do that?*

The reason was that we hadn't really charged them anything. We used relationships to persuade them to just install it. And I think over the next 6-9 months we started to get paying customers, and I think when the cadence of those started to get to 1-2 a month, it started to feel real. And I don't think, though, that we really clicked that this business was going to be something until year two, when you suddenly see the magic of recurring revenue - when your sales are starting to go up, so your cadence is going from one a month, to two a month, to three a month, to four a month, but then lo and behold you get to bill the one you sold last March as well, and you're billing last year's clients for a second time, and when you see that amazing compounding of recurring revenue, that's when I was, like, *this can go somewhere*.

GUY:

When did you start committing plans to paper? Do you remember the first time you actually sat down and went, *rather than actually exploring, let's go to this point here?*

GLENN:

Well I remember how we started, we had quite a slow start. Chris and I decided we would run the business together and we drafted some sort of friendly agreement, and then we spent the first nine months meeting on a Saturday morning in a Wetherspoons pub on the Euston Road, to design screens and try to sketch out ideas. I was normally hungover on a Saturday morning and he was on his way to football practice, so I'm not sure we got much done from one Saturday to the next, but we muddled through and started a relationship.

I think when we started to really think this is going somewhere, and it's deserving of proper attention, was once we drew that recurring revenue graph, and could start to see the leverage.

Selling software is an amazing thing, because if you're a true SAAS business, it's a bit like, the plane's already flying, and you put a new customer in a seat, and all you have to do is buy them lunch and a cocktail, you know, the incremental costs of a new client are very, very small. Once we started to understand *that*, we started to really see where we could get EBITDA, and I think the first strategic plan we had - it was a great target with a very simplistic reason - we wanted to get the business to be worth £20m. The reason £20m was the magic number, was simply because Charlie, the CFO, was the oldest by far. He was approaching his 60th birthday and he promised his wife he would retire at 60. He owned 5% of the company, and in his head he thought if he could get £1m from

shares, that was his retirement sorted. So the early stage business plan was essentially to get Charlie a million pounds.

GUY:

So a goal seek?

GLENN:

It was a goal seek. And I think we could see how the numbers were going. We could see how we could do that. What happened was, because once we started to understand private equity, we realised we could get to that valuation earlier than we thought, through a trade sale.

GUY:

So how did you you come from testing in BT for ten years, and marketing services, and you talked about being curious, but suddenly you've picked up recurring revenue, SAAS business models, EBITDA, private equity - where were you learning all that from?

GLENN:

I don't know. Part of always being curious, I guess, and learning little bits every day. People often think my super strengths are marketing or employee engagement or B2B sales, that sort of stuff, and they were skills that I developed, but I actually think my super strengths are curiosity, learning, open mindedness, and a real desire to simplify things. I've always been a simplifier. I've always wanted to try and understand something in a way where I could then simplify it.

So I think people often think business is about a lot of luck, and being lucky, but one thing I heard somewhere quite early on in my career and which I really believed in, is, the harder you work, the more you put yourself out there, the more luck you have, the more people you meet, the more serendipitous opportunities you find, the more useful contacts you find. I was very active about being out there at conferences and at chambers of commerce; everything, really - trying to meet as many people as I could and trying to learn from them. And I think there's almost no-one I haven't learned something from.

BREAK

GUY:

So going back to Charlie... He's approaching 60, he'd love to retire, his dream wish is to retire with a million pounds, he's a 5% shareholder, you're valued at £20m, private equity could potentially unlock that for you. You've worked out a valuation, metrics, roughly, so you know where you need to get to. You've still got five shareholders at that point? And you and Chris are still both driving the business forward together?

GLENN:

Yeah Chris ran our small engineering team. I was always CEO. It's interesting, Chris and I, we've always got on, I don't think we've ever had an argument, but we weren't friends before we started the business. Since he left on the first investment back in 2010, and because we were 80 staff by then, it was already too big for him, he didn't want to be part of something that was that large, so he fully cashed out, then, and left.

GUY:

Often you get more than one founder, and some people are comfortable with a high-energy, small start up, where you can touch and feel everything and get your arms around the business... and for many people it can get too big, but not everyone acknowledges it.

GLENN:

Yeah, I mean, Chris is a really special person. He's super smart but he's super shy. So, when he was at school, if you were one of the top three scoring people in any one exam, you had to get on stage to get an award at the end of the year. He came fourth in nine of his exams - which is incredible - and it's imperceivable how he managed to do that, but that's what he would do to avoid the limelight.

