

How can your Marketing team be more effective?

Are marketing competencies the answer for your operation?

Asks Roy Carlisle of Marketing Consultancy
PharmaSolutions

What are competencies?

Well for a start you might think that these sound like something out of a marketing textbook and you'd probably be partly correct as there are many competency frameworks and models in books and websites out there.

However, a significant number of pharma companies have seen the practical benefits of competencies within their organisations after a due process of consultation, fine-tuning and clear communication at roll out.

But before we get ahead of ourselves here, what are they?

To answer this question we need to think of a particular work setting or context such as a group of jobs like marketing roles at all levels of seniority or a specific job such as product manager.

Competencies are therefore the skill sets or actions, sometimes called critical behaviours, which relate to that work context.

The real question they can answer is "What does good look like?"

In other words how do we define acceptable, unacceptable or top performance in a job in a particular working environment?

In recent management thinking in the industry, although competencies are not new, there has been increasing focus on their use to help develop marketers to "fine tune" their personal "on the job" behaviour as part of a route to improve business efficiency and to maximise the delivery of pharma companies' market offerings and strategies.

And let's face it with the challenges that there have been in the industry with some R/D programmes producing drugs with benefit to risk ratios which require careful explanation and a public perception that the industry ranks below the tobacco manufacturers, very competent marketers indeed are needed to rise to said challenges!

As obviously competencies can also apply to medical, finance, sales, regulatory affairs amongst other functions, companies may position them towards:

- The global company (e.g. global core competencies)
- A job function (marketing competencies)
- A broad job level (e.g. middle marketing managers)
- A specific job (e.g. product / brand managers)

So what are the potential benefits of competencies?

The key to the successful use of competencies is like anything else in marketing, setting out a clear strategy and having a seamless implementation process.

Diagram 1 shows how this process could be rolled out from global corporate to country management levels.

Assuming this objective can be achieved, the potential benefits across marketing include:

- Making the company's vision and objectives meet marketer's expectations in a very practical fashion
- Developing more transparent and consistent recruitment, selection and promotional mechanisms
- Using consultation and communication of the competencies to enable employees to be "masters of their destiny" by setting career goals, managing personal development & improvement through "critical self appraisal"
- Increasing employee motivation while decreasing turnover & recruitment costs
- Producing more relevant and objective performance appraisal and personal development plans linked to delivery of the company's objectives
- Enabling gap analysis between current and desired skill sets
- Better deployment of training resource and ROI calculations
- Objective view of which employees are essential to retain to maintain future organisational success

Competencies can be used to help produce more meaningful development discussions between marketing manager and team member by becoming the vehicle to review behaviours & performance during past situations in conjunction with future performance needs for the business & the individual.

Why have competencies if we have job descriptions?

Well the answer here is that job descriptions, well, describe the job in terms of the key elements that have to be carried out, whereas the competencies describe the skills that the marketer needs and at which level, dependent on seniority, to carry out those key elements effectively.

Frankly, job descriptions can be too much of a dry list to enable marketers to appraise their performance whereas appropriately defined competencies with practical “work related examples” rolled out openly and clearly with associated rating systems can aid transparent and consistent rating of what has been done and what needs to be done to improve.

The best way to explain this further is to review conceptual marketing models the competency profiles which underpin them.

What are competency profiles?

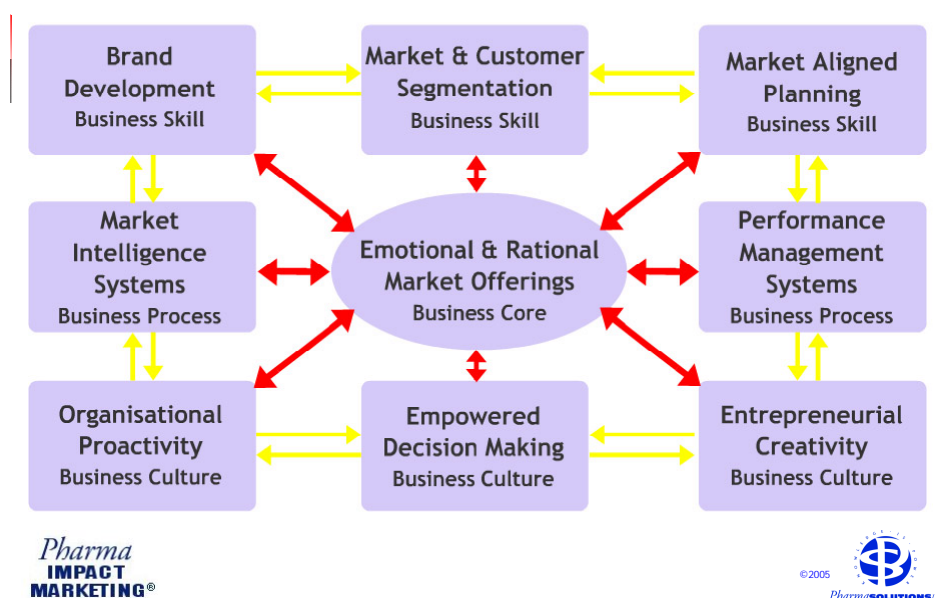
Well “competency profiles” are job specific and join those sets of competencies needed to do the job with the performance needed to deliver the results.

