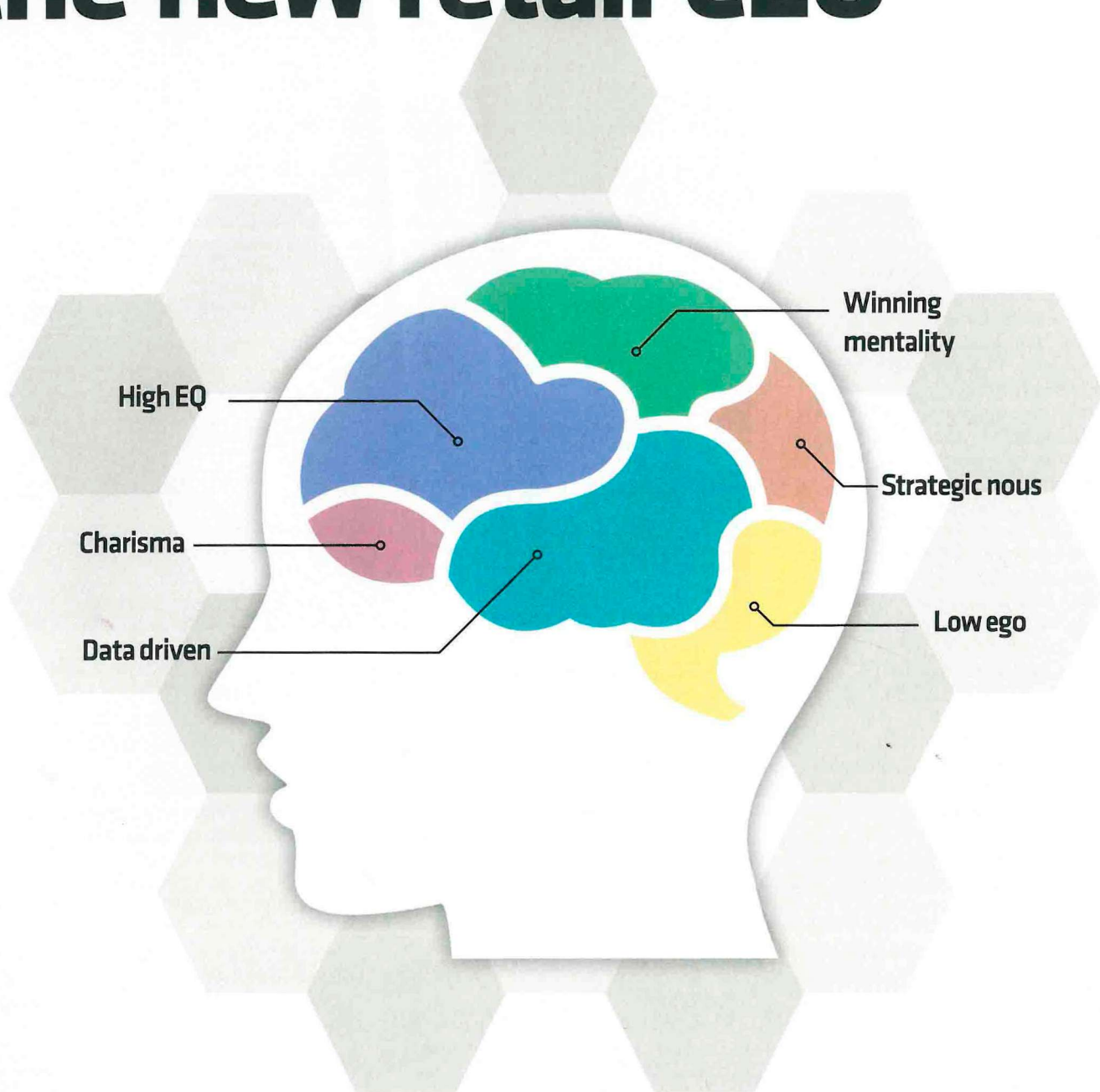


# ANALYSIS

## Inside the mind of the new retail CEO



What attributes, skills and personality traits do today's retail chief executives need to make their companies thrive in an ever-changing marketplace? **Suzanne Bearne** gets in their heads ▫

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**P**rivate equity firms with high expectations. Angry shareholders ready to vote you out if you've had a disappointing year. Spreadsheets with budgets tightened. Loyal staff with 30 years' experience, pensions and lives pinned to their jobs.

