

Management Style and Organisational Performance at ASOS plc

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1. Introduction

ASOS plc is one of the major online fashion retailers, founded in the United Kingdom in 2000. The organisation emphasizes connecting customers with its own brands and partner brands with the help of a digital shopping platform. ASOS currently serves millions of the customers internationally. It also operates in more than 150 markets (ASOS plc, n.d.). It has developed a strategy based on operating the event fashion items and creating an inspirational shopping experience while maintaining an efficient operating model. The organisation has experienced significant challenges in recent years, including the purchasing of excessive inventory, rising operating costs, changing customer behaviour, and intense competition, along with the growing pressure for profitability and the necessity for improving its digital and supply chain capabilities.

José Antonio Ramos Calamonte is the CEO of the organisation since 2022, and he previously served as the chief commercial officer of the organisation (ASOS plc, n.d.). His appointment happened during a difficult period for the organisation, and it was followed by a major transformation program. The Driving Change agenda was introduced by Ramos Calamonte, and it was initially focused on the "Back to Basics" and "Back to Fashion" (ASOS plc, 2025). The objective of such an agenda was to ensure the financial and operational health of the organisation before ensuring sustainable growth. The program reduced the inventory, improved the logistics, simplified the organisational structures, strengthened leadership capabilities and increased the speed of decision-making.

The purpose of this report is to critically analyse the management and leadership style used at ASOS Plc. Mintzberg's managerial roles are used for examining the managerial behaviour. Kotter's change model and Schein's organisational culture framework and used for assessing the structural and cultural change. Transformation and leadership Theory is applied to examine the leadership style. French and Raven's power framework and the Thomas-Kilmann

model are used for evaluating the power and conflict. Herzberg's two-factor theory is used for examining the employee motivation. This report provides recommendations to improve the organisational performance and secure sustainable transformation of ASOS.

2. Analysing CEO's Management Style Using Mintzberg's Role

Henry Mintzberg identified ten managerial roles, which are categorised into three types: interpersonal, informational, and decisional roles. The interpersonal roles indicate that managers need to act as the figurehead, leader, and liaison (Bilić et al., 2023). The informational roles require acting as the monitor, disseminator, and spokesperson. The decisional roles include the roles of entrepreneur, disturbance handler, resource allocator, and negotiator. This indicates that the role of senior managers is not limited to planning and controlling the organisation only.

Ramos Calamonte performs the role of the figurehead and leader by communicating the strategic direction of ASOS and representing the organisation. The public communication consistency explains the rationale behind the transformation of ASOS. In 2024, he has indicated that the organisation requires confronting the problems directly and it needs rebuilding to become faster, more agile, and customer-focused (ASOS plc, 2025).

It also demonstrates leadership abilities, as the CEO is responsible for communicating the vision of the organisation and the purpose of changes. The liaison role can be observed in the relationship management with the internal and external stakeholders. ASOS requires managing a complex network of employees, technology providers, logistics partners, fashion brands, customers, and investors. Therefore, the leader is required to coordinate different interests when maintaining the strategic alignment (Jinga et al., 2024). The current management team of the organisation includes executives who are responsible for finance, product, digital

product, supply chain, people and transformation, brand and creative. It reflects the criticality of cross-functional coordination.

The CEO performs the role of monitoring and being a spokesperson. The transformation of ASOS is data-driven. Therefore, management continued to monitor the inventory, contribution margin, stock returns, customer delivery performance, and marketing returns. The data-driven decision-making supported the organisation in reducing stock and improving delivery performance while enhancing advertising return (Lippert, 2024). These measures indicate how the information is used for making managerial decisions. The most significant roles include the role of entrepreneur, disturbance handler, and resource allocator. Calamonte inherited a business experiencing structural and financial problems, and it also implemented major changes to the logistics, inventory, marketing, and the organisational design. ASOS reduced the warehouse footprint substantially in 2021 and the subsequent years (ASOS plc, 2025). Overall, the managerial style of Calamonte can be described as interventionist, data-driven, strategic, and change-oriented. This approach aligns with the decisional category, as he has made difficult decisions that involved resources, restructuring, and operational priorities. However, it needs to ensure that the transformation, which is led by the CEO, does not create excessive pressure on the employees. Therefore, participative communication and employee involvement are required to accompany the decisive-management approach.

