



It can be lonely at the top – if you let it



When I decided to theme my September 08 newsletter on leadership, I wanted to include the thoughts of a successful business leader. One name immediately sprang to mind: Justin King, CEO of retail giant, Sainsbury's.

I reported to Justin when he was a business unit head with ASDA and I've always been struck by his leadership strength.

He spent much of his early career with Mars Confectionery and Pepsi International. He was

director of food at Marks and Spencer from 1994 to 2001, and held a number of senior positions at ASDA/Walmart.

When he took the helm at Sainsbury's in 2004 he joined a company in crisis. He has helped to turn the business around and presided over four years of sustained success. His tenure is seen as a great success especially since the supermarket has just smashed its three year target.

I caught up with him as he was being driven into work early one Monday morning. Making the most of every spare second is clearly second nature: he was busy writing a letter when I called. But once that task was over he generously spent the next 20 minutes focussed on our interview.

I wanted to find out how crucial a role leadership had played in Sainsbury's turnaround and current success.

"Hiring the right people!" was his emphatic response. "The most important thing is having right team on board to do the job.

"The business had been going backwards for a long time. So in our case it meant having people with technical expertise who could just get on with what we needed them to do".

When a business is floundering, it can be difficult for senior management to see the reality of the situation, let alone turn it around. Marks and Spencer is a good example of how easy it is for a

failing business to be in denial about its position. Justin commented that bringing in new leaders is often the only way to improve things.

"It takes someone new to point out the reality and to say, 'actually, the emperor isn't wearing nice shiny clothes'.

"And again, it comes down to having the right people. While many of your existing team can help you turn the business around they can rarely come to terms with the difficulties because they've participated in the situation."

So you're the new guy and you're faced with an ailing business, senior people in denial, and possible resentment of your ideas. Just how do you begin to make the changes you know are necessary to get the business back on track? Again Justin had no hesitation in answering:

"You provide a clear agreement of where you are starting from and the journey you are on.

"We worked incredibly hard to make sure all stakeholders, internal and external, were in agreement about our starting point and our journey. Our turnaround plans were launched through a massive communications exercise to make sure everyone was on the same page".

Good, clear, consistent and constant communication is important to Justin and it played a vital role in Sainsbury's turnaround. He describes the communication programme as 'relentless' – a word that frequently peppered our conversation.

"We worked hard to take back the communications agenda, particularly with our people" he said.

"They were taking too much notice of what they read in newspapers and heard on the news. None of it was helping them figure out what they should be doing to change things. It was just making them feel bad about the company they worked for".

Justin knows only too well that, to be successful, any communications programme has to be two-way. So a suggestions scheme was introduced to give people an outlet to their frustrations. It wasn't just a deposit box for complaints either: Sainsbury's got some good suggestions to help them improve the business.

Very visible leadership and genuine accessibility to the man at the top also played a big role in the communications strategy, and still does.

But what of Justin's personal achievement and role in Sainsbury's turnaround and subsequent success? He mulled that question over for a second before responding:

"Well all of the above really. That's the job of the bloke at the top: to provide clarity, to state where the company is, and to provide clear direction. Not just in financial terms either. We were really clear about where we wanted to be as a business.

"Launching our Golden Rules – our goal and values - was part of defining that destination and making it clear to everyone in the company. Yes, I know people think values can be a bit twee and meaningless but they are very real for us.

"Our Golden Rules describe what the business is. In fact, I was using them only last week at one of the quarterly roadshows we run with the store managers.

"I used them to show why some of their behaviour, and some of things they were doing, weren't in line with our values".

The six values include getting better every day; individual responsibility: team delivery; keep it simple; and respect for the individual. As Justin says, company values are often targets for derision, taken down from their exalted spot on the boardroom wall for use in the annual team building exercise. I wondered how Sainsbury's had managed so successfully to embed them into the company culture. Again, clear and consistent communication was the key.

The values weren't just sent round in an email or pinned up in strategic places. The company worked hard to explain them to the workforce using examples of positive behaviour that supported the Golden Rules, as well as examples that contradicted them.

Surprisingly, Justin says it was middle management that took time to accept them. The colleagues, on the other hand, understood them immediately.

"In the early days, middle management was still arguing about every word, claiming they didn't make sense and so on," he said. "But our people just got it. They read through them and said 'yeah that sounds like the Sainsbury's I I'd be proud to work for'."

They found colleagues quickly began to write in to question behaviour, or contradictory practices within the business, using the values as their measure.

"I think people were so quick to adopt them because we articulated them in simple and straightforward terms. And they make sense in the context of the business," said Justin.

People who excel at what they do have a tendency to make it look easy. Listening to his relaxed, easy manner, and his unhesitant responses to my questions, it would be easy imagine Justin has enjoyed a smooth ride since he took up residence in the CEO's office. However, he must have faced some tough challenges in the last four years and I was keen to know what was the toughest. Justin was typically candid in his response:

"I suppose everything you've ever done before prepares you for it; yet nothing prepares you for it," he mused. "No job I've ever done before is anything like this one.

