



House of Commons
Science and Technology
Committee

**Pre-appointment
hearing with the
Government's
preferred candidate for
Chair of the
Technology Strategy
Board**

Tenth Report of Session 2010–12

Volume II

Oral and written evidence

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The Science and Technology Committee

The Science and Technology Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Government Office for Science and associated public bodies.

Current membership

Andrew Miller (*Labour, Ellesmere Port and Neston*) (*Chair*)
Gavin Barwell (*Conservative, Croydon Central*)
Gregg McClymont (*Labour, Cumbernauld, Kilsyth and Kirkintilloch East*)
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Stephen Metcalfe (*Conservative, South Basildon and East Thurrock*)
David Morris (*Conservative, Morecambe and Lunesdale*)
Stephen Mosley (*Conservative, City of Chester*)
Pamela Nash (*Labour, Airdrie and Shotts*)
Jonathan Reynolds (*Labour/Co-operative, Stalybridge and Hyde*)
Graham Stringer (*Labour, Blackley and Broughton*)
Roger Williams (*Liberal Democrat, Brecon and Radnorshire*)

Powers

The Committee is one of the departmental Select Committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No.152. These are available on the Internet via www.parliament.uk

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at <http://www.parliament.uk/science>. A list of reports from the Committee in this Parliament is included at the back of this volume.

The Reports of the Committee, the formal minutes relating to that report, oral evidence taken and some or all written evidence are available in printed volume(s).

Additional written evidence may be published on the internet only.

Committee staff

The current staff of the Committee are: Elizabeth Flood (Clerk); Dr Stephen McGinness (Second Clerk); Dr Farrah Bhatti (Committee Specialist); Xameerah Malik (Committee Specialist); Andy Boyd (Senior Committee Assistant); Julie Storey (Committee Assistant); and Becky Jones (Media Officer).

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Witness

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Phil Smith, preferred candidate for Chair of the Technology Strategy Board

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Oral evidence

Taken before the Science and Technology Committee on Monday 24 October 2011

Members present:

Andrew Miller (Chair)

Stephen Mosley
Pamela Nash

Roger Williams

Examination of Witness

Witness: **Phil Smith**, preferred candidate for Chair of the Technology Strategy Board, gave evidence.

Q1 Chair: Good afternoon, Mr Smith. Welcome. You are aware that this is part of the pre-appointment hearing process that Parliament agreed with the Government in relation to a wide range of senior external but, nevertheless, important posts. We are pleased you are able to join us. Could you start off by introducing yourself to the Committee and telling us about your professional background?

Phil Smith: Good afternoon, everybody. My name is Phil Smith. I am chief executive currently of Cisco in the UK and Ireland. I have been at Cisco for 17 years, so I am a long-timer in Cisco terms, though I have worked in a series of roles, as is common in some companies. I am the chief executive now but I started off in Cisco in an engineering role. I started off as an engineer designing large networks. I went through various aspects of business development, marketing, acquisition, large client relationships, starting new teams and building new areas for Cisco to engage in. I have, generally, been involved at the front end of some of the newer things we have done in Cisco over the years. That has peaked at the moment with the chief exec role, which I have been doing for just over three years.

Prior to that I was at IBM for nine years in an engineering role, mainly involved in building the early generation of internet, then building large corporate environments, and then, subsequently, through to running a team which spanned across Europe, prior to moving to Cisco. Prior to that, I was at Philips Electronics for six years in a design and engineering role. I started off as a graduate and worked my way through. That is the highlight of it. I am clearly happy to explain if there is any other detail.

Q2 Chair: You came from a microbiology background originally.

Phil Smith: Yes, I did. I graduated as a microbiologist, which was quite an interesting and potentially engaging degree. Part of the challenge, after studying it for four years at university, was that I was looking for some other challenges. The time was relatively embryonic. I was an IT user in statistical areas in microbiology and found that to be quite an interesting area to get involved in. Although microbiology offered some interesting opportunities in the food, drinks and other industries, I decided to move on from that and took up a job in technology, the interesting thing being that technology has been

an opportunity for me to touch some of those areas and many other scientific areas over the years.

Q3 Chair: What do you think is the most important quality that you are going to bring to the role?

Phil Smith: Hopefully, one of the key qualities will be experience. I have been in business for 30 years. In my current role, I am clearly running a very significant organisation, and that is part of a much larger global organisation. As a result of that, my ability to make judgment calls, to convene and deal with a series of complex issues and to move those on through to some sort of successful completion is part of a normal senior business role. Also, I have a broad technological background, and I would still see myself as a technologist in many ways. I am very engaged in technology, and I speak often as a technology advocate, looking at the way that things are revolving in the marketplace. I have a capability to understand and engage with technology, but the key attributes I will bring into the post will be experience, probably communication—I spend a significant amount of my time communicating and connecting with people—and in this particular role there will be an interesting opportunity to do that.