3. Organisational Structure, Change and Culture

Ramos Calamonte undertook critical changes to the organisational structure of ASOS. Such changes were necessary, as the organisation was experiencing operational inefficiencies (Kendirli and Arli, 2026). The transformation program focused on simplifying the organisation, improving accountability, and increasing organisational agility. The structural change was observed in terms of technology and digital products as well. ASOS appointed an Executive

Vice President of Digital Product. The organisation also recognised that technology and digital product teams should be autonomous units that align with the customer-focused areas. The organisation planned increasing the software engineering capacity and balancing the cost by simplifying the organisational structure.

The process of organisational and structural change can be analysed with the help of Kotter's change-management model. This model argues that successful transformation needs the identification of an urgency, a guiding coalition, the presence of a clear vision, communication, empowerment of the employees, creating short-term wins, consolidation, and institutionalization (Kotter, 1996). Calamonte developed the sense of urgency by recognising the problems of ASOS openly. The strategic direction was clearly communicated during the "Back to Basics" phase. The strategic direction also involved improvement in inventory, logistics, and marketing, which provided measurable short-term results.

The CEO attempted to transform the culture of the organisation with an emphasis on high performance and an inclusive nature. He also mentioned speed, bravery, and creativity as the core components of the culture. The cultural change represents a shift from pursuing sales growth towards performance discipline, innovation, and accountability. This development can be analysed by using Schein's organisational culture model. Schein (2010) identified levels of culture such as artefacts, espoused values, and underlying assumptions. Artefacts are considered as visible organisational practices, whereas the values indicate beliefs of the organisation. The underlying assumptions indicate deeply embedded beliefs which influence the behaviour of the employees. At ASOS, the visible artefacts include the new structure of the organisation, digital learning systems, insights from the employee service and the cross-functional teams. The espoused values include speed, bravery, transparency, and ownership (Thwala, 2022). The cultural assumption is based on the idea that ASOS would become faster, customer-focused, and commercially disciplined.

The new culture has potential positive effect on the employees as greater autonomy can enhance their responsibility, ownership, and creativity. The organisation ensured employee participation in the feedback as part of the restructuring (Băieşu and Boguş, 2023). However, the restructuring can also cause uncertainty, resistance, and workload pressure. It can be argued that Calamonte's structural transformation is strategically appropriate. However, the long-term success of the culture depends on whether employees can genuinely experience empowerment instead of being expected to work faster. The culture requires being embedded with the help of leadership behaviour, employee development, and consistent communication.

4. Leadership Style of the CEO and Organisational Effectiveness

Ramos Calamonte demonstrated transformational leadership, although it contains transactional and directive elements. The idea of transformational leadership is developed by Burns (1978) and Bass (1985). It involves leaders who motivate followers for achieving the objectives beyond self-interest. Transformational leadership has four dimensions: idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration. The first element is idealised influence which can be seen as the willingness of CEO to acknowledge ASOS's weaknesses. It also emphasizes on taking the responsibility for transformation. Instead of avoiding the critical problems, the CEO focused on taking corrective actions to rebuild the organisation. It can strengthen the credibility as the employees and the investors can observe the leader recognising the problems instead of denying them.

The CEO also demonstrated inspirational motivation by sharing a clear vision of ASOS to grow as a leading destination for young customers. The simplification of complex transformation into strategic stages was useful for the employees to understand the need for making operational changes. Thirdly, the CEO demonstrated intellectual stimulation through encouraging experimentation and innovation. ASOS launched the "Test & React" commercial

model and increased the use of influencers and social media. The company recognised to convert to digital product teams into smaller autonomous units for accelerating the innovation. The initiatives challenged their conventional way of operating and supported employees in doing experiments.

The CEO also demonstrated individual consideration in the form of investment in employee learning and development. ASOS introduced the Thrive learning management system, which provided employees with learning resources. The organisation also monitored employee feedback with the help of the engagement programs. However, the leadership approach included transactional elements in the form of performance measures, cost control, and financial targets. The transformation of the CEO involved measurable indicators such as the level of inventory, contribution margin, measurement of marketing returns, and operational efficiency. The combination of transformational and transactional leadership was especially effective during times of change. Transformational leadership provided information about the vision and commitment. Transactional leadership ensured discipline and accountability. The excessive focus on financial and operational targets can undermine the creativity and well-being of the employees. Besides, the combination of both types of leadership ensured a balance between performance pressure and psychological safety among the employees.

