

## COMMENT

Reputation can make or break retailers, so they should learn from Uber's travails, writes **Rita Clifton**

# It's time to find the right business role models

Over the years, it has been a sign of the times which company has been the gold standard for business and brand role models.

I remember when just about every self-respecting company would do strategic offsites using Big, Hairy, Audacious Goals (BHAGs), and, inspired "To be the Harvard of the West" (that was Stanford's original BHAG) setting their own parallel ambition.

Until the late 1990s, this was often "To be the Marks & Spencer of", followed by Amazon, Google and most recently, Uber. "To be the Uber of" became a byword for having a disruptive mindset, for breaking an established model in favour of what customers really want, even if they didn't know they did. You could say the same for Deliveroo.

Unsurprisingly these disruptors have been unpopular with vested interests, and yet they managed some pretty spectacular own goals with their own people and workers. With a delicious irony, these two poster children for digital disruptors have fallen prey to the power and speed of the same digital disruption for their own reputations.

What's interesting here is that these 'new world' businesses are clearly providing a service that customers want, and their spectacular growth reflects that. But it's also another demonstration of a very 'old world' issue.

If you don't look after your people, they are your worst saboteurs. And in a digital age, they can bring your business down with an immense scale and speed.

You might say that it is because young and aggressive founders who have the drive to start these kinds of businesses will tend not to have great peripheral



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vision about people. If they haven't managed people before, their mistakes are writ large and fast. Of course, new economy entrepreneurs hardly have the monopoly on poor treatment of workers, but it's the scale and risk of these propositions that should make investors extra nose about what's going on inside.

It's always been expensive and risky to abuse staff, as well as a long term business advantage in performance and efficiency to look after them, and relative business performance analysis reinforces this.

The difference now is that everything is visible, so everything counts. You can't have a customer-focused business any more without having an employee-focused culture.

So what does that mean? There's always been something depressing about the whole 'nice guys finish last' philosophy. And even now, you can still see that some boards are tempted by a tough-talking, ass-kicking CEO hire.

That's why it's so cheering to listen to John Timpson on respect, generosity and honesty, or to a young and visionary CEO like Alex Baldock at Shop Direct recognise his people and teams. It's about the people, stupid.

And that's true now more than ever in markets where long term relationships count to give reliable income and earnings. The language and demeanour that shows you want to build sustainable and valuable relationships versus expensive short term marketing warfare. What goes around comes around. Time to find a different role model, new or old.

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