



# Talent Strategies Seek to Attract and Retain Top Performers

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**This year Mercuri Urval have conducted together with Ipsos the MU Executive Barometer for the Consumer Goods, FMCG, and Retail Sectors. The survey describes many challenges but also opportunities that organisations and leaders should consider in world of constant change:**

- The survey focused on organisations within the consumer goods, and retail sectors, with a sense of optimism for future growth despite current economic uncertainties.
- Top opportunities for these sectors include product innovation, portfolio diversification, sustainability practices, and technology advancements.
- Challenges faced by the sectors include price increases, geopolitical uncertainties, talent retention, and increasing competition.
- Organisations are planning strategic initiatives such as investments in innovation, talent strategies, and market exploration.
- A majority of respondents anticipate an increase in their organisation's revenue over the next 12 months.
- To mitigate potential risks, organisations are considering cost reduction, new go-to-market strategies, and market diversification.
- Shaping the Leaders of Tomorrow: the top 5 key competencies for future success are seen in Communication, Vision, Strategy, Agility and Leadership. There's a need to close the competency gap, especially in Vision and Strategic thinking to ensure long-term success.

**The key takeaway:** While the consumer and retail industries face significant challenges, there's a prevailing sense of optimism about future growth. Organisations are actively planning strategic initiatives to capitalise on emerging opportunities and mitigate potential risks. However, continued focus on leadership development and closing the competency gap is crucial for ensuring long-term success.

## Key Findings: Market and Leadership Challenges in Consumer Goods, FMCG, and Retail Sectors

The study shows that leadership development is imperative for long-term success in these sectors. But worryingly, the perceived preparedness of the leadership team to take advantage of opportunities is seen as moderate. The top 5 key competencies for shaping the leaders of tomorrow, and bringing future success are Communication, Vision, Strategy, Agility and Leadership.

### Consumer goods, and retail organisations are ready to seize growth and innovation opportunities.

- A strong optimism exists among executives regarding the future growth and success of their organisations. Specifically, 54% rated their optimism at level 7 or 8 on a scale from 1 to 10.

### A majority of respondents anticipate revenue growth, reflecting cautious optimism about the future.

- 75% of respondents anticipate an increase in their organisation's revenue over the next 12 months.

### Despite promising opportunities, these sectors face significant challenges that demand strategic action.

- Price increases (44%) and geopolitical uncertainties (42%) were highlighted as major challenges.
- Shortage of skilled workers and retaining top talent are also significant concerns, each with 40% of respondents identifying these as major issues.

### Strategic initiatives, like investing in innovation and talent, are key to navigating challenges and capitalise on opportunities.

- Organisations priorities are on reducing operating costs (26%), diversifying products and services (20%), and entering new markets (17%).

### While innovation and market expansion can be seen as key opportunities, price pressures and talent concerns pose major challenges. Being more specific: retaining top talent ranks 4th.

For the next 12 months, respondents have planned to focus on developing people and straightening processes as key strategic initiatives to ensure that their leadership team are ready to tackle the mentioned opportunities. Therefore to tackling challenges, another strategic initiative is to put back people development in the centre of their leadership by training them and think long term.

### To better coping with the upcoming opportunities and challenges, following capabilities of the leadership team are needed to be improved:

- Training, coaching, Increase the team spirit. Live the values.
- Raise importance of critical thinking, team building, improve best practice and best learning sharing.
- Recruit new talent according to needs of development plans.
- Improve the team and family enrolment.

### Additional attention in terms of workforce and leadership is needed when it comes to best practice learning from peers:

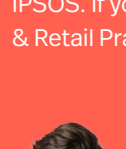
- How to improve people's efficiency in highly competitive situation.
- Evolution of Leadership competency and skills required and how to leverage digital and AI advancements.
- Getting the balance right with recent graduates between work life balance and inclusion.
- Successful recruiting strategies.

The challenges and opportunities that every organisation lead to the Mercuri Urval foundation with a timeless but important question that leaders face: How can we make sure we have the right people in place to deliver the best possible results?

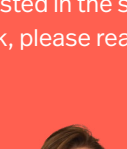
Comprehensive and repeated research proves that organisations that attract, motivate and develop the right people outperform those that do not. CEOs report that mainstream Leadership Development investment has very low – or no – Return on Investment (ROI).

## The MU Consumer & Retail Practice

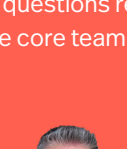
This article is based on the findings of the MU Executive Barometer 2024 conducted by the MU Consumer & Retail Practice together with the independent research institute IPSOS. If you are interested in the survey or for questions regarding the MU Consumer & Retail Practice's work, please reach out to the core team:



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