5. Effects of Power, Influence and Conflict at ASOS

Power should be considered a critical feature of organisational life, as managers need to be influenced to allocate resources, make decisions, and implement changes. Power can be understood using five major bases: legitimate, reward, coercive, expert, and referent power. Calamonte possessive adequate legitimate power due to his position as CEO. It supports him to control the strategic decisions, appoint the senior executives, and influence the resource

allocation. The legitimate power is critical to implement the additional changes with executive authority.

The CEO also possesses expert power, which is derived from his international retail experience. He had worked in senior commercial roles at organisations such as Inditex, Esprit and Carrefour Spain. His retail and innovation experience was useful for ASOS. The expert power could increase the confidence of the employees, and others take holders in strategic decision-making. The reward power was observed through the remuneration system of the organisation. The employees are provided with performance-driven bonus arrangements. Their performance reviews also determine the incentives which support the culture and desired behaviour of the organisation. It provides the management with the ability to reinforce the desired performance.

Coercive power is present at the time of restructuring. The employees who do not adapt can face reduced responsibilities, redundancy, or redeployment. Coercive power can accelerate the changes, but excessive dependence on it can reduce trust and employee commitment (Andrews, 2023). The conflict is inevitable at the time of transformation. ASOS requires balancing cost reduction with innovation. Besides, employee interests need to be balanced with shareholder expectations, and operational efficiency requires being balanced with customer experience (Hosen et al., 2025). The Thomas-Kilmann conflict model identified five approaches such as competing, collaborating, compromising, avoiding, and accommodating for conflict management. Calamonte uses a competitive approach when making difficult decisions such as reducing inventory, optimising Logistics, and eliminating activities which are not contribute to profit. Such decisions are appropriate where immediate action is necessary. However, the collaborative approach is more appropriate to address the complex problems which involve employees, new technology, and innovation (Bakari and Makulilo, 2022). The emphasis on employee survey and feedback collection mechanisms indicates a shift towards a more

collaborative approach. To obtain the optimum benefit, ASOS requires transforming that competitive conflict resolution towards a collaborative problem-solving mechanism.

6. Motivation Strategies at ASOS

The employee motivation is critical to ASOS as the competitive advantage of the organisation depends on creativity, technology, customer service, logistics, and innovation. The employee motivation can be analysed using the two-factor theory of Herzberg. According to this theory, the workplace factors can be categorized as hygiene factors and motivators (Pincus, 2023). The hygiene factors include pay, working conditions, job security, supervision and company policies and the presence of these factors avoids employee dissatisfaction. On the contrary, the presence of motivators such as achievement, recognition, responsibility, advancement and the nature of the work itself, can cause high level of employee motivation.

ASOS utilises different types of financial and extrinsic motivation strategies. Performance-related remuneration should be considered an important mechanism for senior managers. The performance targets are established for executive related and the management committee members (Delso-Vicente et al., 2025). It is considered whether the incentive programs align with the organisational culture and the expected behaviour. However, ASOS also depends on intrinsic motivation. The culture focuses on speed, bravery, creativity, ownership, honesty and transparency. The autonomy and responsibility to employees can satisfy the motivator factor of Herzberg by creating opportunities for achievement, responsibility, and meaningful work. The example of the "Your Voice Matters" survey supports employees in expressing their opinions. It also provides management with valuable insights on the perception of the employees about the organisational transformation. 77% response rate to the survey indicated that the employees are taking an active part in the feedback process.

Learning and development are considered another motivational strategy in the organisation. The Thrive platform provides employees with the opportunity to use the learning resources and pursue online and in-person development. The learning resources create opportunities for advancement and professional development (Ihensekien and Joel, 2023). The recognition and inclusion of the employees are considered as additional motivational mechanisms. ASOS continued that development of inclusive recruitment and leadership practices. The leadership of the organisation includes women and ethnically diverse population. However, the high-performance culture can motivate ambitious employees, but it can also increase stress. Therefore, the management should ensure that the performance incentives do not encourage short-term behaviour.

7. Analysing Corporate Examples

ASOS's management approach can be improved by comparing it with successful organisations. The example of Inditex, the parent company of Zara, can be considered in this case. ASOS operates in the fast-moving fashion environment, which is characterized by speed, customer responsiveness, and inventory management. Similar to Inditex, ASOS can also focus on acquiring fresh inventory and speed, reducing the time between identification of customer demand and supplying the products (Li et al., 2024). The management approach can also be compared with Amazon, which promotes organisational performance with the help of data, customer orientation, and operational efficiency. ASOS can also use operational and customer data to make decisions about stock management, marketing, and digital experiences. However, the example of Amazon also indicates the importance of managing performance pressure, as the target-driven environment can create employee concerns (Hassel and Sieker, 2022). Hence, protecting employee well-being is also critical.

