

BUSINESS LIFE

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We should ponder the parallels between the mutual and the flaws in other entities

perilous lack of "situational awareness", which, as one experienced non-executive reminded me recently, is a pre-requisite for good board decisions. It was bad enough that Co-op directors did not have the skills to run a £13bn conglomerate but, Sir Christopher writes, "one of the most surprising features is that [they] seemed unaware of [their] limitations".

No investigation has confirmed allegations that Labour politicians (traditionally close to the Co-op) put pressure on the regulator to approve the comically unsuitable clergyman Paul Flowers to chair the bank, or that the current government pressed the bank to buy more branches in 2011, even as it struggled with its existing structure. But politics pollutes the whole tale.

Unfortunately the Co-op is not a one-off. It conforms to the failure template mapped out by University of Ottawa's Telfer School of Management, which analysed the demise of Nortel, the Canadian technology group broken up in 2009. Nortel's board, like the Co-op's, lacked situational awareness and specialist expertise. Deals burdened executives with integration problems. A "black cloud" of customer distrust ultimately doomed the company.

Unlike Nortel, the Co-op is still alive. Its historic values may provide a fragile foundation for recovery. But the black cloud is gathering. It faces a stark alternative destiny: as a wonderful case study of how not to run a business.

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The fit executive

Our genes are an integral part of a training regime

Charles Wallace
On health

There has long been a debate among doctors, scientists and psychologists about whether nature or nurture is more important in our development as humans. But when it comes to sports and fitness, do genes count more than constant practice?

Malcolm Gladwell made famous the dictum that to achieve expert status at anything, from playing a violin to kicking a football, you need at least 10,000 hours of practice. But it turns out there are genetic markers that can help determine what kind of sports you would be good at.

"The theme that's coming out of exercise genetics is that they are finding trainability genes," says David Epstein, a former athlete and author of *The Sports Gene*. Genes have an effect on anyone's level of improvement from training, he says. "For muscle growth and endurance, some of those genes have been located." He adds that other genes may be important for fine motor skills, such as those used in golf or cricket, but they have not been found yet.

A number of genetic tests on the market promise to provide guidance on your sporting activity. For example, Jamie Timmons, professor of systems biology at the UK's University of Loughborough, has patented a test through his company XRGenomics that he says can determine whether you



"The main message is to personalise your training."

My results were fairly unenlightening, saying I had exactly equal potential in sports requiring power, such as weightlifting, and endurance sports like jogging and cycling.

My first reaction was that this was a bit of a laugh since I am tall and skinny, have almost no upper body strength and have been a runner almost all my life. But Dr Grimaldi says the test revealed not a genetic determination of what sports to pursue, but simply how to improve my training. In my case, he said, I would benefit from equal amounts of strength and endurance workouts, which is probably true for most people.

On the other hand, what I did find extraordinary were the results of my test for diet and nutrition. It was uncannily accurate about my sensitivity to carbohydrates and a tendency towards high blood sugar levels.

"A lot more money goes into nutrition research than exercise genetics," Dr Grimaldi observes.

For people who have

an out of road?





outlandish. The days of obscene amounts of entertainment are dying," says one external consultant employed by a carmaker to draw up a new approach to shows.

Many brands withdrew from the major shows between 2008 and 2010 as sales crashed, while those that did attend had little to shout about. Sergio Marchionne, chief executive of

circuit provide exclusivity, and can use the internet and live teleconferencing to get a global audience.

"What is the point of sending your firework up with 10 to 15 others?" says the head of marketing at a global carmaker. "We save our important, strategic launches for one-off events."

Furthermore, the rise of more futuristic cars mean many carmakers are muscling in on technology events such as Las Vegas's Consumer Electronics Show or Barcelona's Mobile World Congress, stretching their marketing budgets and shifting their focus.

"Ten years ago, if you needed to sell a car, you would have to show it all over the world," says another industry marketing director. "Nowadays everybody can see it immediately. The internet has made the car show obsolete from a product point of view."

Carmakers have already split the global calendar into "showing shows" and "selling shows", executives say, differentiating between events used mainly for networking and meeting the media, such as Detroit and Geneva, and those important to attract new customers, such as Los Angeles, Moscow and Dubai.

"Who really wants to be in Detroit in January? It is the lousiest place on earth," says a former industry executive. "The companies don't want to go, the press can't always get there and there's not a single potential car buyer for hundreds of miles around."

