

Argos IT Director Mike Sackman the CIO Q&A

Argos catalogue of transformation

By Mike Sackman | 15 July 2015 | [CIO UK](#)



Argos is best known in the UK as a catalogue retailer. The Milton Keynes headquartered business has 737 stores and 340 million website visits a year, making it one of the largest high street retailers that is online. Together with sister company the DIY retailer Homebase, it today forms part of the Home Retail Group. Head of IT Mike Sackman told this title: “70% of the UK population shop with Argos in a year. We support 123m customer transactions a year through our stores and 738 million website and app visits in the 12 months to February 2014.”

Job Title

IT Director, Argos

When did you start your current role?

April 2012

What is your reporting line?

I report to Pete Connor, Group IT Director, Home Retail Group

Do you meet with and discuss business strategy with the CEO every week?

Yes

Are you a member of the board of directors?

Yes

What other executive boards do you sit on?

I sit on the Executive Board of Argos only

Does your organisation have a CDO?

Yes

What different responsibilities does the CDO have?

The Group CDO is responsible for the digital strategy, including the digital development roadmap, digital trading and other eComms functions, publications and new media, and the overall commercial and financial performance of the digital business for Argos, and helps to shape digital strategies at Homebase, Habitat and other parts of the Group.

What non-technology responsibilities do you have in the organisation?

IT is a key enabler to our five year Argos transformation plan to become a digital retail leader and, sitting on the Executive board as I do, I am therefore closely involved with all aspects of the business strategy, business change and operations.

How many employees does your organisation have?

Approx. 30,000 in Argos and 47,000 in total across Home Retail Group

Does your organisation carry out significant trade in the EU?

No

What number of users does your department supply services to?

Everyone in the Group and our retail customers

How do you ensure that you have a good understanding of your business and how your customers use your business's products?

We have a dedicated customer insight team who talk to customers all the time which we build into our thinking. It is important to focus on technology that supports what the customer wants and needs when shopping digitally, rather than introduce technology for technology's sake. The role of IT is crucial to a transformation plan with digital at the heart so we have fundamentally changed our approach. My teams combine both in-house and external expertise, and are integrated within teams across digital, marketing, commercial and supply chain functions.

Technology strategy & spending

Is your organisation being disrupted by the internet, mobility or technology oriented start-ups?

Yes

Are you empowered by your organisation to disrupt from the inside?

Yes

Describe a disruptive measure you've led or played a major part in?

Transformation involves major change and we actively work with internal and external partners, including start ups and big players in technology to lead what has become something of a revolution in retailing. An example of that is the Digital Hub, where we have opened an office in the heart of London with a focus on creating more agile and flexible ways of working and attracting new talent into the business. The office is also used as a satellite for teams involved in the

firm's major infrastructure projects and is convenient for access to key partners and start-up communities.

What major transformation project has been recently completed, or is underway at your organisation?

When Chief Executive John Walden arrived in the UK in 2012, he carried out a root and branch review of the Argos business and later that year announced to The City our Transformation Plan.

The plan has 4 principal components:

1. Re-position Channels for a Digital Future ('connecting' shopping for customers = omni-channel)
2. More Choice Available Faster (we believe fulfilment is the next big retail battleground)
3. Universal Customer Appeal (including building a £1.5bn own brands business)
4. Lean and Flexible Cost Base (to support the investment that the plan will require).

What impact will the above transformation have on your organisation?

We are two years into the plan, which the business has embraced. Teams came together from across the business to work together to develop bold new plans that built on strengths already in the business. That has continued and we have cross functional teams working through pilots and projects today. For my team it is complex, because you have to manage the back end infrastructure and the front end at the same time in order to deliver innovation for customers. I have responsibility in my team for the IT that supports that.

How has your leadership style contributed to the outcomes of the transformation project?

I have built and lead a team that focuses on outcomes for the Argos customer and effective business operations rather than just thinking about the technology itself. As a key enabler to the Argos transformation, it is vital to nurture trusting collaborative relationships across the organisation based on a deep knowledge of our strategic business intent. This ensures the technology team play a central role influencing the content of the strategy and ultimately creating a seamless experience for the customer irrespective of how they choose to shop with us.

What key technologies do you consider enable transformation?

IT is a solutions provider. My teams combine both in-house and external expertise, are business partners working closely with teams across digital, marketing, commercial and supply chain functions, with technology at its heart. We deploy a range of technology and utilise off the shelf software as well as bespoke customer facing applications. In particular, the growth of consumer mobile technology backed up by powerful supply chain and order management technology is vital to our growth.

Are you increasing the number of cloud applications or infrastructure in use at your organisation?

Yes

What is your information and data analytics vision for the organisation?

With over 123 million transactions in stores and 70% of the UK population shopping in Argos we have lots of data to analyse. Where appropriate, we continue to expand the use of personalisation techniques to build meaningful relationships with our customers. We also use insight gathered to drive product ranging decisions.

How is mobile and social networking impacting operations and customer experience?

Mobile and social have revolutionised not just how we shop, but how we interact with the world in recent years. So, its impact is fundamental. We are working hard to respond to the new realities of a digital world.

What strategic technology deals have been struck and with whom?

Argos partners with Accenture to deliver the IT Transformation Plan.

Who are your main suppliers?

Accenture and Fujitsu

Technology issues

Has your organisation detected a cyber intrusion in the last 12 months?

No

Has cyber-security risen up your management agenda?

Yes

Does your organisation understand the potential cyber-security threats it faces?

Yes

Has this led to an increase in your security budget?

Yes

What is the strategic aim of the CIO and IT operations for the next financial year?

To transform Argos into a Digital Retail Leader.

Are you finding it difficult to recruit the talent you need to drive transformation?

No

Has recruitment and retention risen up your agenda as a CIO?

Yes

Are you looking for recruits in the EU to fill the skills shortage you have?

Yes

Does your IT organisation operate an apprenticeship scheme?

No

The CIO's department

How would you describe your leadership style?

Outcome focused, delivery is about people, having a change mindset.

Explain how you've supported and developed your senior leadership team to support your overall objectives and vision

Immersion in Argos as a business; gain real customer insight wherever possible; access to world class leading technology.

How many employees are in your IT team?

500 (internal and external)

What is the split between in-house/outsourced staff?

About 20/80.

Does your team include key skilled workers from the EU?

Yes