

◆ Introduction

Distributors thrive on change. Vendors consolidate, demographics shift, and markets swing wildly, benumbing their customers. Top this list with a finely blended mix of technology innovations and labor shortages, and it's plain that the Darwinian transformation of the wholesale distribution business is continuing. Distributors survive, mutate, and prosper as each new wave of change washes over their rocky environment. Business models come and go. Day-to-day operations expand, contract, and morph to meet each new challenge.

At some point during these turbulent times a new position was conceived. No public fanfare heralded the birth, and no press release was issued. Instead, distributors silently and effectively adjusted their operations to match new conditions. In some corner of the distributor universe, the specialist was born.

Like many great innovations adopted by wholesaler-distributors, the specialist was born of necessity. Specialists sometimes filled a specific customer need and other times were in response to an important vendor's request. In a few cases, the role was created to "find a seat on the bus" for a new employee with "good-to-great"

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qualities, to borrow a term from Jim Collins's book *Good to Great: Why Some Companies Make the Leap...and Others Don't* (HarperCollins, 2001). Either way, the specialist position has wandered through distribution like a Neanderthal caught in a permanent state of incomplete evolution.

Today, the world of wholesale distribution is broken into two very distinct groups when it comes to the topic of distributor specialist. On one crest of a stony canyon are "believers." They employ specialists in their business and theorize the addition is a good one. Jump over the mighty crevasse and you find a world of disbelief. The "disbelievers" inhabit this rocky edge. They suspect the specialist's value, question results a specialist can bring to an organization, or have yet to consider the addition of this new, yet undefined, member to their team.

No matter which side of the specialist topic you find yourself, whether you are an ardent believer or a steadfast skeptic, this book is for you.

The truth is that many distributors have experienced immense success with specialists. Distributors from lines of trade ranging from factory automation to food service to pharmaceuticals have found that specialist-supported product lines grow faster and more profitably than other lines.

Research by the National Association of Wholesaler-Distributors (NAW) Institute for Distribution Excellence indicated that more than 80% of wholesaler-distributors are believers who are using specialists. But, it was the answers coming from upper-quartile distributors (based on some formal benchmarking) that tell the best story:

- ◆ 88% said that specialists are critical or very important to customer technical backup.
- ◆ 85% responded that specialists are critical or very important to competitive differentiation.

- ◆ 84% indicated that specialists are critical or very important to customer value-adds.
- ◆ 80% reported that specialists are critical or very important to sales focus.

Most important, 69% of top-quartile performers agreed that specialists were an important part of their overall strategy.

Surprisingly, however, this important part of the distributor equation has no training manual, no benchmarking resource, and no formal process for improvement—until now! This book equips you as a wholesaler-distributor—whether you currently use specialists or not—with the tools you need to accelerate the development of a specialist team and better focus its actions, thereby making the specialist force's work environment more efficient and maximizing its contribution to the bottom line. Both parts are intended to be read by wholesale distribution executives, managers, and specialists. Relevant case studies straight from the trenches pepper every chapter to show you not only what needs to be done, but also how to get started. Each chapter concludes with discussion points designed to spur conversation, build alignment, and stimulate meaningful interdepartmental communications.

Origins of This Book

This book came out of a research project undertaken by the NAW Institute for Distribution Excellence. The goal of the research was to understand these five questions:

1. How widespread is specialist use in distribution?
2. What were the results of specialist utilization?
3. What benchmarks can be used to gauge specialist effectiveness?
4. What could be learned from others?
5. Has specialist use provided a return-on-investment (ROI)?

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The NAW Institute for Distribution Excellence distributed a comprehensive survey to wholesaler-distributors to learn about how they rely upon specialists in their business. More than 200 responses were received. From this group, approximately 50 distributor executives agreed to be interviewed at length regarding their organizations' specialist deployment. Thirty took part in a series of confidential interviews that averaged 38 minutes long. The interviews were important to the research because these wholesalers shared background information and insights normally unavailable for this type of research.

Those participating in the survey came from diverse lines of trade. Nearly all reporting indicated their business crossed over multiple lines of trades. Of the 211 respondents, only 17 indicated their salespeople covered only a single line. The specialist phenomenon is not limited to very large or very small wholesale organizations. Survey responses represented the gamut of business sizes.

How This Book Is Structured

The findings that led to the development of this book provided a "peek under the covers" of distributors across the country. The power behind this book springs from the respondent distributors helping other distributors with candid comments made during the survey interviews. By reading this book, you have the opportunity to capitalize on others' profit-generating techniques.

The book is organized into two parts:

- ◆ Part 1: "The Specialist's Role in Wholesale Distribution"
- ◆ Part 2: "A Playbook for Specialists."

Part 1 defines the specialist and contrasts this position against familiar job descriptions found in wholesale distribution. It provides an overview of how specialists have been used by successful wholesaler-distributors. Skeptics and the staunchest of disbelievers to the value of specialists will benefit from the thought-provoking cases. Basically, it is an information-rich report on the state of specialists operating in the world of wholesale distribution. Improve your own

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operation by exploring wholesaler-distributors' responses to such questions as: What lessons have they learned? What were the issues that stood in their way? How would they do things differently in the future?

Believers, those who use specialists within their business, will profit from the step-by-step process improvements revealed in Part 2. It offers specific, actionable plans for setting up a specialist team or fine-tuning an existing team. The lessons learned from others are compiled into a simple-to-follow text on specialist activities. Each chapter pushes another step further into the specialist skill set.

How to Use This Book

Part 1 can help a distributor leader or specialist better understand the myriad roles that a specialist can play. It was written for distributors who must decide if adding a specialist makes sense for their organization. Furthermore, this part will help the distributor who has already added a specialist determine methods for improvement. A number of examples that came to light through the NAW Institute research project illustrate certain points to help those who direct specialists' daily activities.

Part 2 provides guidance for both the person who must manage a specialist (or team of specialists) and for the specialists themselves. All the key job skills of a specialist are explored in detail.

My Vision

I hope that specialists and their managers will work through this book one chapter at a time, taking time to meet periodically to discuss points of the book. To aid in this effort, each chapter begins with several points to stimulate eye-opening discussions. If you are a specialist and you plan to read this book to improve your on-the-job performance, at the end of each chapter you'll find several questions to reinforce what you've learned and help you find ways to apply your new knowledge in your position.