Clearly, in terms of senior engagement, I spend a lot of my time with senior business people, senior political figures as well as civil servants, and I have a significant engagement with academia.

Q4 Chair: The day job is a bit busy. How are you going to fit it all in?

Phil Smith: One of the key attributes of any leader is to try and find ways of managing time. I don't think there is ever enough time to do everything. In my role, I manage my time as effectively as I can. I believe that the importance and significance of this role demands me—clearly, my company is supportive—managing my time appropriately to contribute as much to this job as I can possibly do. I would not be going for this role if I did not think I could contribute to it. I believe that I will manage the time effectively and use what is an excellent staff, as far as I can see, and a pretty compelling board.

Q5 Stephen Mosley: In one of your answers to the Chairman, you touched upon the broad scope of the TSB, which ranges from manufacturing to energy, to

healthcare, low carbon technologies and the digital economy, of course. You have an excellent background in ICT and technology. How do you think you will be able to convince the scientific community that you are not just an ICT man but that you have wider experience than that?

Phil Smith: Clearly, the senior role I perform at the moment is that I am dealing with many different aspects. My job is not sitting looking at code every day. I am dealing with pension issues, health issues, people issues and so on. In a job of any seniority you tend to have to juggle many different issues. However, the ICT industry, particularly, is more pervasive than most. I spend quite a significant amount of time talking to my teams about issues around healthcare, its evolution, and productivity within it. We are extremely involved with manufacturing and we are a manufacturing organisation ourselves, of course, as well as engaging in a number of other areas. These days the ICT industry is touching almost everything. I am in a very fortunate position. I have a fairly large network of chief execs and others to whom I spend a lot of time talking. Most of what I talk to is not about my business but about their businesses and what they do. I engage in that front. I have had a significant amount of exposure in recent times to many other areas. I would not pretend to be an expert in all of them, but I have, I am sure, an excellent team in the TSB who have that capability. My ability will be to take that complexity and, hopefully, simplify it and add value back to the team.

Q6 Pamela Nash: Welcome this afternoon. The appointment term, as I understand it, is four years for this position. What is your vision for how the Technology Strategy Board will look at the end of that period?

Phil Smith: The Technology Strategy Board, from what I can see so far, is a demonstrably successful organisation. It has clearly managed to scale two administrations, which in itself is quite a feat. It has also done significant work in important areas and it seems to be gaining in its support both from a budgetary perspective as well as a delivery perspective. Over the next four years it is going to be extremely important, in our present climate, which at the very least you could describe as volatile, that we champion the cause of British industry specifically in the context of productivity and competitiveness. Unless we are delivering through the TSB and, of course, many other bodies, an innovation-led economy, which is significantly more competitive and productive in four years' time, we will have a problem. We will have a problem as a nation and the TSB in its deliverables has to address that issue.

The TSB has to evolve. It has to evolve like any organisation does. It has to be able to adapt. The technology and innovation centres are going to play a significant part over the next short period as that comes into fruition. The reality is that it has to evolve into an organisation that will be delivering a much richer set of deliverables which are specifically focused around growth and that will allow the country to be successful over the longer period. That has to be multi-faceted but it is something on which the TSB

has to focus. Further, it has to be an organisation that is passionate about what it does. It has to be able to innovate itself and not just provide innovation, and it has to be extremely courageous in the way that it delivers innovation in future years. We are going to have to make some fairly tough decisions about the priorities for growth in the UK in general.

Q7 Pamela Nash: There has been a perception in the past, not necessarily just in the TSB but in general, that investment has very much been focused on what we refer to as the "golden triangle", looking at south-east England. How are you planning on developing the work of the Technology Strategy Board outside that area and, in particular, in the other three nations of Scotland, Wales and Northern Ireland?

Phil Smith: The Technology Strategy Board's job is to champion and invest in areas which will provide growth for the UK. Its prominent responsibility is to invest in and drive areas that will drive growth and advantage for the UK going forward. Some of the nature of the south-eastern density concerns the amount of research that is already going on in that area. With the formation of the local enterprise partnerships and other things that are starting to change subsequent to the RDA dissolution, there is going to be an opportunity to work in a more distributed fashion with those organisations.

From what I have seen of the TSB—I am not under the covers of the TSB yet, so I cannot really determine that—it is focused on providing investment into areas where it generally sees value. I do not think there is any geographical bias on that. As a chair, I will have to continue to focus the TSB in investing in areas that are the right areas for growth. Those areas can and do come from outside the south-east of England.

Probably, there is an argument to say that the collaboration involved not only with organisations in the south but in the north is where the real value comes. The broader the collaboration, the better. From what I have seen, there is some good collaboration with universities north and south of the border as well in the west.

Q8 Roger Williams: You have already said that your overall assessment of the TSB is that it is performing satisfactorily. Can you tell us a little about what your previous involvement with the TSB has been and how that has informed you about any changes that you would like to make to the priority areas in which you will engage?

