

A new vision of sales leadership: Looking past likability in a time of disruption

By Heather O’Keefe and Alejandro Folmer



The consumer products sector is in the midst of dramatic change. Manufacturers are reconfiguring through mergers and spinoffs. Retailers undergo consolidation and pricing pressure as ecommerce takes a growing share of wallet. Social media has fueled the rise of the consumer as content creator and brand co-owner. Big Data and increasingly complex analytics promise further waves of change.



Amid all these developments, the balance of power is shifting from brand to retailer—and in many categories, that shift is complete. The consumer goods sales function, which links manufacturers and retailers, occupies a particularly acute pressure point in this transition. More and more is expected from manufacturing sales leaders, who must now do more than simply lead sales calls. But are these executives being equipped with the appropriate tools and undergoing the right professional development to execute these tasks? More importantly, are manufacturing organizations filling their talent pipelines with the executives best able to take on these dramatic changes in the industry?

Our observation is that the current talent management model is out of sync with the needs of manufacturing companies today. In the early career positions, sales executives often rise based on persistence and affability—traits that, while certainly desirable in a sales executive, are based on yesterday’s less-sophisticated business model. As one reaches management level, executives are expected to effectively leverage revenue management, shopper analytics, category marketing and other tactics that have been developed over the last decade or so. But mastery of tactics is just that—it doesn’t necessarily imply the strategic knowledge necessary to confidently navigate the changes in the industry today or the ability to take a holistic view of the business while still being responsible for P&L. So it is that when sales and commercial leaders reach the senior ranks, we often find critical gaps in their capabilities. In fact, even well-prepared sales leaders may find themselves tested when asked to lead their functions through these disruptive times.

What should today’s sales leader look like? In our experience working with numerous consumer products companies across consumables and durables, we have found the following to be important indicators of success:

Mastery across channels and functions: Ideally, the sales executive’s trajectory should include true cross-functional rotations such as marketing, innovation, supply chain, customer service and finance. He or she

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should have experience with all sales disciplines and a track record of success that transcends channel. Time at corporate headquarters is critical to solidify a holistic perspective of the business and company culture. International assignments are becoming increasingly important—both for the experience of working with diverse constituents and for dealing with the ambiguity that international postings often bring.

Expanded competencies: Results orientation and ability to influence are central, as they always have been. But in the engagements we have conducted with our clients, we have also noted the need for sales leaders who can wed execution with strategic thinking, toggling between high-level understanding of market trends on the one hand and the tactical realities of handling, for example, a product recall on the other. Comfort with analytics needs to extend past understanding the data to asking the right questions and pushing for deeper insights from the in-house data team. Most critically, they need to be able to work with their retail partners to establish and execute a vision that drives return for both retailers and manufacturers. Today's best-in-class sales executives are both general managers within their own organizations and strategic advisors to their retail partners, helping to lead the evolution of channels and vendor/retailer relationships.

Potential: Temperament has always been an important quality for sales leaders. But today, those executives need to do more than forge relationships. They must also be able to thrive in a highly complex, uncertain world and adapt to role requirements that will continue to change in unpredictable ways. Our research into the personalities of executives who succeed in the face of ambiguity shows that they commonly share four traits: a deep *curiosity* about their business and customers, the ability to connect the dots to generate *insight*, the interpersonal *engagement* to build enthusiasm for a shared vision and the *determination* to overcome significant obstacles. Manufacturers can leverage this framework to help identify and develop the sales leaders with the greatest potential for success in today's disruptive environment. And those leaders may not even come from a sales background. The potential model makes it possible to identify sales leaders that might currently be in marketing, supply chain or finance.

Framing the role specification needed to lead the sales function in a radically-changing environment is first step; the second is to develop an actionable development plan—the topic of our next post.

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