

Spotlight on...

Shimi Shah

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Non-Executive Chair,
Impact



When Shimi Shah took her first board position at the age of just 27, she was hooked and knew she wanted to help shape business strategy and build value. She now holds a number of board seats, including as Non-Executive Chair at Impact, the joint venture between Actis and South African real estate investor, Improvon specialising in build to buy logistics and warehousing space. We caught up with her to find out what has driven her through her career and what it will take to increase boardroom diversity.

You've had quite a varied career, so what got you interested in company board positions?

"Having started out in investment banking – which I quickly discovered was not for me – I set up my own jewellery distribution business. It was after I had built that up that I was approached by 3i, which was interested in making an investment. I didn't take it, but sold the business – in retrospect too early.

"3i asked me to join the firm, so I did. I was very good at spotting gaps in the market and the operational side, but far less so on the commercial and financial side. I learned a lot there – from how to value a business and negotiation skills through to how to run a portfolio and how boards work. I helped the firm set up its technology investing business – that was an exciting time because it was as the internet was going mainstream.

"I was appointed to my first board position at a 3i portfolio company at the age of 27 – it was fascinating. I discovered I loved every aspect of it, especially the influence we could have as investors supporting through providing capital, bringing in skills,

drawing on networks and helping with expansion – all areas the company couldn't do on its own.

"At Impact, my role is to challenge the commercial view of both the stakeholders – Actis and Improvon – and provide guidance and advice for the CEO. I really enjoy that aspect and I have mentored a few C-suite executives in my time. My experience of being on many private equity-backed boards means that I understand how to build companies for value and have a view on the exit and how to get there."

What drives you?

"I have always had a hunger for learning and understanding and wanted to apply that to real life situations. I also get on with a wide variety of people in very different situations. This really came to bear when I went into 3i as I had my entrepreneurial background that really helped me understand what it is like to run a business day-to-day – it can be pretty mundane – in a way my colleagues often couldn't. I was able to speak the same language as the people we were backing. That early experience really helped shape how I approach my roles now.

"I was also always conscious that I needed to work hard to get on. Even though I have never felt a sense of being discriminated against as a woman from an ethnic minority, all the industries I've worked in have been very male dominated – including venture capital and technology in the 1990s to early 2000s, and the large number of male-dominated boards I have sat on. As a result, I've always just felt I had to work twice as hard to get to the same level as men and, although I have an inner self-confidence, I have always prepared significantly more than many male colleagues before walking into a room full of men."

Board diversity is a subject that is often talked about but is still some way off. What do you think needs to happen to create more gender-balanced boards?

"There's still a huge discrepancy at board-level. Quite often you see token females on boards or you'll see companies appointing female board members just to look more rounded. There is also a problem in that many boards recruit from the same pool of women rather than looking further afield.

"Part of the issue is that many women just don't get past the middle management level because they have career breaks

and sometimes leave to set up their own businesses to achieve a work-life balance. That means there aren't enough women with deep operational experience coming through. At the same time, many of the networks that boards tend to recruit through are quite closed – it can be very hard to penetrate these networks.

"In my view, what's needed is more mentoring of women to support their journey to board positions – I spend around 20% of my time mentoring potential board members and help with transitioning careers. It can really make a difference. It's also up to companies to be proactive and deliberate in establishing and following a diversity and inclusion policy. This needs to come from the top and it must consider what can be done at all levels so that talent is nurtured. Board candidate lists also need to include at least 20% to 30% females."

How does Impact foster diversity?

Impact is in a good position, even though it has grown from a traditional construction culture. The organisation has a good balance of gender throughout the organisation and, in addition to me, there is another female on the board and the chief legal counsel is also female. As a South African company, it also has a black economic empowerment policy, an initiative the company has been very keen to support. It has also signed up to the Actis portfolio company mentoring programme."

You stress the importance of mentoring – did you have a mentor?

"No, but I really wish I'd had one – I would have benefited greatly. I think a mentor can really help you think through what it is you want and how you are going to get there. They can help you develop a five to ten-year plan so you can be proactive about your career choices. Instead, I was so focused on getting to the next role, I didn't have enough of a plan. I always knew, though, that I wanted to be on boards, shaping companies and their strategies."

What advice would you offer to aspiring female board members?

"You really have to think about where you can add value – women often sell themselves short and have a tendency to hold back. But once you understand what value you can bring, you can work to shape and position yourself accordingly. You need to be very proactive and create a network by building a large variety of contacts."