Phil Smith: My engagement with the TSB has been relatively light to this point. I have watched the TSB from a distance. I do not think that my industry is particularly strong in engaging with the TSB.

Q9 Chair: You and the previous Chairman are from the same sector.

Phil Smith: I agree. In terms of the amount it has done with the digital industry versus some of the bigger engineering industries, which are more experienced and sophisticated at engaging with granting bodies generally, my engagement has been somewhat from a distance. I regard that as, potentially, an opportunity. The TSB probably could be better

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known among a broader set of industries. That may address something you mentioned about north of the border. There is probably a bit of a sense of necessity for the TSB to be broader known, and it could be more effective as a result of that. That is something for me to understand when I get more into the organisation.

To answer your point, at the moment I have not got under the covers of the TSB. I have read lots about it, I have understood its strategy, and I can see the strategies as they are laid out and its delivery plan, such as has been engaged. At this point, I am looking forward, assuming I am successful in going through this process, to understanding more about what the TSB is doing on the ground and how I can contribute to it.

Q10 Roger Williams: I am sure you have lots of bright ideas. Do you have any bright ideas for different priorities that may be pursued by the TSB?

Phil Smith: If I was to recommend anything to anybody when they take on a new role, it is to listen and to understand what people are saying and doing. There are, clearly, areas which you are interested in within the programme, and the programme that the TSB has is quite extensive. At the moment, for me to set priorities or to suggest that my priorities are in one place versus another would probably be a little presumptuous at this point. I believe there is a sufficient breadth of areas. If you look at the agenda both for the broader investments that the TSB is making as well as the more specific stuff around the technology and innovation centres, those are covering quite a number of areas.

Q11 Roger Williams: As the TSB rolls out its programme, how are you going to judge its success and the value that the public are getting from their investment?

Phil Smith: That has been and continues to be an important area. I happened to drop into the TSB conference they ran last week and there was a lot of talk about the return on every pound invested being in the £6 to £7 range on average, and that value, potentially, being significantly higher if the level of collaboration to the point they were making before was higher. Particularly with universities, it was seen as a way of multiplying that figure, although probably not in all cases but in some specific cases. Measuring that is extremely important. Also, the level of engagement from industry into the TSB is a good measure of how much people want to get involved, particularly in the centres and the initiatives that are started by the TSB. Probably some good work can be done, and may well be in place, around key performance indicators that we would see as key success factors for the projects going forward. I am not party to those at this point, but it is important in any business to understand how we have set ourselves a success criterion and how we are going to measure that.

Q12 Stephen Mosley: What do you think will be the main challenges for the job over the next couple of years?

Phil Smith: The importance of this agenda continues to increase, as I don't need to tell you in a Committee such as this. Unless the UK succeeds in the innovation and science area in the next few years, considering the statistics we all know about—we have 1% of the world's population and 13% of the world's science, and a huge heritage to build on—it is going to be a difficult position for the UK going forward. The challenge will be the amount of work that, potentially, has to be done, prioritising that work, clearly managing that in an environment where the country has a significant deficit to deal with, but doing that in a way that is sustainable is important. To do that in a way that is sustainable, we have to build a set of capabilities, whether it is in the TICs or in any of the other areas that are involved, in the long term. This is not just about short-term investment. If we switch it off, it has gone. It has to be sustainable. There is also going to be a challenge of continuing to get the funding that we need in science and technology to be successful. The funding is of a level that allows some things to happen but it is still dwarfed by many of our competitors around the world.

Q13 Stephen Mosley: I know that you mentioned in one of your answers that you have had previous experience of dealing with politicians. How would you deal with the politicians, Ministers and Committees like this one to push the work of the TSB forward?

Phil Smith: There is a significant advocate role. I have to be in a position both to articulate and champion, as the TSB Executive itself does, and hopefully the Board will continue, the facts and the deliverables of the TSB. From what I have seen, it has been demonstrably successful to this point in delivering some real value to the UK economy. I believe that the job of a chairman in this role, as a senior advocate of the TSB, is to engage, as I would do with any other business leader or other senior public sector figure, and to champion what is clearly an organisation and a cause that is extremely valid. I do not see that as a difficult task. I regard it as a task that will take a lot of effort. It is one that I welcome and probably the TSB will welcome a significant step up.

Q14 Stephen Mosley: You talked about politicians. Below you, you are going to have a vast array of scientists and researchers who are all going to have competing priorities and different ideas. How will you manage that and bring all these people together to come up with a single way forward?

Phil Smith: That is a continuous challenge of business. My life is one of spending time dealing with competing priorities, competing budgets and issues that one has to deal with. I spend a lot of time doing those kinds of things. I am sure that is going to be multiplied many fold, but, hopefully, with a very strong team, good data information and process, that is manageable. You cannot do everything, clearly. You do what needs to be done, and the things that need to be done will become visible with a reasonable process. That does not mean that things will

necessarily be straightforward, but it is part of the life of anyone who runs a significant business.

