


Crisis: A catalyst for change

Kin + Carta Roundtable with Mike Coupe

Summary of the Kin + Carta breakfast roundtable with Mike Coupe, former CEO of Sainsbury's and Non-Executive Director at NHS England, held on 18th February 2021.

This event was held under Chatham House Rule.

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A portrait of Mike Coupe, a middle-aged man with glasses, wearing a dark suit, white shirt, and red tie. He is smiling slightly and looking towards the camera. The background is a plain, light grey.

Mike Coupe

Former CEO of Sainsbury's
and Non-Executive
Director at NHS England

Our recent breakfast roundtable provided fascinating insights into business resilience and how the past year has accelerated changes that were already in motion. Here are some of the key takeaways from those who took part.

This time last year, Mike was due to coast gently into retirement after stepping down as CEO of Sainsbury's in May. We learnt:

- When COVID hit, Sainsbury's required a very significant reorientation of the business. That included having to deal with five consecutive trading days bigger than the biggest day before Christmas, plus putting PPE and social distancing into all stores within 24 hours and seeing the online channel double in size in just five weeks.
- To Mike, COVID was actually an acceleration of the things that were happening anyway, businesses that were not financially resilient were existentially challenged more quickly than they would have done. As did those with the inability or lack of will to invest in digital technologies.
- For senior leaders, it's never the easy decisions that come across their desk, they're paid to deal with a very high level of ambiguity, often 60/50 or 50/50 calls. You have to be incredibly resilient and, having made the choices, be prepared to stand by them and see them through to a logical conclusion.

- Quite often leadership knows what needs to be done. But they procrastinate and look for more data. So one of the reasons why businesses fail is a lack of decision-making rather than wrong decisions. As a leader of a large organisation, you need what the Spanish School calls 'Cojones'.
- Values-led organisations are more likely to be successful. Mike made some quite dramatic choices but all with the central tenet of doing the right thing. At one point, he was receiving thousands of emails from customers saying they would die unless they had home delivery. Mike put customers before shareholders and orientated the business in that direction despite the cost.
- It's vital to have systems and processes in place to enable you to react quickly to whatever comes your way. Risk registers failed to cover the petrol crisis, the financial crash or COVID.
- Delegating downwards is hard to do, but it does increase your speed dramatically.
- Tech has obviously accelerated dramatically in the last year. Sainsbury's has stopped building big shops and a lot of focus is on making the customer journey better. Taking legacy systems from the 1970s and cloud basing it was a big part of the programme.
- Sainsbury's has always had a high level of focus on building a more sustainable business over time. COVID, media scrutiny and the world that we're now living in is raising the stakes on what that looks like in the future. It requires a lot of heavy lifting from the top.
- Equality is a topic that will raise its head very quickly when we come out the other side of COVID.
- Post COVID things will get better. There are reasons for optimism and social dislocation creates opportunity with a lot of dead wood that's been removed from markets. We have to be prepared to see cycles of this disease for the foreseeable future, but we will get used to managing the disease.
- Mike suspects there will be a lot of money flowing into our economy. There's a lot of pent up demand out there, especially with people unable to take their usual holidays.

Other points made during the roundtable

- The rise of digital technology in the last 15 years had resulted in many 'traditional' sources of competitive advantage being eroded and the barriers to entry in many sectors being lowered or eliminated.
- The impact of data/tech on making care remote has been a big benefit/advantage of COVID.
- Cycle times have shortened. One participant has gone from spending 30 weeks on a TV ad and radio campaign to 6 weeks with better results.
- Social media and the 24 hour news cycle has put a spotlight not only what institutions and businesses do, but also what they stand for.
- Successful leaders will also need to adapt to the schism created by COVID, and to a world where the measurement of success will go beyond the P+L and balance sheet.
- E-commerce has exploded and left a lasting impact on what's going to happen to businesses.

Thank you again to everyone who attended and participated in an invigorating and eye-opening session.

How Kin + Carta can help

We'd love this to be the first step in an ongoing conversation about resilience. What specific challenges are brands facing in implementing initiatives? How can we work together across sectors and borders to make the world work better?

If you'd like your brand added to the next Index wave, or talk through our findings and how they can apply to your business, do [get in touch](#).



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[Claire Robinson](#)
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Remember if you want to look further into resilience then you can download The [Kin + Carta Brand Resilience Index 2020](#). Using publicly available data from European companies combined with our expert analysis, we explore the factors that enable brands to survive, and thrive through these times of rapid change.

About Kin + Carta

A global consulting firm built for the 2020s, Kin + Carta helps make the journey to becoming a digital business as profitable, tangible and sustainable as possible. By building digital twins to replace existing analogue processes, designing and launching new digital products and services, and unlocking future innovation through modernisation initiatives, Kin + Carta seamlessly integrates the strategic consulting, software engineering and marketing technology needed to help businesses Make It Happen.

Headquartered out of London and Chicago, clients have access to a global ecosystem of 1,600 strategists, engineers and creatives across four continents.

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