There's no dancing around it: working in retail – especially during these turbulent times when former lynchpins of the high street are collapsing like dominos – is tough.

The job of chief executive – leading the highs and navigating the lows; the ones who, as the public face of the company, are interrogated by analysts when sales dramatically drop or by employees when store estates have to be culled – is not for the fainthearted.

Whether they are swooped back in like Mothercare boss Mark Newton-Jones, or have taken over their father's company and transformed it into a multimillion-pound business à la Jacqueline Gold, it's a demanding and relentless job – and the goalposts are changing.

"It's a harder job than ever before," says Moira Benigson, managing partner of executive recruitment company MBS Group.

"Customers aren't loyal any more – they don't have to be – they're shopping in different ways, and some of the time they're not even shopping."

Online is now omnipresent – it's no longer just about customers coming into a store and leaving with a purchase; now there are apps, data and click and collect to consider, and fighting against Amazon continually eating up the competition.

It's a fierce market and, against this backdrop, the psyche of the traditional retail boss is shifting.

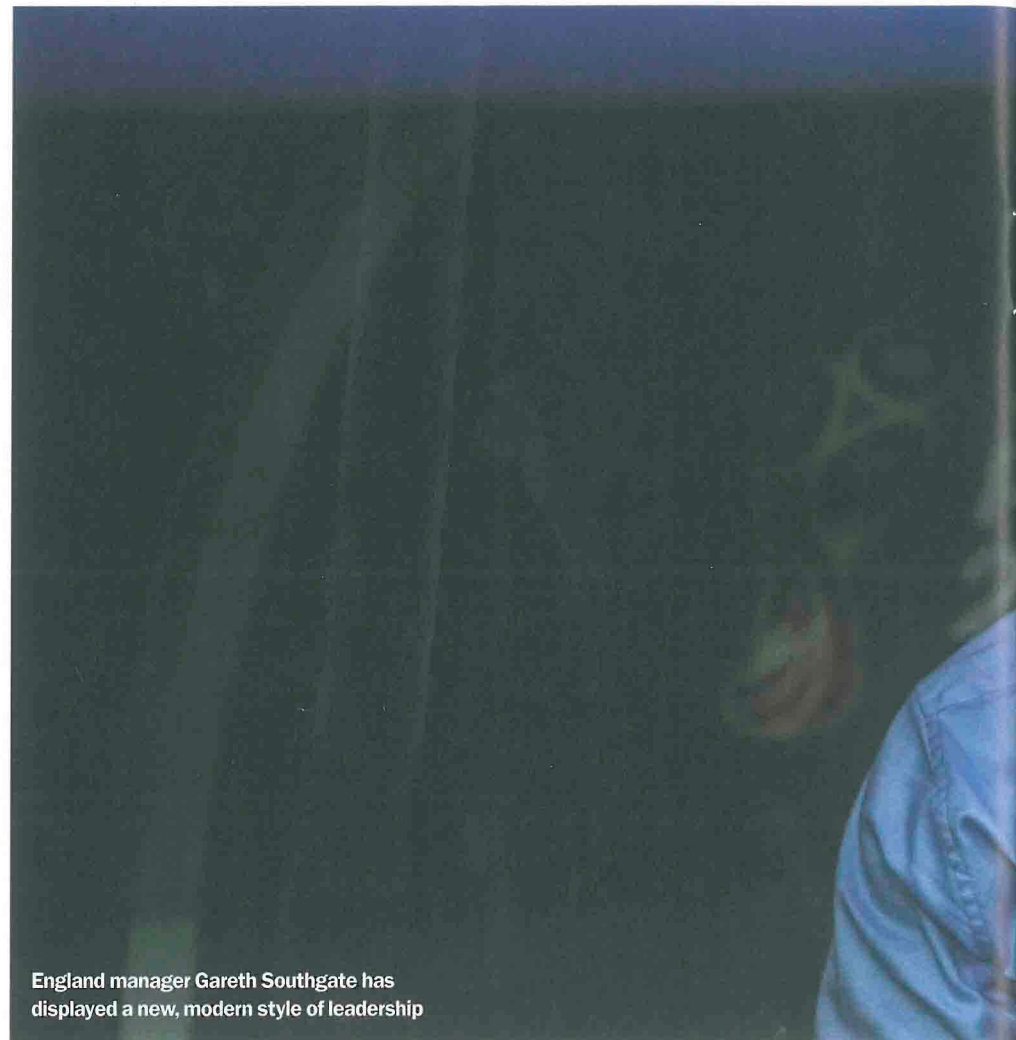
"It's a different sort of chief executive now thanks to the way in which retail is changing very quickly," says Benigson.