Q15 Chair: You talked earlier on about British competitiveness. There are some areas of the British economy, whether through structural fault or lack of enthusiasm, where it has been very hard to get R&D investment in the British economy. In the current climate, what do you intend to do to change that? In particular, how are you going to persuade other businesses to become partners in the TSB's joint programmes?

Phil Smith: Clearly, it is a shared responsibility. I hope I am not going to be personally responsible for getting the full R&D budget for the UK over the next few years, but it is something on which we need to be focusing. On your point, Andrew, it is extremely important that we get broad business support for this agenda. There is good business support for the agenda in general in the UK, but there are some things that we need to continue to focus on, such as effective tax environments. Those are clearly important for people who are investing. Technology investment these days is relatively mobile. We have to be producing not only the best science and the best environment but we really need to be championing it from the rooftops. A big communication job is needed. I genuinely think that I and my team will be able to get good support from industry. With the changes that are going on in the university world at the moment, there is clearly a focus for people who want to make more of their particular characteristics. If we can be demonstrably successful, as the TSB should be, then it will attract further funding, clearly with some persuasion, because it will be business-led innovation which is going to be the path out of the current recessionary times.

Q16 Chair: You said earlier on that the ICT sector had been poor in engaging with the TSB. Is there any single underlying reason for that or is it the way that the TSB works?

Phil Smith: No, I don't think it is specifically the way the TSB works. The TSB has engaged from the digital perspective reasonably broadly. It is more to do with ICT's evolution as an industry. I don't think it is as sophisticated in the way that it engages in these joint co-operation and funding businesses as, maybe, engineering would be. That situation is changing. We are seeing now that it becomes more pervasive. It is not simply about a piece of technology. It might be about a "smart city", for example, which could be a much more deeply embedded ICT project which requires a much broader set of stakeholders. The ICT industry has been a little separate. It is less in the eye of the giver and more in the eye of the receiver. The ICT and digital industry is growing up and starting to realise that, if it wants to collaborate and co-operate, it needs to be much broader and more plural in the way it works. I would expect to see digital becoming a deeper part of many things that have happened but probably deeper in its own right.

Q17 Chair: Are there other sectors that have not engaged as well as they could have done?

Phil Smith: The facts show that some of the granting has been more on engineering industries which have been more adept and familiar with getting research and development funding through a broader set of bodies. I gather some of the others are a little lower, but it is a matter of record what has been invested by business and by the TSB and other granting bodies, for that matter. There is a great opportunity in the UK, given our leadership in things like low carbon, cell therapy and so on. I know that with low carbon vehicles and cell therapy, which the TSB is already looking at, we have some opportunity to be significantly more advanced than we are. Those industries, which include digital, have to step up to using the kind of capabilities that are available to them.

Q18 Chair: Stephen Mosley mentioned the political process which is driven by events. At the moment there are hundreds of mathematicians and synthetic chemists writing to research councils saying that they are getting a bad deal in terms of the available money. Campaign for Science and Engineering has just published a paper saying that the Government's spending commitments are a bit of smoke and mirrors—I précis—and there is not enough money to go round. There is a serious political challenge on the horizon, isn't there? How are you going to cope with it?

Phil Smith: There are two answers to that. With any business, you have to deal with your collateral. There are significant things that the TSB and others can do with the money that is available. The TSB has been given money to do a series of roles. However, on the point I made before, if we are going to be competitive, there is going to be a continual challenge to get more funding to the degree that those research scientists and so on might be a little more pleased. Also, you cannot diminish the quality of this. The TSB rejects a lot of the inputs it gets. There is a chance to keep focus, keep quality, and then grow volume as a result. It is extremely important that, if we are able to prove quality and we are focused on the right areas for the UK that, genuinely, will drive and be advantageous for the UK, my experience in business says that you can get investment for them. Like anywhere, there will be a limit to that investment, but that investment is important. You will have to prove a valid business case if you are going to do it, which may not be the same as a regular business case, but it certainly will be within the same parameter.

Q19 Chair: As an outsider looking in to the TSB, what would you see as its biggest weakness and what would you do about it?

Phil Smith: The only weakness that I would significantly identify at the moment is that I don't think it is well enough known. It is clearly known by a large community, so I am not disputing that. It has clearly been demonstrably successful. I don't think it is well enough known by every industry. I have an example. I was invited to a dinner at the Science Museum the other night and I was sitting next to a couple of folks, one from an investment organisation and someone else from an environment that was to do

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with museums. Both of them knew who the TSB were, broadly, but were not quite sure.

Q20 Chair: They thought it was the Trustee Savings Bank.

Phil Smith: In reality, with any organisation, you genuinely need to make sure that people understand well what an organisation does. That is not true just for the UK but for our global position. We, genuinely, should be shouting from the rooftops about our success because the TSB are doing some really good things to say, “This is an organisation that can genuinely make a difference.” That broader communication capability is certainly something that is one of my strengths, and I would expect to use it significantly in the new organisation.