So, in 2009-2010, he was already managing down his visibility, and I can remember when we were selling to [Inflexion](#) (running a private equity sale is a really busy period and you have lots of advisors and diligence people running around the business) and I remember someone calling reception and asking to speak to Chris Whitcombe, but the receptionist said "*there's nobody here of that name*", because, of course, she didn't even recognise the co-founder's name, because she'd never seen him.

But he'd done some amazing stuff - he'd been to Australia to set up our Australian business, which is a hugely successful business now - but he never really wanted to be in the limelight, and he never wanted to be an on-going part of that story. By the time he said it was already past big enough for him, I also realised he was right. So, all my co-founders left in 2010 and I was the one that stayed to run the business. Reflecting back on it, I was probably ready to go it alone for the next stage.

GUY:

And so choosing the private equity process... what that was like, what were you worried or excited about? How did you end up choosing? Did you have a scorecard or what was your approach to that?

GLENN:

It was Nick Jones, who at the time was at [Clearwater Corporate Finance](#), I remember the call when he said to me "*have you thought about private equity?*", and I thought, *why the hell would you do that, isn't that for when you want to build a factory or get some money for capital assets or something?* I had no idea what it was. And he said "*no no, there's PE that invests in your sort of business*" and I thought they were all bad people, asset

strippers... you hear of private equity in a negative sense, normally... you tend to hear about turnaround equity, where you're buying Little Chef or HMV or something that's essentially failing - that's the stuff that gets the press, the John Moulton-type stuff. And I remember what he said, he said, *"Look, Glenn, in every walk of life there's a lot of average, there's some poor people who are really poor, and there's some people who are really great, and I'm only going to introduce you to the ones that are really great."* And that's where it started. He said to me, *"Private equity will pay tomorrow's price today"*, which is true - if you're on a growth curve, they will take a view of where the growth's going, and I went on a tour of Mayfair.

I wasn't sure who I was going to choose, and my job was to spend the weekend deciding who to choose, and it was Sunday afternoon when I decided it was Christian at Inflexion. And the reason I chose him was... he said something to me in the last week, he said *"this is the biggest deal I've done by myself, so your success is really important to me because my career depends on it. If I have a really good success with you then my career is going to be good."* And I really wanted that. My business is really important to me and I wanted it to be really important to the investor as well. And it was that - believing that it really mattered to him.

GUY:

So you ended up making a decision based on personal trust?

GLENN:

Absolutely. When you do your first deal, you think your cash-out is the big thing and the roll over is some fantasy oddity you'll never see again. Ironically, I'll make more money from the next Reward Gateway sale than I made from the previous two, and I'm not even there. So actually the roll over and future equity is really important, so the person you choose on that journey is really important. It's very natural to think your first sale, it's a huge event for you personally, so it's the big event, but actually if all goes well there will be a bigger event five years later that you're going to be part of, so the choice of where that capital comes from, and the sort of person you'll be working with. It doesn't only direct how successful that next capital event will be, but it also affects how happy you'll be for the next five years... which is going to be stressful, growing your business, you're under a lot of pressure and are you going to have the person next to you that you really want?

GUY:

So you've got a transaction, you've bought out all the other founding partners, so you're the sole founder remaining, you've taken 50% of your value off the table, so you're now financially secure. It must be relief and relaxation!

GLENN:

It's funny, I remember the first day. We closed the first deal on 1st December 2010 and on 2nd December 2010 I remember going to Selfridges thinking I can buy anything I

want. I roamed the floors of Selfridges in the morning and I left with a coffee and a sandwich from Eat. There wasn't anything I actually wanted, which is interesting, and the more I've been involved with people doing their first transaction, the more common that story is.

The money is less interesting than you might think. The security is fantastic - not having to worry about the gas bill or electricity bill, and having no stress about priorities between the different things you want to do is wonderful - but the money is definitely not the prize you think it might be. I remember feeling under a lot of pressure because of what I'd promised, and the pressure to perform. And I think, if you're fortunate enough to do a deal with someone you really like, then the internal pressure you get from doing that - from not wanting to disappoint - is huge. I've talked to lots of founders who've done their first deal and they don't talk about how great it is to have money; they all talk about the pressure they now feel to deliver on the deal they've just done.

BREAK

GUY:

So I know you had a really industrious five years? How long were you with Christian for?

GLENN:

Four and a half years with Christian at Inflexion.

