

## Starting up, staying entrepreneurial

Lance Ugglá, CEO of *Markit*, was the speaker at our first *Entrepreneurship Matters* session. It was entitled 'From start-up to global significance', but alongside his story of innovation and development, ran another interesting parallel track: his commitment to maintaining an entrepreneurial workforce

'I'm fighting the trend of becoming a more typical corporate,' Lance told us, which he admits presents challenges as Markit has grown rapidly since its formation in a St. Albans barn in 2003.

In summer 2014 Markit went public on NASDAQ and it now employs over 3,000 people in 20 offices in 10 countries. From its origins as a provider of daily credit default swap pricing data, it has expanded to provide a huge range of information, from economic indices to risk analytics, to banks and other financial institutions. Typing 'Markit' in to the *FT*'s search engine returns nearly 5,000 hits, an indication of how widely the paper's articles rely on Markit's financial data.



Markit CEO Lance Ugglá in conversation with LSE Entrepreneurship Director Professor Alnoor Bhimani

It's generally assumed that businesses sacrifice their entrepreneurial culture in return for growth and a wider pool of investors, and as Markit continues to grow a challenge for Lance Ugglá is balancing these things, rather than trading one in for the other. It is something he is clearly consciously pursuing.

### Maintain the equity edge

Employee ownership is one of Markit's distinctive features, and the distribution of equity has been one of Lance Ugglá's key tools for instilling an entrepreneurial culture from the very beginning. This was easy as a start-up ('I shared ownership with five or six amazing people', he said) but of course became more difficult as the firm grew.

Going public brought more challenges in this arena, but it is something Lance took care to prepare for. 'Over the years many people had taken liquidity in the company so employee ownership was reducing and I was worried going public would lose the equity edge we had as a private company. By issuing options to several hundred employees around the world, I made sure that 30% was still owned by employees. This was embedded in culture ahead of time.'

### Empowering people

As well as sharing the upside through equity distribution, there are lots of ways in which Lance Ugglá empowers staff: 'Hiring good people and having a great place to work. Not just putting guiding principles on the wall but measuring and following, making sure they're part of culture.'

His approach to decision-making also demonstrates how it brings in a number of people across the firm:

'It's about empowering people to make decisions and not being afraid to make them yourself or to make mistakes,' he said. 'When I heard about new regulations for boards to be accountable for risks of organisation, so I got together a random group of people from the company in the company to brainstorm whether we could make a product to address this and how this could be created.'

## Finding the best ideas



Lance Uggle, CEO of Markit, phones two employees each day to ask what they'd do in his shoes

Lance subscribes to a social approach of finding the best new ideas. 'Encourage people to want to talk about their ideas,' he recommends. 'Be aware of people around you in the room, and then explore ideas with people.'

And this philosophy stretches further than people in the room:

'I phone two employees round the world every day and ask what they would do if they were in my seat,' Lance said. 'How would they change the company? What would they do different? They get an email the night before from my PA saying they're going to get my call and we chat for 15/ 20 minutes.'

If that's not an incentive for Markit employees to think like entrepreneurs, I'm not sure what is.

**Sara Feast is Communications and Events Officer at LSE Entrepreneurship.**

---

December 11th, 2014 | [Entrepreneurship Matters, LSE Entrepreneurship team post](#) | [0 Comments](#)

---