Q21 Stephen Mosley: You were talking about some exciting things that are happening. We were excited in the report that we produced earlier this year on the Technology Innovation Centres. They are in the early stages of development, aren't they? I know that you have had a lot of experience working within large organisations. How much experience have you had setting up new organisations like these Technology Innovation Centres?

Phil Smith: With regard to my general history—it is difficult to say within the remit of a large corporation—if you ask anybody inside Cisco and previously inside IBM or Philips, my propensity, generally, is for creation and development. I spent a significant part of my career in Cisco in what you would broadly call “business development”, which is around acquisition, integration into the company, building new areas and recruiting parts of the

organisation that were much broader than the organisation was in its traditional form as it arrived in the UK. I have set up new areas of development. I have had to set up significant organisations which are multi-million, if not multi-billion, dollar businesses inside organisations themselves. I do not think it is fair to say that I have not gone out and started my own organisation and run a multi-billion dollar company that I set up myself, but my natural propensity is for creation and generation of newer environments and then floating those off into the organisation. My role in business development, typically, radically changed every year. I could have 100 people reporting to me, and in the next year I could have five people reporting to me because, typically, I would build the organisation and then put it into the industrial side. Then I would go back and start looking at some of the newer areas that we needed to deal with.

Q22 Chair: Is there anything else you want to tell us, Mr Smith?

Phil Smith: No, other than thanking you for the privilege of doing this. I am very excited about the potential in doing this role. I see it as a very important organisation within the UK science, technology and innovation area. I genuinely think, as I have said a number of times, our opportunity to improve the competitiveness and productivity of the UK will rely on technology. I, genuinely, would like to be an important part of that.

Chair: We, incidentally, decided that the innovation centres ought to be called the Turing Centres. We think that is very appropriate. Thank you for coming to see us.

Written evidence

Phil Smith-CV

PERSONAL PROFILE

A professional, rounded and capable leader, with 30 years of experience in the ICT sector. Throughout my career, I have had wide and substantial exposure to and involvement in many facets of industry both inside and outside of my segment. The majority of my career has been in leadership roles with the last 13 being in national or international board level positions. The blend of technology affinity, strategic perspective and well developed communications skills along with experience of engaging at the highest level of industry provide me with a compelling set of skills for whichever role I choose to take.

AREAS OF EXPERTISE

Broad experience of industry in many areas. For example:

- Leadership of large complex and dynamic organisations (currently CEO of Cisco UK and Ireland).
- Technical understanding of ICT, particularly networking (Technical Lead for IBM Europe. Cisco UK&I Technical Director as well as several years as a leading Network design consultant).
- Large contract negotiation and completion (Many large deals including BT 21C).
- Marketing (previous role-VP marketing Europe, Marketing Director UK).
- Communications (frequent public speaker and communicator).

EMPLOYMENT HISTORY

<i>Date</i>	<i>Areas of responsibility</i>	<i>Role</i>	<i>Organisation</i>
Jul 08 to Present	Responsible for all operations in UK and Ireland	Chief Executive	Cisco UK&I
Aug 06 to Jul 08	Marketing and Technology	VP/CMO	Cisco Europe
Jan 04 to Jul 06	BT operations	Managing Director	Cisco Europe
Dec 97 to Jan 04	Business development Sales and Marketing	Business Development Director	Cisco UK
Jan 96 to Dec 97	Technology leadership	Technical Director	Cisco UK
Apr 94 to Jan 96	Technical Consulting	Consulting Engineer	Cisco UK
1985–94	Technical Architecture and Design	Senior Architect	IBM
1979–85	Technical Consulting	Consulting Architect	Philips Electronics

RECENT POSITIONS AND EXPERIENCE

Chief Executive UK & I Cisco Systems
European Board Member July 08 to Present

Responsible for over 4,000 staff based in the UK and Ireland. Driving all of Cisco's operations in UK and Ireland which has an approximate revenue of \$2.0 billion per year.

Primary Achievements (so far):

- Restructure of UKI board for FY09.
- Restructure of UKI organisation to align to business climate.
- Representation of Cisco on government bodies (IAP), Sector Skills council (e-skills) and other boards.
- Cisco external ambassador.
- Representative on several global Cisco boards representing Europe.

VP Technology and Corporate Marketing Cisco Systems
European Board member Aug 06 to Jul 08

Responsible for all Technology and Marketing functions for Europe including Specialist Sales teams, Analyst Relations, Public Relations, Investor Relations, Call Centres and all technology, product and corporate marketing functions. Marketing budget of \$100 million per year.

Achievements:

- Grew Advanced Technologies by 30–38% YoY over two years to approximately \$1.5 billion.
- Created and deployed a specialist sales organisation (PSS) throughout all European countries.

- Key member of executive strategy group defining European strategic imperatives.
- Established Data Centre as a new revenue area and specialisation in Europe.
- Delivered new branding campaign throughout Europe in corporation with Global organisation.
- Restructured marketing throughout Europe to align to corporate and country based priorities.