GUY:

So four and a half years, and you had some big milestones, but business model-wise, what were the big changes you made during that five-year period?

GLENN:

Only two significant changes that happened. First, on products: we started migration away from a single-product business of employee discounts, to being a multi-product business starting to cover more parts of the employer engagement journey. We also did international. We founded our Australia business just before the deal, and we continue to progress that. We planted a flag in the US, and started a very long and expensive patchy campaign of making the US successful. And I think even in the last quarter under [Doug](#), my successor's leadership, they've finally turned a corner.

The other things we did was, I realised how the market was getting more competitive, our products were getting more complex, there were more of them, the demands for clients were getting greater and I wanted to keep pushing the price up to push the margin up... so I knew I was going to have to provide more and better service all the time. I knew that clients would pay for a better service - I'd proven that. So I needed to work out how to do that.

So I bought a business with five staff in the UK and ten staff in Bulgaria, and I used that as

a platform to build a Bulgarian support centre. So today, Reward Gateway has about 440 staff, over half are in Plovdiv, Bulgaria - nearly all of engineering, most of product management, all back office, HR, finance, property, the user help desk for the whole world, a 24-7, 365 help desk covering UK, Australia, US, and back end client support. So that was the really big piece.

And I remember that, for me, it made complete sense, a complete no-brainer with no risk, but for Christian, he clearly thought it was much higher risk than I did. It was probably the only time we had a proper disagreement. I can remember what he said to me, he said *“why are you making all this change to customer service because I look at your renewals and your churn and your customer satisfaction and everything looks fantastic - you have customer satisfaction in the 80s, you’ve got NPS way up, churn’s single digits, what are you fixing?”* That’s when I realised, when you’re outside the business looking in, you’re looking at historic data, and the thing we need entrepreneurs to do is see what’s coming... they have to see the future, which is really hard, but essential. That’s what great entrepreneurs will do, they see what’s coming, what will happen and they put the business in the right place for that. And then they have to do the second biggest job and win everyone over, because no-one else will see it...

GUY:

So just to give everyone an idea of the scaling that went on in your four and a half years... can you just compare and contrast some key identifiers, like revenue, staff and profit, and the number of countries you operated in?

GLENN:

December 2010 when we sold to Inflexion, we were basically a London business with two staff in Australia, doing £7m revenue, £3m EBITDA, and we were valued at £25.5m by Inflexion.

GUY:

And you had 90 staff, then?

GLENN:

Yes, about 80/90 staff. Take it forward five years later, to [Great Hill](#), we were doing £24m revenue, £12m EBITDA, 300 staff in London, Birmingham, Sydney, Melbourne, New York, and about 70 staff in Bulgaria. And now today, £45m revenue, £22/3m EBITDA, 440 staff and the US centre has moved from NYC to Boston, and everything stayed the same with half the staff in Bulgaria. So it’s now a decent-sized SME.

GUY:

Obviously, working with us, I know you’re no longer CEO, but that’s such a controversial area of a founder’s journey, or can be, and can be mishandled by both investors and founders/CEOs in terms of their succession and moving away. How did you handle all that?

GLENN:

For some years I'd been interested in when is the right time to leave. At Inflexion, I had a great chairman, [Andy Vaughan](#). I'd asked him several times how you know when you're not good enough anymore and it's time to leave. He said two things, first "*Glenn, it's not now*" and I remember he said to me, "*you'll know it's time to leave when you've run out of ideas.*" Interestingly, that wasn't my experience. So I decided to step down mid-2017 and I was full of ideas - even now I struggle not to have ideas about where it could do and what it could do.

It was my idea, it wasn't the investors, my job title was founder and CEO. The company was big, I had an 11-person exec team, fighting on three continents at the same time, and I'd been doing it for 12 years. I realised a few things at the same time. Firstly, some of the problems began to repeat themselves, so something would occur in the business and people would go, *Glenn what do we do?*, and I'd think, *sh\*t, we fixed this five years ago, we've done this*, and I realised that just because you fixed something doesn't mean it goes away, because it can re-break itself later on. A little bit of *deja vu* started to seep in. I realised the business was quite a size, I'd come close to achieving what I wanted - which was a machine that runs, a person for every job, everything. Information security had a great team. It didn't need people doing five different jobs at the same time. The downside of that for me, as an entrepreneur, was while by no stretch of the imagination was it a small corporate, compared to the start up where you'd have an idea at 9 o'clock and execute it by tea-time... You know, I'd have an idea and think, *this isn't my domain and I need to go and discuss it with them and see what they think and get it onto their road-map and plan*, and then maybe that might happen in six months' time, and I found that less satisfying than when I could make things happen quicker.