"They have to embrace technology, they have to embrace a different kind of marketing, which includes social media – they have to embrace devices, and understand that people are shopping in different ways than they used to.

"Traditionally it used to be about bricks and mortar, but that's a thing of the past; the focus

**They need to be highly data literate and tech-savvy as all decisions will be anchored around data and analytics**

**Katie Thomas,  
Ridgeway Partners**



England manager Gareth Southgate has displayed a new, modern style of leadership

now is on online and being data-driven and getting to know your customer."

## Multichannel experience essential

Now the ideal chief executive should have multichannel experience listed on their CV.

"They need to understand the multichannel approach to the market, and they need to have a fluid understanding of systems and specifically how data can be used and protected to best effect," says Debbie Hewitt, who holds a number of board positions including non-executive chairman of Moss Bros and non-executive director of White Stuff.

She adds: "Digital is the obvious area that has changed, but also an understanding of systems in general has become a much more important part of growing a business, managing costs and understanding risks.

"Data analytics can inform or overwhelm a business. This is quite a new skill for many chief executives."

As a result, this new style of boss requires a much broader skillset and diverse leadership profile. The modern, new type of retail chief executive profile will need to be much more adaptive, innovative, able to think outside the box and open to change, explains Katie

Thomas, partner at executive search firm Ridgeway Partners.

"They need to be highly data literate and tech-savvy as all decisions will be anchored around data and analytics," she says. "These are leadership traits that are more typically found in the new breed of digital leaders and entrepreneurs from the pureplay online and tech sector."

## Strategy consultants take the reins

But in an industry where chief executives have gone from rags to riches by starting on a market stall, like Tom Joules and Julian Dunkerton, is the industry changing and putting more emphasis on a background that's more strategic?

Take Alex Baldock, who held director roles at banks and strategy consultancies before joining and turning around Shop Direct. Baldock this year snared one of retail's top jobs when he was appointed chief executive of Dixons Carphone.

Does this mark a shift in what retailers are looking for? Thomas believes that good-quality strategy consultants from one of the top-tier firms tend to have "real strengths such as being extremely smart, analytical and intellectually curious and comfortable

For more on people in retail  
Retail-Week.com/People



## Does education matter?

Retail was once lauded as an industry in which, with a lot of ambition and hard work, employees can rise from the shopfloor to the boardroom. Theo Paphitis – who owns Ryman, Robert Dyas and Boux Dyas – and former Asda boss Andy Clarke both started out as shop assistants.

Is education more important for today's retail CEO?

For Liz Jewitt-Cross, interim HR director at McArthurGlen Group, there is no ideal education background.