Managing Director BT Operations
World Wide SP

Cisco Systems
Jan 04 to Jul 06

Responsible for all aspects of Cisco's Business with BT worldwide including sell-to, sell-through and sell-with. BT is Cisco's biggest partner/customer in Europe and hence the strategic nature of this relationship is vital to Cisco in Europe and worldwide. Approximately a \$1Bn business.

Achievement:

- Successfully led negotiations for Cisco multi-billion dollar position in 21C.
- Tripled BT channel revenue over a two year period.
- Owned and managed relationships at all levels of BT from CEO down.
- Member of the Cisco Service provider strategy board.
- First Cisco Client Director representing a new P&L based approach to large Strategic customers.

Business Development Director
Member of UKI board

Cisco UK&I
Nov 97 to Jan 04

Post merger integration

Responsible for all Strategy, development and marketing activities for Cisco UK&I.

Achievements:

- Establishment of Business Development function in Europe.
- Responsible for local (UK wide) investment and M&A activities.
- Owner of Strategy and development activities for UKI.
- Integrated Contact Centre technology sales team into UKI (via acquisition).
- Established and grew \$100M "dot-com" sales business.
- Established CSR function in UKI.
- Ran all aspects of UKI marketing.
- Established Government liaison activities in UKI.
- Built Industry business development team
- Acted as senior external ambassador for Cisco UKI (public Speaking, government committees etc).

OTHER RELEVANT EXPERIENCE

- Board member of Thames valley Economic Partnership.
- Judge of Ernst and Young Entrepreneur of the Year Competition.
- Former board member of North west Business Leaders team.
- National Board member of Young Enterprise.
- Board member of e-skills UK (IT sector Skills council).
- Frequent judge and contributor to SAID Business. School Oxford.
- Former Executive board member of IAP (Information Age Partnership).
- Board member of Employers Forum on Disability.
- Member of Vice Chancellors Circle—Oxford University.
- Former weekly contributor to Sunday Times Enterprise Network column.
- Advisory Board member of Critical eye.

EDUCATION

- 2–1 Hones in Microbiology from Glasgow University.

INTERESTS

- Musician.
- Reading.
- Triathlon.

OTHER

- Born 2/9/57.
- Married (30 years) with four Children, youngest 19 years old.

Role and Person Specification for the Chair of the Technology Strategy Board

ROLE

The Chair of the Technology Strategy Board is appointed by the Secretary of State for Business Innovation and Skills.

The Chair's role is, in general, to provide effective strategic leadership of the Technology Strategy Board and to speak on behalf of the Board. The Chair will work closely with the full-time Chief Executive Officer, who is the Technology Strategy Board's Accounting Officer, and a Board of up to 14 members, leading the Technology Strategy Board in pursuit of its mission. The Chief Executive has executive responsibility for the day-to-day operations and administration of the Technology Strategy Board and also represents for the Board in public in relation to agreed policies and programmes.

Under the leadership of the Chair, the Governing Board has collective responsibility for the overall direction and policies of the Technology Strategy Board.

The Chair has particular responsibility for providing leadership on matters such as:

- formulating the Governing Board's strategy for discharging its mission as given by the objects in its Royal Charter;
- encouraging high standards of propriety, and promoting the efficient and effective use of staff and other resources throughout the Technology Strategy Board;
- ensuring that the Governing Board, in reaching decisions, takes proper account of guidance provided by the Secretary of State for BIS;
- representing the views of the Governing Board to the general public; and
- providing an annual assessment of performance of individual members of the Governing Board.

The Chair should ensure that the Governing Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Governing Board members.

Communications between the Governing Board and the Secretary of State for BIS will normally be through the Chair, except where the Governing Board has agreed that an individual member should act on its behalf. Nevertheless, an individual member has the right of access to Ministers on any matter which he or she believes raises important issues relating to his/her duties as a member of the Governing Board. In such cases the agreement of the rest of the Governing Board should normally be sought. The main channel of communication between the Technology Strategy Board and BIS on day-to-day matters will normally be through the Chief Executive or another member of staff who is authorised to act on behalf of the Technology Strategy Board.

PERSON SPECIFICATION

Experience sought

The Chair is required to demonstrate both significant relevant experience of, and success in, technology innovation and exploitation from a **business** perspective. In particular we are seeking:

- an individual with acknowledged credibility in the business community and a strong and demonstrable management track record of personal achievement in a private sector organisation; and
- a leader who is or has been responsible for directing their organisation's R&D strategies and the exploitation of these to generate innovative products and services.

It is desirable, but not essential, for the Chair to have:

- experience of Chairing an external management Board of an appropriate business or other relevant organisation; and
- experience of operating beyond the UK.