The other thing I realised was, the magic a great founder gives you is they've been there from the start and have all the corporate history, and can zip into any department and fix things when they've gone wrong... which is a huge asset to have when things are rocky. The downside is, it can hold your team back, and your team down, and by this time I'd recruited a really great exec team and I thought they deserved or would benefit from a different leadership style to mine... That came true when Doug joined the business - he'd been CFO for about a year, but he didn't know anything like what I knew about the business so he had to rely on the team; so what I saw was the team rise to the challenge and become who they really could be, which was a really nice thing to see.

The last thing is, I was tired. I'd done 12 years of really hard work, and I needed a break. One thing about an entrepreneur in a fast-growing business is, it's all-consuming, family life, friendships, relationships become second best. If I was lucky enough to be in the right country for a friend's birthday, I'd be lucky to be off the plane at midnight just to make an appearance. Everything is second best, and I decided I'd done enough and I wanted to make some other things priority in my life.

So it was definitely my decision. I told my husband Kristian first, then told Doug who was then the CFO who I was thinking about making CEO, told him next, and then I flew to Boston to tell my investor. I was nervous about it, felt I was letting him down, thought I'd done the deal with them with the intention of staying full term. And I remember saying to them at lunch at the Four Seasons in Boston, I said "[Chris](#), I have two jobs, one of founder and the other CEO and I'm doing one well and one badly. I'm doing a good job of being the founder, with the vision and external affairs, conferences and stuff, but I think there's a better CEO for this business." As ever he was amazing, and said, "if that's what you want that's what we'll do."

What's interesting, I then had a think about how you do the transition, and I was already chairing the Tenzing Entrepreneurs Panel at this point, and at least half have done the founder-to-CEO transition before. I asked all of them for advice, and Louise said, "sometimes it goes wrong because the founder doesn't get far enough out of the way, and sometimes it goes wrong because the founder gets too far out of the way. You've got to find the right place." And I decided the right place would be to make Doug the CEO. I knew what a hard job it would be to follow the founder, especially a charismatic founder that was synonymous with the brand like I was, and I had to give him the best chance to win. That was my job, now - help Doug be successful in his new job. That was all that mattered. I think you've got to get out of the new person's way and let them get on.

GUY:

Going back to that massive scaling of the business - what drove you, what was the bit that pushed you to work so damn hard for such a long period of time?

GLENN:

It's a question I've thought often of, trying to work out where my own motivation comes from. Sometimes I've thought private equity finds psychologically-damaged people who are obsessed with performance and delivery, and no matter how much money they make, they can't stop working hard. I think I was always driven by being able to imagine something that didn't exist - this company and set of products - and having not delivered that yet, I really wanted to deliver it and build that.

Of course, every time you're one step closer to that vision you can see further, so you never get there. I think that's part of my reasons for leaving - I realised I would never be actually satisfied, never get to the point of thinking I've done it - I'd always think it was unfinished business. And I think my motivation probably came from wanting to get further with that unfinished business, and my eventual release from that is accepting it would never be finished and that was OK, and that I'd done enough, and that someone else would be better for the next journey.

BREAK

GUY:

It's a phenomenal journey you've been on, so tapping into some advice for the founders and entrepreneurs listening in, what would be your key advice to a founder exploring private equity for the first time?

GLENN:

Exploring private equity, you're about to enter a four or five year marriage with an arranged divorce at the end of it. I've often wondered, *is it a sprint or a marathon?* I can't decide. It can go quickly or be tortuously long if you're with the wrong partner, so choose someone you want to be around when things aren't working well, because things won't go well all the time.

When I look back at our history we had some very dark times. Everything went wrong in a year, my first year with Great Hill, all my own fault... everything we touched broke and stopped working, and every time I called Chris Busby up to tell him about another disaster, his answer was always the same - he'd listen and then say "*I'm not worried, you've got it.*" Those words were so powerful, because they gave me the confidence that I would figure it out, somehow, and he was right, I always did.

Choosing really wisely is the most important thing. The deal and money doesn't make much difference because it all gets so muddled up over multiple exits anyway, at different tax rates and stuff, so don't make a decision based on ego and purely on valuation, choose the people who will help you on the next five years. The best, and who you want to be talking to when it's difficult.

