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BUSINESS

SMALL BUSINESS

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Success cost me two companies and one marriage

HOW I MADE IT

**Fiona Hudson-Kelly,
founder of
Smart Assessor**



THE first business she started went bust. The second, she left after a dispute with the investors. With business No 3, Fiona Hudson-Kelly is determined to stick around.

“Unless I feel it has exhausted my skills and knowledge, I’m not going anywhere,” said the 55-year-old, who started the software developer Smart Assessor seven years ago.

Hudson-Kelly’s product allows apprentices and tutors to store files online. The idea came to her when her son, Brad, grew frustrated with all the paperwork he had to fill in while training to be a fitness coach. “I thought there must be a better way to do this,” said Hudson-Kelly, who was an apprentice at aero engine maker Rolls-Royce.

Students on vocational courses can upload videos, photos and audio files to Smart Assessor. The business employs 31 staff and posted pre-tax profits of

£710,000 on sales of £3m last year. Hudson-Kelly expects revenues to top £4m this year with the help of the new apprenticeship levy, which starts in England in April.

Businesses with annual wage bills of more than £3m will pay the tax—0.5% of their total pay—to help fund apprenticeships. “We are targeting the levy-paying employers,” said Hudson-Kelly, who is based in the Warwickshire market town of Rugby. She grew up in nearby Nuneaton, the second of four children. Her father was an accountant by training, but became a delivery driver so her mother could train to be a teacher. She attended President Kennedy, a comprehensive school in Coventry, and worked in a greengrocer’s to earn pocket money. She spent 10 years at Rolls-Royce, where she trained in human resources, and left in 1987 after having her second child.

“I wanted to spend more time at home,” said Hudson-Kelly, who then trained as a teacher so she could work part-time. Her career change coincided with the rise of computers, so she took a course that allowed her to start teaching IT to students. Hudson-Kelly soon spotted a business opportunity. “Even the school staff didn’t know how to use technology, and I thought, I can do this for bigger companies.”

Her computer training business, Start-Right, took off and she ended up with 25 staff who trained executives

for customers such as Peugeot. But being a woman entrepreneur in the mid-1990s was lonely. “There were no role models and it was a very male-dominated industry,” she said.

Her ascent came to a halt in 2005 when her biggest client, MG Rover, went into administration. Start-Right collapsed and so did her marriage. “I was in a really bad place,” said Hudson-Kelly, who moved to a rented flat with her four children. She felt she had no alternative but to try another start-up, rather than apply for jobs. “After you run a business for so long you are unemployable. There was no choice but to do it again.”

A year later, she used money from

the sale of the family home to set up Silver Linings, a web-based version of her first company. Customers included the telecoms giant O2. Fast growth helped her to secure £1m investment from venture capitalists in return for a majority stake, but losing control of the company left her feeling bitter. “We hired too many people and we were talking about things rather than doing them,” she said. “The culture started to change. I didn’t want to leave, but I was really unhappy.”

She sold most of her shares and with £45,000 inherited from her mother started Smart Assessor from her dining room table in 2010. She employed her sister and an apprentice and began cold calling prospective customers. Today, the company licenses its platform to more than 200 colleges and training providers, charging £85 a year for each apprentice. It opened an office in Australia last year and America is on the horizon. Hudson-Kelly, a winner in the latest NatWest Everywoman awards for entrepreneurs, owns 85% of the business and the rest is held by senior management.

She urges business owners to persevere in the face of adversity: “When you are burnt out and all is going horribly wrong, don’t give up. The turning point is just around the corner.”



Fiona Hudson-Kelly: £4m sales target

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