"Some of our greatest, most intelligent, savvy and most forward-looking CEOs out there have little to show by way of school and university grades, whereas others have a very strong and successful educational background," says Jewitt-Cross, who has also worked as HR director at Jaeger, Joules and the group that owned Oasis, Warehouse and Karen Millen.

She adds: "It depends on the complexity of the organisation, their skill, capability and the qualities of the team around them."

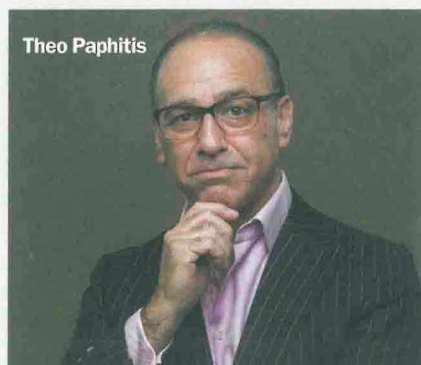
Jess Taylor, people director at Notonthehighstreet, agrees. "A formal education is great, but in our search [the company just recruited Barrie Seidenberg as its new leader] we were looking for a CEO who was naturally smart and who had a curious mind, not necessarily someone who had certain qualifications."

Instead, she says, having high emotional intelligence and no ego is more important. "You want someone who is self-aware, empathetic towards others and motivated to make the right business decisions."

But for many headhunters and senior retailers, nothing will stand in the way of strong retail experience and industry passion.

"Many of the greatest retail names we know have very few qualifications under their belts and started on market stalls," argues Mary Anderson-Ford, managing director of recruitment firm AquaRetail.

"That's the lifeblood of retail, and that is what we need to harness in our top dogs. While retail may have moved from bricks to clicks, it's still selling to a customer as the focus."



Theo Paphitis

## People have got to look up to you and follow you. It's like being a good football manager. Even if it's in a quiet way

**Moira Benigson,  
MBS Group**

"They need to be feisty and have natural leadership skills – and be ready to roll with the punches. They should be hungry for success and winning is the only way they know. As a leader they'll be able to take people with them, driving from the front and able to survive in adversity.

She points to Dave Lewis, the boss of Tesco, who rescued the grocer following a profit warning.

Liz Jewitt-Cross, HR director at McArthurGlen Group, adds further traits needed for the top job in retail. "All CEOs need to have strong commercial awareness, an attitude of

working with data and analytic tools".

She adds that they can also be persuasive and compelling in convincing stakeholders to buy into a business' plans for change.

"This is why we have seen a number of ex-consultants such as Nick Wilkinson, John Browett and Seb James rise through the ranks in the retail sector in recent years, particularly in businesses needing digital transformation and change," she says.

She argues that on the flip side, strategy consultants can sometimes be accused of being too theoretical. "They are also criticised for not being 'natural people leaders', able to lead the troops in a large-scale, multi-site retail business because they are more accustomed to leading much smaller teams of like-minded and highly educated individuals," explains Thomas.

"High IQ but low EQ," she concludes.

### Winners with the human touch

So whether they have 20 years' retail experience or are new to the industry, what key skills do they need?

"They must have absolute resilience and openness to change, curiosity and the ability to understand the customer of the future," says Benigson.