GUY:

What about for the people who are selecting private equity for the first time? What are the top tips for the first year of being a private equity CEO?

GLENN:

The best advice anyone gave me, is the one I'm going to pass on. It was given to me by [Michael Whitfield](#), who was CEO of [Thomsons Online Benefits](#), another London tech firm who we partnered with or competed with, depending on the day. I remember four years in, just about doing the deal with Inflexion, he said to me, "*the toughest thing you have to deal with is when you look at somebody who's been your right hand person from the start, been your trusted confidante and partner, and you say to them, 'this is as far as you can go on the journey, you've done your bit but it's time for you to leave and I need someone else in your role.'* It's really hard, you're going to feel disloyal, but it's going to be the right thing to do. You're going to constantly keep your team under review and under edit as you grow." And I kept wondering when it was going to happen, and looking at colleagues thinking, *who is it, they're all great.* And then it happens, and you realise someone has done a great job, but it's time for someone else to do the next stage of that role. It's not only the best bit of advice, but the most common issue I see in businesses. The number of times I hear, *so and so isn't great at their job, but they've*

*been here since the start and I can't afford to lose them, so when I hear that I think it needs to be addressed.*

Building great teams in fast-growing companies is not about recruitment, but it's about editing and constantly reviewing your team, and saying, *is this team the right team for the next few years ahead?* So being really good at an exit and sitting someone down and getting good at that and the finance and the maths of it, how you compensate someone on the way out and how you can sleep at night - that's the most important thing.

GUY:

So in terms of the future, briefly tell us about your role as Entrepreneur-in-Residence at Tenzing.

GLENN:

So I'm building [our growth function](#), which tries to help our businesses to grow. I chair the Entrepreneurs Panel, which is me plus five people like me, all lovely people, who've done a similar journey to me, or more advanced in some cases, and we lend our support to the portfolio. And I run our [Sherpa programme](#), which is where we embed a really high-quality all-rounder commercial operations executive in with the CEO on their first 18 months of their journey with us. And I develop and run our [subject specialist network](#) in sales, HR, product and engineering, who support the portfolio on specific subjects and tasks as we go.

Then I also provide pastoral care - to provide a listening ear to stressed out CEOs, worrying about whether they're doing the right job and if they're coping OK.

...building the team, building the network, trying to integrate it better into Tenzing's business and process as best I can.

GUY:

What do you enjoy most about it?

GLENN:

I get to work with some really nice people. And there's a big variety of people that I work with. I've had one-to-ones today with sherpas, heads of product, with CEOs, all different parts, and it's nice when you can listen to someone talking about their week or month and issues... you can have a chat and ask if that's been helpful. And often I'm not sure all of what I said was helpful, I'm just glad something was helpful.

BREAK

GUY:

Favourite book?

GLENN:

I used to say [Powerful by Patty McCord](#), which was the first book written about the Netflix culture, but I'm going to update it... My current best book is called [No Rules Rules, the second book written about Netflix, by Reed Hastings and Erin Meyer](#). It takes what *Powerful* did but with lots more data and details and fact. We all know Netflix as a great place for programmes, but until you read the books, it's hard to understand what an incredible journey they went on, and how they delivered that by being the ultimate rebel and doing things very differently from what you would normally expect in business. And I think all businesses can learn a lot from that book.

GUY:

Inspirational person?

GLENN:

I've never been a big follower of Branson, and I have a mild dislike of Elon Musk as he doesn't seem like a very nice person, and I don't give him a pass for being a great entrepreneur. The sort of people who inspire me are [Brené Brown](#) with her work on leadership and vulnerability... and people like [Arianna Huffington](#) - her [talk on wellbeing](#) at the HubSpot 2013 conference probably saved my life, in being the thing that got me into the gym, and looking after health as a way of looking after my business's health.

GUY:

Finally most important qualities for a founder or entrepreneur?

GLENN:

I think, look, business is all about people for me, and anyone who thinks it isn't, I struggle to think about how they'll get anything done. When we talk about strategy, we can all come up with a winning strategy, but if you can't execute it, you'll get nowhere. Strategy execution is all about getting people to believe in what you're doing and then doing it, so being people-centric and being caring and thinking about your people and how to get the best out of them is key. Technology is a fantastic lever to scale and multiply your resources, and I know there have been many times when I was CEO that I've been grateful for my tech background, because I'd think without it, it could have been really hard.