Knowledge and skills

It is essential for the Chair to have:

- a keen appreciation of, and interest in, technology innovation;
- a four to five year vision for the Technology Strategy Board;

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- a clear view of the mission of the Technology Strategy Board and how success can be measured;
 - representational, influencing and negotiating skills; and
 - good interpersonal skills and the ability to communicate with a wide variety of audiences, including Ministers and Members of Parliament.

Personal attributes sought

The Chair is required to have:

- well developed leadership skills;
- the personal impact and credibility to be an effective advocate for the leadership role the Technology Strategy Board seeks;
- drive and determination and the demonstrable ability to instil a vision and to develop well defined strategies and pursue long-term goals;
- excellent communication skills with the ability to be clear and succinct;
- an appreciation of current and evolving technology developments and commercial exploitation issues;
- an appreciation of and the ability to consider sustainable development issues in strategy development;
- knowledge of the UK innovation system, knowledge transfer and an understanding of routes to market for technologies;
- the ability to consider wider economic arguments for the development of specific technologies, irrespective of the specific interests of any companies or organisations with which he/she is associated;
- the ability to interact with highly knowledgeable groups or specialists, and to challenge and support colleagues in order to reach consensus;
- ability to work constructively with other parties and stakeholders; and
- capacity to be independent and strong minded.

The Chair will be required to demonstrate a clear commitment to the seven principles of public life, as drawn up by the Committee on Standards in Public Life—www.public-standards.gov.uk/Library/Seven_principles.doc. They must at all times observe the highest standards of impartiality, integrity and objectivity in relation to the stewardship of public funds and management of the organisation; and ensure that high standards of corporate governance are observed at all times.

Time commitment

The Chair must be able to attend Board meetings, which will be held at Technology Strategy Board's head office in Swindon and elsewhere as the Board decides. The Chair is expected to be flexible in his/her time commitment to the role, but generally he/she will be expected to work for 24 days per annum.

Remuneration

Remuneration will be paid at the rate of £15,720 per annum in four equal quarterly payments. Remuneration is taxable under Schedule E and subject to Class 1 National Insurance contributions. Remuneration is not pensionable.

The Chair will be reimbursed for reasonable travel and subsistence expenses incurred, according to the Expenses Policy of the Technology Strategy Board.

Duration of the appointment and tenure

The term of appointment will be four years from formal confirmation.

The appointment may be renewable at the end of the period of office. A degree of change is often sought on boards and there should therefore be no expectation of automatic reappointment. Reappointment will be subject to continuously effective performance, conduct and attendance.

To ensure that public service values are maintained at the heart of the Technology Strategy Board, all directors of the Board are required, on appointment, to subscribe to the Codes of Conduct and Accountability for NDPB boards.

The Chair must demonstrate high standards of corporate and personal conduct. Details of what is required of members and the Board on which you serve are set out in the Code of Practice for Board Members.

The Chair should note particularly the requirement to declare any conflict of interest that arises in the course of Board business and the need to declare any relevant business interests, positions of authority or other

connections with commercial, public or voluntary bodies. These will be published in the annual report with details of all the Chair's remuneration from DIUS sources.

Criteria

BIS is committed to providing equal opportunities for all, irrespective of race, age, disability, gender, marital status, religion, sexual orientation, transgender and working patterns and to the principle of public appointments on merit with independent assessments, openness and transparency of process.

Appointment process for the Chair of the Technology Strategy Board

The Office of the Commissioner for Public Appointments (OCPA) Code of Practice for Ministerial Appointments to Public Bodies will apply to both the TSB Chair and Governing Board Member recruitment exercises. A key principle of this guidance is selection based on merit. Further information may also be found at the OCPA website: <http://www.ocpa.gov.uk/>

The TSB Chair and Governing Board Member appointments processes will each be overseen and evaluated by a selection panel comprising a senior BIS official as Chair of the panel, an independent member, and an OCPA Independent Public Appointments Assessor (IPAA). The role of the IPAA is to act as an expert in the appointments procedure and to ensure the integrity of the whole process.

Once the closing date for applications has passed, applications will be sifted according to the person specification. Applicants will then be invited for interview, or notified if they are unsuccessful. The appointment process is expected to follow the timetable below:

TSB GOVERNING BOARD MEMBER APPOINTMENTS

- 21 March 2011—Closing date for applications.
- by mid-April 2011—Shortlist finalised.
- by mid-May 2011—Interviews held.
- by end May 2011—Ministers decide on new appointments.
- by mid-June 2011—Letters offering appointment issued.

TSB CHAIR APPOINTMENT

- 18 April 2011—Closing date for applications.
- by mid-May 2011—Shortlist finalised.
- by mid-June 2011—Interviews held.
- by early July 2011—Ministers decide on new appointment.
- by end July 2011—Letter offering appointment issued.

Candidates may claim reasonable expenses incurred, within the UK, travelling to and from the interview.