Shows have their supporters too. Host cities, convention centres and hotels cash in when the global car circus rumbles into town, and organising national car associations fight doggedly to keep their event on the calendar. In Geneva hotel rooms cost as much as €600 a night, with a minimum three-night stay imposed at almost all venues.

"There is lots of grumbling about the shows but there is a certain sense of inevitability about them," says the external consultant who is working on alternative approaches. "It will take a few big beasts to pull out of one or the other to make a big change, and nobody wants to be the first."

Ram once launched a new model in Detroit with cowboys herding cows through the city centre, amid biting January cold

Fiat-Chrysler, said that the 2008 Detroit Show "smelled of death".

And the rising importance of emerging markets has led to more Asian shows being added to the calendar, forcing carmakers to pull out of events in developed markets.

Britain's motor show was cancelled after 2008, last year's Bologna and Melbourne shows were called off due to lack of interest, and this year's events in Sydney and Belgrade have been cancelled.

Carmakers have realised that standalone car launches outside the show

Dangerous

Carlos Ghosn is up to, for instance.

But the relaxed atmosphere can have its pitfalls. Martin Winterkorn, chief executive of Volkswagen, was filmed at the 2011 Frankfurt show admiring a car made by rival Hyundai.

"There is no clanging!" he exclaims as he adjusts the steering-wheel in an i30 model. "Why can they do it? BMW cannot do it, we cannot do it... No clanging," he says as he calls over his chief designer, in a video much cited by the South Korean carmaker.

Driving seat: Ferdinand Piëch

Loughborough, has patented a test through his company XRGenomics that he says can determine whether you are among the 20 per cent of the population that does not seem to improve on an important measure of how well their bodies use oxygen even after weeks of aerobic training.

To see how I measured up genetically, I took a test administered by DNAfit, which charges £149 for a profile of genetic sports potential - whether I was better at power or endurance sports, for example - and £149 for a detailed analysis of how genes affect what you eat.

"We keep away from making deterministic predictions," says Keith Grimaldi, chief scientific officer of UK-based DNAfit, when I ask what sports I would excel at.



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A lot more money goes into nutrition research than exercise genetics," Dr Grimaldi observes.

For people who have unsuccessfully tried dieting to lose weight, this type of testing would be a fantastic guide. For example, some people have a greater genetic tendency to absorb fat into the bloodstream. A high-fat diet, such as eating a lot of meat and few carbohydrates, such as prescribed by the famous Atkins diet, would not be effective for those people with this genetic variation.

One big surprise was to learn that some people, including me, have a genetic predisposition for bone loss when they consume large amounts of caffeine. As a dedicated consumer of Diet Coke and Starbucks cappuccinos at my office desk, I have resolved to switch to decaf.

Great place to meet

Imperial Hotel, Tokyo



Where: Chiyoda-ku, Tokyo
WiFi: For guests
Plug sockets: No
Price of coffee: ¥1,300 (refillable)
Open: 9am-10:30pm (lounge), 1:00am (lounge bar), midnight (Old Imperial Bar)
Privacy points: ★★★★★

Tokyo's Imperial Hotel has assumed many guises in its 124-year history. Conceived as Japan's first western-style luxury hotel, it burnt down once in 1922, was rebuilt by Frank Lloyd Wright and then, having survived earthquakes and war, was controversially demolished in 1968.

Today's structure lacks the eccentric elegance of Wright's "Mayan revival" design - now the favourite analogy is a battleship - but it remains a popular and atmospheric meeting place. The location couldn't be better: next to the Imperial Palace and a short hop from Tokyo Station, the Ginza shopping district and centres of government and finance.

Inside, the ground-floor Rendez-Vous Lounge is the antithesis of the cramped Japanese *kissaten* (coffee shop) - with 160 seats, a

ceiling two stories overhead and, best of all, a gorgeous coloured-glass mosaic covering a wall. Tables are filled with business people and elegantly dressed locals. The food is nothing adventurous - think club sandwiches with the crusts cut off - but the coffee is good and endlessly refilled by the punctilious staff.

For evening drinks with clients, head upstairs to the Old Imperial Bar, a venerable dark-wood-and-brick establishment favoured by Japanese politicians as well as executives and business travellers. You can estimate the odds that a cabinet minister is sipping whisky in a corner before you even enter the hotel, by counting the chauffeured black Toyotas parked outside.

Jonathan Soble