There may be between 6 and 10 job specific competencies within a marketing competency profile.

To illustrate the point, conceptual marketing planning & project management models such as the PharmaImpactMarketing® process below are often used in companies as the foundation of marketing thinking.

This concept, like others, is based on the rationale that at the core of every pharma brand to be marketed is a rational and emotional offering, or the business core, which is the crystallisation of our marketing thinking, planning and audit process.

PharmaImpactMarketing[®] Conceptual Marketing Process



Whether or not such a process or some other technique is used to drive strategic and operational marketing planning, there is the key assumption that there will be a set of underlying competencies in the organisation and in the marketing department to underpin and deliver the core brand offering.

Which brings us back to competency profiles.

If this model represents how the organisation conducts its marketing, each area will require certain competencies to be used by individuals and teams in different roles, at different times, in different circumstances, meaning that the mix and level required within each competency may vary too.

To illustrate this further, let's assume the table 2 below shows a total set of competencies defined by a company using this 9 step model.

Some of these will clearly be higher corporate core competencies and some may be marketing job specific.

A product manager for example may be deemed to have to have certain competencies in the area of brand development.

The brand competencies might then be defined as:

- Creating rational & emotional brands
- Positioning brands effectively
- Delivering integrated promotion

Each of these may have 4 or 5 levels with specifically defined behaviours which have to be demonstrated for this level to be deemed to have been reached by both employee and manager.

Our product manager may have to achieve level 2 or 3 in each of these, whereas a senior product manager may have to a 3 to 4 and a marketing or business unit manager may have to be achieving 4/5s.

In simple terms the higher levels may require high strategic or visionary brand portfolio or franchise building behaviour whereas lower levels may require an ability to understand what is meant by a brand and the basic building blocks or routine tactics which are used.

As another example, under the area of Empowered Decision Making, it may be decided that the competency of "Demonstrating Strategic Judgement" shown in table 3 is another key area for marketers.

For instance, Level 1, "makes simple judgements," may apply to junior or assistant product managers, level 2, "makes timely judgements," may apply to product managers, level 3 "makes well considered judgements" may relate

to group product managers and level 4 “makes far reaching judgements” could be relevant to marketing managers.

Each level has a definition as is illustrated for which example behaviours have to be demonstrated for it to be recognised as being achieved.

The process can then repeated for those competencies which are deemed to be relevant to the marketing operation.

So how can decide which competencies to use day to day in a marketing department?

Really this is “where we came in”

Having accepted that there are benefits to having a competency framework to underpin our conceptual marketing operational models and understood the possible competencies which could be used while working a roll out process, it is worth asking some final “sanity checking” questions.

- Such final questions as apt of any internal consultation to be posed could include:
 - Which skill areas are most in need of fixing and where could specific competency training programmes add most value?
 - What are the biggest marketing team management challenges?
 - For example are these:
 - Motivating / retaining high calibre staff?
 - Providing the training and development resource to produce or enhance required skills?
 - Defining and tracking clear metrics for performance management?
 - Satisfying the need for targeted development, dependent on seniority?
 - Working with others in the business
 - Putting in appropriate strategic effort to align to opportunities?
 - Preparing for the future & identifying what the gaps may be?

In summary, whichever marketing models & frame works are used, there must be little doubt that any company with such a fully implemented process will achieve maximal business and competitive advantage.

And let's face it, in business there are no prizes for being incompetent and coming second!

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Diagram One -Potential Fit of Marketing Competency Framework within a company