The selection panels will make recommendations to the Secretary of State for Business Innovation and Skills, who will make the final decision as to who should be appointed. All interviewees will be advised of the outcome of the interview after the Secretary of State has made a decision. It is hoped that, once approved, the appointed TSB Governing Board Member candidates will be able to take up the appointment on 1 July 2011 and the appointed TSB Chair candidate on 1 December 2011.

Press notices will be issued to announce the appointment of the successful candidates and will include a brief biography and details of any political activity undertaken during the past five years. This information will be taken from the Political Activity Questionnaire, which should be completed and returned along with the application form. This is in accordance with the OCPA Code. The TSB will also include any information on potential conflicts of interest in the "Register of Members' Interests" which will be available from TSB upon request.

REFERENCES

The names of two referees are asked for as part of the application form. Referees must be people who know you in a capacity to comment on your suitability for the post for which you have applied and will be expected to have authoritative and personal knowledge of your achievements. References will only be taken up for candidates called to interview as soon as the interview arrangements have been made. Referees will be advised accordingly.

DATA PROTECTION

The Department for Business Innovation and Skills is required by the Commissioner for Public Appointments to retain information, for at least two years, about the people who may apply for public appointments, and to make this information available for audit purposes if requested. If you submit an application form, it and any

supporting documentation will therefore be retained by BIS for at least two years. Information held electronically, including your contact details and the monitoring information provided on Part 2 of the application form, will also be held for at least two years.

EQUAL OPPORTUNITIES

We seek to ensure that women, people from ethnic minorities and people with disabilities are properly represented in the public appointments made by BIS. All appointments are made on merit and based on independent assessment in an open and transparent process.

POLITICAL ACTIVITY

Whether you are politically active in any way will not be a factor in the consideration of your application. Information on political activity is requested in the application form for monitoring purposes and the information provided will not be shown to anyone involved in the appointments process.

Applicants should be aware however that, should they be appointed, their declared political activity will be made public as part of the BIS press release announcing their appointment. This is required under OCPA rules.

Letter from The Rt Hon Vince Cable MP, Secretary of State for Business, Innovation and Skills, Department for Business, Innovation and Skills, to the Chair of the Committee

CHAIR OF THE TECHNOLOGY STRATEGY BOARD

I am writing to formally inform you that I have identified Phil Smith as the Government's preferred candidate to be the new Chair of the Technology Strategy Board and to thank the Science and Technology Select Committee for agreeing to make time and hold a pre-appointment hearing.

I recognise we have had to step slightly outside the normal process in agreeing the pre-appointment hearing as the Chair of the Technology Strategy Board was not included in the current Cabinet Office list of major public appointments subject to scrutiny by Select Committee. However, as the Cabinet Office is currently reviewing the list, and given the important role of the TSB as the Government's prime channel for supporting business led technology innovation and in the interest of transparency, I was keen to have this appointment properly scrutinised.

Phil Smith is CEO of CISCO UK and Ireland. He has been at CISCO since 1994 and his previous roles include Chief Marketing Officer of CISCO Europe, Managing Director of CISCO Europe and Business Development Director at CISCO UK. The present TSB Chair, Dr Graham Spittle, retires at the end of November.

I understand the hearing will take place at 4.15 pm on 24 October and that my officials have provided the Committee clerk with details of the appointments process, the role and person specification for the TSB Chair position and a CV for Phil Smith. Please let me know if you require any further information.

I look forward to receiving the outcome of your deliberations.

The Rt Hon Vince Cable MP

23 September 2011

Letter from The Rt Hon Vince Cable MP, Secretary of State for Business, Innovation and Skills, Department for Business, Innovation and Skills, to the Chair of the Committee

TECHNOLOGY STRATEGY BOARD

Thank you for your letter of 25 October enclosing a copy of the Science and Technology Committee's report on the recent pre-appointment hearing with Phil Smith, our preferred candidate for the Chair of the Technology Strategy Board.

I am pleased that the Committee was able to endorse Phil Smith as an appropriate appointee. An offer of appointment will now be issued to Mr Smith and a formal press release announcing this appointment will be issued when he has formally accepted the position.

I would like to thank you for producing the report and letting me know the outcome of the hearing so speedily.

While writing I would like to point out a factual error at paragraph 6 of the report—I understand you and David Willetts spoke briefly about this recently.

Paragraph 6 suggests that the sum of £20 million included as part of the Technology Strategy Board's budget is to replace the former contribution of £300 million of aligned funding from the RDAs and the Research Councils. A footnote links this statement to the oral evidence given by David Willetts to the Committee on 14

September on the Spending Review and specifically paragraphs 227–229. However, on scrutinising this section of the oral evidence it is clear that the exchange relates to £20 million of funding for research and development grants (or Grant for R&D as the scheme is known) that were previously delivered by the RDAs and not to replace the aligned funding from the RDAs and Research Councils. Indeed, the TSB maintains strong relationships with the Research Councils and they will continue to develop and deliver funding for joint programmes.

I understand that a copy of this letter will be appended to the report to provide a correction to the text at paragraph 6.

31 October 2011

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