

Developing Business Acumen for Animal Health Professionals

Business acumen is a phrase that is often tossed around without a clear definition and is described as, "I'll know it when I see it". More importantly, CEOs want leaders and employees at all levels to better demonstrate business acumen. They specifically want them to appreciate how their actions and decisions contribute to the company's financial performance.

Acumen comes from the verb "to sharpen". It is the quickness, accuracy, and keenness of judgement or insight. Someone described as possessing good business acumen is seen as having good sense and smarts related to business. Strong business acumen hinges on the ability to understand how money is made – by increasing value and decreasing costs within their own organisation. Also, animal health sales and marketing professionals need to understand their customers' financial and operational concerns and challenges in order to provide value and meet their needs.

Developing business acumen starts with breaking down the definition and providing guidance on specific behaviours.

1. **Knowledge.** First, they have a clear understanding of the industry and marketplace. This means maintaining an awareness of market dynamics, product and disease state information, company strategies, and competitor actions. They also can read and understand financial reports. To obtain and maintain this knowledge you need to gather and analyse key business data and ask critical questions of what the data means and why there are changes. It is important to identify key trends, issues, or root causes by looking at what is driving results. Another way of acquiring knowledge is through dialogue among individuals within your organisation and your customers. Seek to understand their perspectives and their read on the situation. Integrating quantitative and qualitative data will be what informs your decision-making and planning.
2. **Application.** Second, individuals need to apply their knowledge and interpret the implications for their own organisation and customers. It starts with generating insights from reviewing marketplace trends, data analysis, and cutting through the complexities. This is often described as the ability to connect the dots and see the big picture. Individuals with high levels of acumen test their hypothesis with others, challenge



assumptions, and look to find solutions. These behaviours are the same whether working with internal colleagues or customer stakeholders. As an example, a sales professional with a large cattle producer would have the ability to integrate their pulse from the economic marketplace plus data related to herd management to offer unique solutions and develop a strategic plan.

3. **Results.** Third, there is the ability to execute the plan to achieve results. These individuals gain alignment for their plan of action and ultimately take ownership for results. They are constantly asking what else can be done to maximise a return on investment. As an example, an animal health sales professional or account manager would have detailed territory plans to target accounts based on opportunity. These individuals segment their accounts, develop plans that uncover needs, and apply the appropriate resources. An important differentiator is the process for regularly reviewing results and recalibrating plans to adjust to changes. They are constantly evaluating the situation, testing hypotheses, and altering the plan to drive results.

Individuals often fail at demonstrating business acumen because they tend to fixate on the past for their successes, keep an eye on the shorter-term results, or only focus on the marketplace of today. Individuals who take a longer-term view can deepen relationships, produce better results, and can demonstrate their acumen over time.

You can take proactive measures to develop your business acumen as follows:

- Regularly staying abreast of emerging trends and marketplace dynamics related to the animal health industry
- Asking others to characterise the top three changes in the marketplace and the impact to your own organisation, the industry, or to a specific account
- Exploring the potential longer-term implications of an emerging trend and engaging in scenario planning
- Learning to read and understand financial or other analytics to generate insights and make value-added recommendations
- Identifying the financial and operational drivers, as well as the challenges your customers face
- Testing assumptions from data and reports with trusted peers to identify opportunities
- Soliciting perspectives from internal colleagues to obtain alternative points of view and broaden your understanding of a problem, trend, or business challenge
- Dedicating time to review results and dig deeper into what worked, what didn't, and why

Best-in-class companies realise that the dedication of time and resources to develop and implement an integrated strategy for superior business acumen is critical to overall success. Commitment by senior leaders and the organisation helps create the competitive advantage needed to excel in the changing marketplace. Leaders recognise that the greater the number of people within the organisation who have an appreciation for how their own business works, the greater the accountability for driving profitability and success will be. Finally, a better understanding of how a customer's business operates, further supports the commitment to being a customer-focused organisation.



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