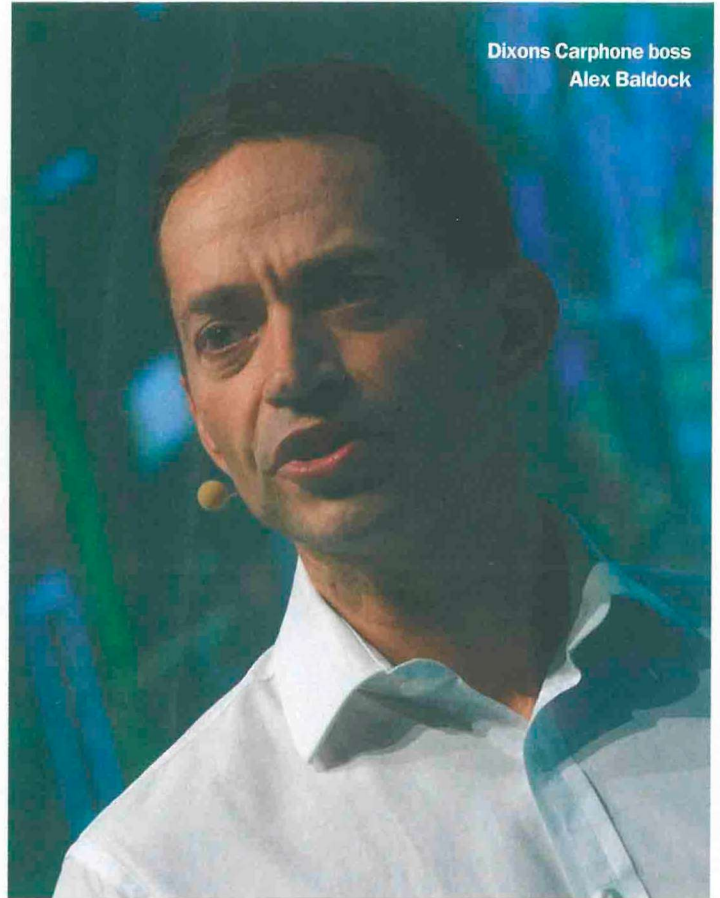


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Ann Summers CEO  
Jacqueline Gold



Dixons Carphone boss  
Alex Baldock



customer centricity, excellent communication skills and strong judgement and track record in hiring and retaining talent.”

Premier league people work for premier league management, she adds.

According to Nigel Nicholson, professor of organisational behaviour at London Business School, an effective leader is someone who has strong vision, is able to read people and situations, and has the resilience, practical intelligence and good humour to take people with them.

“A good leader”, he explains, “is someone who has the human touch, meaning they understand the emotions of people who are different from them.”

He says this involves “being able to foster powerful team spirit and ethos and being able

to build a micro-culture that makes people see this as the place to work where they can be themselves and be their best”.

## Management style

Management style is important. “There is perhaps more compassion required from the top now, where historically an iron rod was ruled with,” says Mary Anderson-Ford, managing director of AquaRetail.

Rude and overbearing management styles like the one described by Oliver Shah in *Damaged Goods: The Inside Story of Sir Philip Green*, seems almost out of sync with today’s culture.

But is there one type of CEO that boards favour? Sir Ian Cheshire, the former boss of Kingfisher, believes not.

“It depends on the company and the specific challenge – turnaround versus growth, international, design led versus value led, etc,” he says.

He adds: “When hiring a CEO you start with the analysis of what skills the company needs of the next phase and also you can’t expect one person to be superman or woman with all the attributes.

“Focus on broad leaders who can attract great talent to build amazing teams.

“It’s not about formal education per se, but smart people with EQ will attract other smart people, and crucially low-ego leaders will build genuinely diverse teams, which is the key.”

**You can’t expect one person to be superman or woman with all the attributes. Focus on broad leaders who can attract great talent to build amazing teams**  
**Sir Ian Cheshire**

**They need to understand the multichannel approach, and to have a fluid understanding of systems**

**Debbie Hewitt, Moss Bros and White Stuff**

Cultural match is the first priority for those hiring. A progressive modern leader certainly won’t suit a retailer and board stuck in a different decade and unwilling to change.

“If they don’t align, then for all the skills and experience in the world, it will be an uphill battle to be successful and resonate with the people around them who will help them to make it happen,” explains Jewitt-Cross. “Invariably this becomes the critical first and then final factor that swings a yes or no vote.”

But one attribute that’s certainly liked is a good dose of charisma. “Because people have got to look up to you and follow you,” says Benigson. “It’s like being a good football manager. Even if it’s in a quiet way.”

Perhaps retailers will be hunting around for their version of Gareth Southgate. With or without the waistcoat. **RW**