

NEWSLETTER

INTERNATIONAL

 ENGLISH VERSION



MANAGEMENT RECRUITMENT IN INTERNATIONAL SALES



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ASSIGNMENT OF MANAGEMENT POSITIONS IN INTERNATIONAL SALES

For most of the manufacturing companies in Europe, export is vital: the German economy has exported goods worth 1.2 trillion euros in 2015. Over 40 per cent of these went to countries outside the European Union, with the USA, China, Switzerland, Turkey and Russia being the main customers for European products outside the EU.

The Dutch and French exports in the same year amounted to about 500 billion each. In the light of these figures, it is obvious that export activities are among the top priorities of most companies, and the development or better penetration of new markets is a constant topic.

No generally accepted definition of sales areas

How do companies divide the globe in sales areas? There are almost as many approaches as exporting companies.

In principle, the classification follows mostly geographic criteria, although the areas' boundaries differ greatly between companies.

American companies usually divide the world in three regions, AMER (Americas), APAC (Asia and Oceania) and EMEA (Europe, Middle East, and Africa). Within these macro areas, further subregions are usually distinguished, which are also defined according to geographic considerations.

In companies with European roots, the definition of the sales regions varies according to the respective product and the relevance of individual countries as target markets. The geographic expansion of sales activities is a process that spans years or decades - the definition of sales regions is therefore a reflection of this step-by-step process. From today's point of view, therefore, the responsibilities are not always structured strictly logical.

While some zones are recognized in most Central European companies, such as the „Nordics“, the definitions of the territories to the East differ widely. In many companies, Russia and the other successor states of the Soviet Union (including the Central Asian states!) belong to „Eastern Europe“; elsewhere „Russia / CIS“ is a separate cluster.

The MENA (Middle East and North Africa) area is now popular also among European companies, although the exact extent of this zone is not commonly defined. While the Maghreb states, Egypt, the Arabian Peninsula, and the countries of the Middle East are generally included, this is not always true in the case of Iran. Many companies do without „MENA“ but work with a „GCC region“ (countries of the Gulf Cooperation Council). The Maghreb is then either part of „Africa“ or a „Mediterranean“ area, defined along the Francophonie.



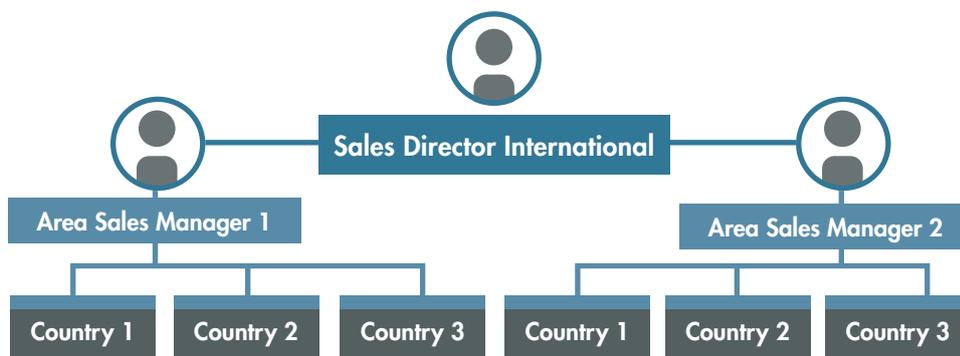
Christian Tegethoff

Managing Director
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For German companies, the German-speaking countries often count completely to the domestic market from the sales perspective. Companies from other European countries usually define them under the term „DACH“ or „Central Europe“.

Headquarter or regional hub?

The individual countries within the sales regions are either catered for by local dealerships, representative offices or subsidiaries. As a rule, these units report to a Regional Manager with responsibility for several countries, who in turn is subordinated to the Export or Sales Director. There are several common job titles for the regional management roles, e.g.- *Area Sales Manager* or *Cluster Leader*.



Typical international sales structure in medium-sized companies

In practice there are numerous variations of this basic model. For example, some companies have a key account structure in addition to the regional divisions; others maintain parallel organizations for different business areas, which can lead to quite complex matrix structures.

While the position responsible for overall exports is usually located in the headquarter, the Regional Managers often operate from a hub office in their region. This applies in particular to those regions distant from Europe: Shanghai, Singapore and Dubai are classic hub locations with regional responsibility.