"You'd think I would have been very prepared after running the M&S food business. After all, it's a big, autonomous business and I was CEO. But nothing really prepared me for the fact that I really am where the buck stops.

"I think you need a unique combination of inherent self-belief, bordering on arrogance, and humility.

"The self-belief and arrogance allow you take decisions for which there's no map. You have to make them and be confident in your point of view. You need to be relentless in forcing them through because there will always be people who disagree with you.

"Humility gives you the ability to constantly listen and fine tune what you're doing. One of the things that really struck me is, when you're the boss, people stop telling you things.

"That means the onus is on you to keep in touch with what's going on at ground level. One of the ways I tackle this is through what I call top and bottom management.

"I manage my direct reports by creating the framework for the jobs they have to do and the objectives they have to achieve. Then I give them as much freedom as possible to achieve them. That frees me to spend a lot of time staying in touch with the 'coal face' of the business. Whether that's the suggestions scheme, or answering colleague and customer letters, they are incredibly important and they keep me informed".

He then told me that, when asked what impressed him most about Justin, a former PA replied, 'he always asks the question that he doesn't really want to hear the answer to'. I can personally vouch for this approach from my experience of working with Justin at Asda. The key point about his style of leadership is that you always knew he was asking the question in order to help plan for success, not to use your reply as a stick to beat you with. As a result, his people would learn to go to him unprompted with honest feedback. This meant he was always aware of the reality of the situation.

"The day you retreat to your ivory tower is the day you are in trouble', he said.

"I've uncovered a bizarre contradiction. As CEO, almost everything you want done needs a relentless pursuit on your part, yet it's amazing how much stuff you never intended gets done in your name. If I could just find the magic formula to unlock why that happens, so much more could be achieved!"

From my time working alongside him, I remember Justin as an incredibly positive person. One of his sayings I most remember is 'we are where we are' and I know he really meant it. I wondered if he still lived by that creed whenever he faced set-backs.

"Oh yes completely, he said". "However, it can be a trite cliché if you don't mean it. If something's gone wrong, the only reason to rake over it is because you can learn from it and put it right more quickly. Ultimately, you learn from mistakes so you don't make the same ones again and again".

This reminded me of my talk with former GB hockey captain, Jason Laslett. Jason commented that a professional hockey player never makes the same mistake twice. He admitted that he will only tolerate mistakes if they are made while trying out the right things and that lessons are learned from them.

Justin agreed with this philosophy and admitted mistakes made for the second time are something of a *bête noir* for him. Like Jason he said:

"I don't like decisions made for poor ill-thought through reasons. Broadly speaking you can make any mistake provided what you were doing made sense, was focussed on colleagues or customers and you've taken responsibility both for making it work in the first place. And for putting it right if it goes wrong.

"A former boss of mine used to say that in business you've got to get it right seven times out of ten. That tells you that you are going at the right pace to keep moving forward. You're making a few mistakes but you're getting more right than the other guy.

"However, he was also fond of saying, 'I'm a ten out of ten guy myself!'"

Motivation never seemed an issue for Justin in his time at ASDA. I never once remember seeing him deflated or under pressure. He would make sure any flak he was taking from above stayed on his shoulders, not ours. But since he had already admitted that his current role was unlike any other he had held, I wondered if it had affected his motivation. What, I asked, keeps you motivated personally and how do you motivate thousands of employees, especially during the rough times.

"Success is a motivator in itself," he said. "I like winning personally, and people like being part of something that's winning.

"For Sainsbury's winning was about proving the doubters wrong. It was bouncing back from being a business on its knees.

"That's why we called the plan 'Making Sainsbury's Great Again.' People told us they used to feel really proud working here. They said it had been a really great company and they wanted to feel that sense of pride again.

"In the past, Sainsbury's had an iconic leader in John Sainsbury. He was a very visible leader, and one people could identify with even if they had never met him. However, he wasn't at all accessible.

"I felt the business needed both from its leader and I've striven to make sure people have access to me."

I had one last question for Justin as he arrived at the office. I wanted to know what advice he had for business leaders in these difficult times when businesses are struggling and reports of economic downturn are in every newspaper.

"Don't believe everything you read in the press for starters!" he laughed. "One of the things leaders don't do is follow the pack: they follow their own instinct.

"Your job as a leader is to make sure your business is pointing in the direction that is right for it. The last thing people want to hear from the top is doom and gloom and that there's nothing to be done.

"What they want is acknowledgement that times are tough and clear direction of how they are going to get through it. It's about not going with the flow but being realistic about the challenges.

"Whenever times are uncertain or a business is in crisis, people want clear and visible leadership. They want to know there is actually someone in charge who will make decisions, whatever they may be, that will steer the boat through stormy seas."

During the time I was speaking to Justin he never once mentioned the City and stock price. Of course these are top of mind but he realises that they are outputs that will only be delivered if he gets his people on track and supported. He once likened it to a tennis match. The scoreboard is helpful but you don't look at it during each rally. Concentrate on watching the ball and the results will follow.