Microsoft can be used as another useful example of cultural transformation (Sharma, 2026). Its transformation towards a collaborative and learning-oriented culture indicated the criticality of changing employee assumptions instead of changing the organisational structure only. From the perspective of Kotter's change management model, transformational leaders can enhance the commitment of the employees by communicating the vision, promoting intellectual stimulation, and also providing individual consideration. Therefore, it can be argued that the sustainable performance of ASOS would depend on the extent to which the management can balance the commercial discipline with employee participation, innovation, and well-being.

8. Recommendations

Recommendation 1: Developing Participative Leadership

ASOS requires introducing the concept of participative leadership into the CEO-driven transformation. The decisive leadership of Calamonte is appropriate at the time of turnaround when the organisation needs rapid action. However, as the organisation shifts from restructuring towards growth, the employees need to have greater involvement in strategic and operational decisions. ASOS needs to establish cross-functional employee innovation groups that involve product, technology, supply chain, and customer service. The groups require identifying the operational problems and suggesting solutions to the senior management (Wang et al., 2022). It can complement the existing employee survey program of the organisation. This recommendation is supported by transformation and leadership, as the employees will not receive instructions, but they are also being intellectually stimulated and encouraged to contribute ideas. The participative leadership increases the idea of ownership of employees in the organisational culture. The management requires establishing quarterly "employee-to-executive" forums in which the employees can present improvement ideas and obtain feedback.

The successful ideas can be recognised through career development opportunities or through financial incentives.

Recommendation 2: Balancing Performance with Employee Well-being

ASOS requires ensuring that the high-performance culture does not create excessive pressure. While the company is emphasizing speed, efficiency, and commercial discipline, the excessive pressure on employees can reduce creativity and employee engagement. The management requires introducing a performance dashboard that combines the financial and operational indicators along with the employee engagement indicators (Tariq et al., 2024). These indicators can include voluntary turnover of employees, employee engagement, absenteeism, learning participation, internal promotion, and psychological well-being. The organisation should focus on linking the executive bonuses to the meaningful performance indicators related to the people and culture instead of being dominated by financial targets.

Recommendation 3: Continuous Learning and Career Mobility

ASOS requires expanding the Thrive learning platform to support a structured internal career development system. Employees can receive individual development plans that are linked to future skills related to artificial intelligence, digital commerce, data analytics, supply chain management, and fashion technology (Bibi, 2024). The internal vacancies need to be advertised with the help of a transparent career trajectory that supports them in exploring different roles and responsibilities. It can be useful for retaining organisational knowledge and reducing the recruitment cost.

9. Conclusion

The analysis indicates that Ramos Calamonte has adopted a decisive, strategic, and transformational management style at ASOS plc. This approach is consistent with the

managerial roles suggested by Mintzberg, especially the roles of entrepreneur, disturbance handler, resource allocator, monitor, and leader. After becoming CEO, Calamonte promoted significant organisation transformation which involved better inventory management, operational restructuring, leadership changes, and development of an agile structure. The analysis of the organisational culture indicates that Calamonte attempted to establish a culture which is centred on speed, bravery, creativity, ownership, honesty, and transparency. Schein's model indicates that the long-term success of the cultural change can depend on whether the values are embedded in employee behaviour. The leadership is transformational in nature, as Calamonte communicated a clear vision and encouraged innovation. Additionally, the approach also contains transactional elements with the help of performance targets, financial discipline, and accountability. Understanding power and conflict is essentially important, as transformation needs implementation of difficult decisions. The use of legitimate, expert, and reward power supported the ability of CEO to implement change. Consultation with the employees can reduce resistance. The motivation at ASOS can combine the financial incentives with learning, autonomy, employee participation, recognition and inclusion. Promoting participatory leadership in decision-making and balancing the high-performance culture with employee well-being are important recommendations. ASOS requires strengthening internal career development and collaborative, concrete management alongside using data and experimentation. The actions support the company in preserving the strengths of the around strategy and developing a sustainable and employee-centred organisation.

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