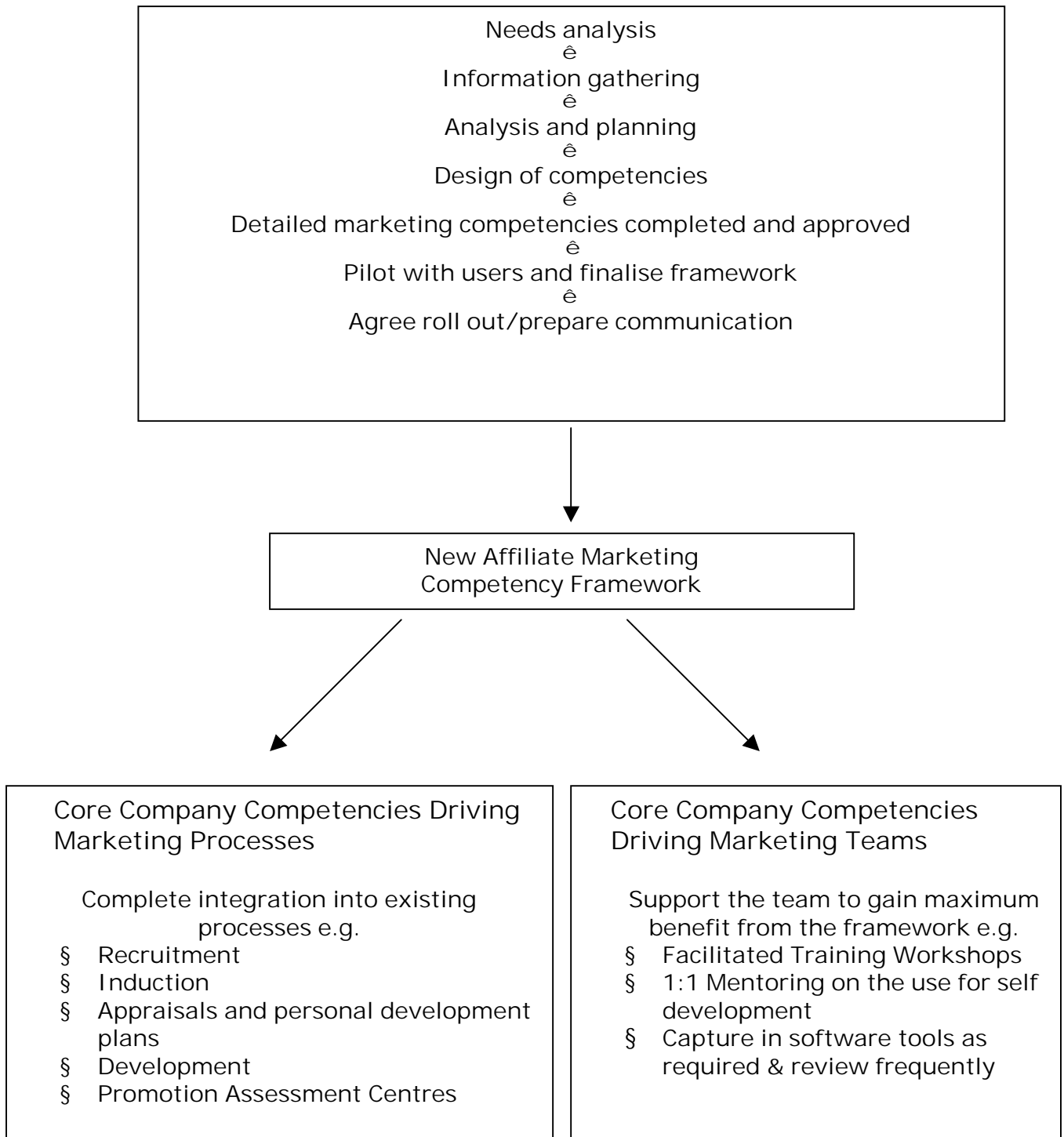


Table 2

Business Competencies (Linked to PharmaImpactMarketing® Model)

Business Skill Competencies

1. Brand Development

- Creating rational & emotional brands
- Positioning brands effectively
- Delivering integrated promotion

2. Market & Customer Segmentation

- Segmenting appropriately & assessing opportunity
- Understanding customer needs
- Customer focus

3. Market Aligned Planning

- Market Orientation
- Anticipating market drivers
- Planning seamless market activity

Business Culture Competencies

1. Empowered Decision Making

- Enabling & clarifying responsibility
- Demonstrating strategic judgement
- Consulting & Communicating openly

2. Organisational Proactivity

- Showing Concern for achievement
- Driving Team Proactivity
- Taking flexible & timely action

3. Entrepreneurial Creativity

- Seeking & creating new opportunities
- Delivering creative customer solutions
- Applying commercial acumen

Business Process Competencies

1. Performance Management Systems

- Utilising consistent metrics
- Creating / sharing best practice
- Developing individuals & teams

2. Market Intelligence Systems

- Seeking & gathering information
- Producing timely analysis
- Anticipating market needs

Business Core Competency

1. Emotional & Rational Market Offerings

- Synergising activities to create offerings

Table 3 Example Competency

Demonstrating Strategic Judgement

Makes timely effective *judgements* based on thorough objective analysis, within the context of company principles and business objectives.

Level 1	Level 2	Level 3	Level 4
Makes simple judgements	Makes timely judgements	Makes well-considered judgements	Makes far-reaching judgements
Makes judgements to agreed limits using systems and procedures. Is able to justify decisions based on facts.	Makes timely and effective judgements, taking into account all available data, resources and possible risks.	Makes well considered judgements, even in the face of uncertainty or sensitivity, varying approach according to the situation.	Identifies and takes bold and significant judgements which have measurable and far-reaching impact on the business.
Escalates the judgements when appropriate.	Uses own judgement to decide when to consult others or seek advice from experts and management.	Maintains commercial objectivity in decision-making, taking into account future demands and objectives. Supports decisions made by others if in the best interest of the business.	Makes and sticks by judgements that may be painful in the short-term, if they are essential for business prosperity.
Does not procrastinate but seeks advice promptly.	Balances pros and cons and checks assumptions.	Monitors the effects of decisions and instigates changes where necessary.	Evaluates all current decisions in the light of current and future demands. Predicts future benefits of current decisions.
Takes account of departmental policies and procedures.	Takes account of company policies and procedures.	Establishes policies, priorities and frameworks for others and coaches and/or advises them to aid decision-making.	Creates an environment where appropriate risk taking in decision-making is encouraged and enables the business and people to develop.