

## LEADERSHIP PERSPECTIVES

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**S** pencer Stuart's Sally Elliott interviews Jaume Miquel - Chairman & CEO at Tendam - and discusses insights he learned about his team and his own leadership during COVID-19.



**During COVID-19, how have you been communicating your purpose and what you stand for?**

COVID-19 has had a radical global impact, especially on apparel retailing. These are times for leadership, transparency, determination, and clarity. Clarity for both the short-term and the long-term. Clarity on what needs to change and what should remain - on what should be developed and what to de-prioritise. At Tendam, we have been very transparent, especially with our short-term decisions, in order to be very respectful with employees and indeed with all our stakeholders - investors, suppliers and other partners.

Our aim has been to protect the company and to balance, on the one hand, the health and safety of our employees and customers and, on the other hand, our financial health and liquidity. I think we have explored every possible measure to achieve those goals. We have tried to be very proactive and transparent in our communications. But despite this, it's to be expected that people have doubts, questions and discomfort, which we have tried our best to alleviate.



**What did you do to make people feel more comfortable? How did you communicate with them?**

Our aim has been to be transparent and clear. Be clear on our decisions. Be human with decisions and try to understand their full social impact so negative outcomes can be minimised. I have tried to anticipate and address questions that people may have. Some of the decisions have been really hard. For example, having to furlough around 85% of our employees. We tried to convey why it was necessary to furlough employees yet, at the same time, that we wanted to offer financial support. We tried to make up the difference between what the government was offering and full salary level, offering loans without interest. It was important to get the right tone. This wasn't a time for marketing and competitive commercial talk. This was a situation where people needed to feel that we were really trying to be fair and to do the right thing.

**How did you lead your top team during this time?**

It was hard work! During the first five weeks of confinement, we were working seven days a week. There were no weekends. We started at nine o'clock in the morning and we worked solidly until 10 or 11 o'clock at night from home every day. It was important for the team to really understand the situation and to share decisions that had to be taken. The team needed to be really close and alignment was critical. In the space of two and a half weeks, we took decisions to cut OPEX very significantly and to cut CAPEX by 50%, without compromising our strategic path. We furloughed 9,000 people. We cut our buying budget by 45%, with the full support of our suppliers. It is not possible to achieve this pace of activity if the top team is not completely aligned.

We frequently gathered together our top 40 and top 100 people to share our vision and decisions and to answer questions - at least the ones I was able to answer. Sometimes, there was simply no answer. That was difficult.

Then we had to remember that after confinement, the day would come when the stores would re-open and it would be even more complex to re-open than to close stores. So we had a huge taskforce working on 'Project Sunny Day' which looked at how to re-open the stores and what the impact of this would be throughout the business. It helped us to remember that after a tough 2020, we would need to get ready for 2021.

### What went well or less well when you were trying to push through these initiatives?

What worked well was being crystal clear on decisions. We put a lot of energy into communication and engagement, which was really valued. I have never received so many emails from store managers and employees saying how much they appreciated the efforts that the company was making.

What could we have done better? I think there is a point where we were at risk of burn-out. We had to establish some rules about respecting the weekend and people's home lives. Some aspects of working from home are great. But one of the negative things is that there is no barrier in between your spare time and your work.

The technology side was great but I still think that there is no substitute for human contact.

### How have you encouraged people to be more agile in your organisation?

There was no alternative but to be agile. There was a huge tsunami and if we hadn't run very quickly, we would have missed the wave. There was such a sense of urgency that even if there were different points of view, we had to push through.

### What's the main improvement that Tendam will be able to drive because of the COVID crisis.

We will become more efficient in winning consumers and how we execute. We will also take a more radical approach to digital. For example, we are planning to launch a marketplace selling brands from other companies through our own ecommerce. COVID-19 has presented an opportunity to accelerate change.

### What advice would you have for retail leaders right now?

Be quick. Be bold. Protect today, but build the future. Do not forget that within this path, all your partners are important - suppliers, employees, clients and investors.

### You talk about being bold for the future. What makes you optimistic for the future?

Well I don't like to accept failure! But I genuinely believe that after the earthquake comes reconstruction. We have great assets - consumer knowledge, teams and digital infrastructure. I'm less optimistic about consumer demand but I'm hoping it will return to pre-pandemic levels by 2022.

### What's the single most important thing you've learned about leadership over the last few months?

Leadership brings responsibility, but it also makes you grateful. Leaders have the luxury of being able to make a difference. This is not a time to complain but instead to focus on using our position to improve things. I feel fortunate to have that privilege of responsibility.