Career Paths in International Sales Management

In principle, two career paths can be distinguished. One starts within the company headquarter, the other leads from a sales organization abroad into the parent company.

Employees who have grown inside the headquarter are familiar with company products and culture; for a successful career in international sales, intercultural and negotiation skills as well as a high willingness to travel have to be added.

For Area Manager positions, companies often prefer candidates with a certain affinity for the region. For instance, many positions with exposure to countries like Russia, Turkey or Iran are assigned with emigrants from the respective region. Long-term planning companies therefore pay attention to diversity when recruiting, in order to be able to make use of the intercultural skills of their employee.

Getting promoted from a representative office or subsidiary on country level to a regional role or a position in the headquarter is currently still rather the exception. Many European management boards look strikingly homogeneous as far as the managers' personal backgrounds are concerned. For many companies, it would certainly be worthwhile to at least analyse the potential dormant in their international subsidiaries.

Recruitment of international sales executives

International sales positions must, of course, be assigned with managers who fit into the corporate culture. Nevertheless, it is worthwhile not only to look within the borders of the company's respective native country, but consider candidates from elsewhere at the same time. It is obvious that a foreign perspective in international sales does not have to be a disadvantage. When identifying potential candidates, the executive search consultant should therefore examine the international competitors at least as closely as those on the respective home market.

At the same time, the larger international subsidiaries of the relevant companies should be considered. At locations like Dubai, Moscow or New Delhi, there will be candidates with the potential to make the next step in the hierarchy. In addition to their industry knowledge, they bring a lot of hands-on experience and are familiar with the challenges associated with sales in emerging markets.



Candidate identification for international sales role

Direct search is the most effective method for identifying candidates for sales-related management roles. Additional job advertisements on (international) job portals make sense in some cases.

Although many foreign target markets are currently weak due to the fall in oil prices, companies cannot afford to pay less attention to them. Assigning motivated and qualified sales managers to these markets is a key success factor and should be approached professionally.

"YOU NEED TO BE EXTROVERT RATHER THAN INTROVERT"

How did you come to Normet and your current function?

I was contacted by a headhunter, he made the connection and introduced me to Normet. Normet had an open position in their Russian sales team and that is how I got started with the company. My position is Sales Manager in Russia, and currently I am also responsible for Mongolia, working as General Manager of Normet Mongolia LLC.

When and why did you decide that you want to work in investment good sales?

I have always seen myself as a sales person, so working as Sales Manager and leading a business unit feels quite natural for me. Also, I have studied Russian and International Sales and Marketing in my past. After high school it was pretty obvious for me to continue my studies in sales and marketing.

What skills and qualities are necessary to be successful in international sales?

You have to be open-minded and be extrovert rather than introvert as a person. Being able to listen to your customers is essential. A sales person is typically the face or first point contact of the company, so your customers need to trust you.

To earn the trust you need to keep your promises. You need to know your products, you also need to know your customer's needs. On top of that I feel that you need to be naturally interested in people. It is people who do the business. Business is always some kind of relationship between people.

What do you particularly appreciate about your work, what do you feel as a disadvantage?

When you work in sales, each business case is different. You face new challenges, people change, policies change - even the industries keep changing all the time. So you always need to be on top of things and be willing to learn.

That makes the job interesting, no two days are the same except for rare exceptions...

For me personally, this variety of projects and business cases make the job interesting. Not to mention that you get to meet new people all the time, get to know different companies and see and learn a lot while travelling.

Honestly, I cannot think of any specific disadvantage of this job!



Mika Vuorikari

works as Sales Manager for Russia and General Manager in Mongolia at Normet, a Finnish provider of equipment and solutions for selected processes in underground mining and tunneling.



EXECUTIVE SEARCH

EXECUTIVE SEARCH EXPERTS IN ASIA, RUSSIA & CIS

CT Executive Search assists international companies in recruitment for key positions in middle and senior management. We set ourselves apart through a clear focus on the economic areas of the Middle East, Asia, Russia and the other countries of the former Soviet Union, and on sectors in which our consultants feel perfectly at home due to many years of experience.

Via structured and documented searches processes, our consultants ensure access to the best candidates on the market. They are experts in cross-border recruitment processes and familiar with the characteristics that candidates require in order to work successfully in multinational companies.

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