Member Profile

An Interview with Katie Bayne, founder and president, Bayne Advisors; senior advisor, Guggenheim Partners; corporate director, Ascena Retail Group and The Honest Company.

By Judy Macdonald

Katie Bayne, is founder of Bayne Advisors, a strategic consulting and advising firm.

A longtime marketing, strategy and general management leader at Coca-Cola, Katie worked in various roles of increasing responsibility, eventually becoming the Chief Marketing Officer, North America and then the President, North America Brands.

Q1. You have gained global experience by working in multiple positions with Coca-Cola. Can you tell me the key lessons you learned from that experience and how it translates into your board service today?

Many things can scale depending on market conditions, but local relevance is vital. At Coca-Cola we constantly scanned and researched the markets for efficiencies in operating expenses and messaging comprehension, but we found greatest effectiveness when the brand was presented authentically and locally in the market. This is true for any consumer product or service business and can be applied on a country to country basis or right down to zipcode by zipcode.

Markets can and MUST learn quickly from each other. In this age of transformation, there is no time for “reinventing.” Collaboration between operating units of any company is very important to keep the pace of innovation moving. Senior leaders must be rewarded for sharing and adopting best practices.

Having a clear vision and a compelling strategic growth narrative with measurable goals for the shareholders and the wider investor community is critical.
Q2. What inspired you to become a corporate director? Can you walk me through your journey to your first board seat?

Coca-Cola takes professional development very seriously through every stage of any employee’s career. It is self-driven and required through the annual goal setting process. In 2003, I had been with Coca-Cola for 14 years, working in a combination of Marketing/Strategy and Commercial/GM posts. I was approached by our CFO to see if my development goals would be a match for a new search for a position as a director on the board of Atlanta-based homebuilding company Beazer Homes. I immediately knew this would be a great opportunity utilizing my marketing and strategy background to help Beazer meet its growth goals, and to build my skills as a board member. I devoted all my professional development time to active board service.

Q3. As a board member on several consumer products companies, what are the key trends and opportunities for growth that you believe will have the greatest impact on the industry?

- Transformation of all aspects of the “point of sale” including everything from messaging to physical distribution into the hands of the consumer.
- Required continual brand messaging reinvention due to media/technology change and consumer connection evolution.
- Reframing of the competitive set is required now more than ever. Small, nimble brands can quickly gain share and often have a faster path to get to market. Constant reflection on the ease of entrance in any industry is imperative. The exercise of writing “mock” business plans for any and all competitors as well as industry headwinds/opportunities is very helpful.

Q4. A related question – What do you consider to be the greatest risks for consumer products companies?

- Risk of brand erosion and dispositioning: Must keep brands strong with a clear set of attributes that create a competitive difference.
- Risk of missing transformation triggers/needs: Must be flexible with messaging and distribution paths to best satisfy current and future consumers. Clear presentation of the evolving point of competitive differentiation is required now more than ever.
- Risk of unforeseen competitors: With today’s global marketplace, well-funded innovation, and speed to market, the competitive set is always changing.

Q5. According to a recent article from Spencer Stuart, only 26 of the thousands of public company board seats are currently occupied by marketing leaders (who currently hold a CMO title). Are you surprised by this statistic? Why should boards consider adding directors with CMO backgrounds?

The servant leadership required for any CMO post has a direct translation to effectiveness in the boardroom. Most CMO’s are active leaders in executive teams, working to build enduring brand value, and often creating the long-term product pipelines. They have great muscle memory from the work they are doing every day to bring collaborative, flexible, and innovative skills to boards. Just as they serve the Brands they will serve shareholders. Further, every CMO today is deeply involved in data analytics, data mining and digital adoption which gives them a great current point of view to leverage their knowledge for the best decisions for the board and business growth.

Q6. Corporate Social Responsibility is growing as an area of focus for corporations around the globe. What are some innovative ways that companies can raise their CSR profile and how can the board provide appropriate oversight?
ESG measures are guiding investment now. And so Corporate Social Responsibility is important for every board. In my experience, CSR activities must be driven by the clear mission and values of the company, with specific goals and timeframes. More importantly, deep understanding of the sustainability and ethical impact of any company is linked to the best decision making and long term viability of the organization, and therefore, the creation of shareholder value. Again clear, consistent and regular board meeting discussion of the goals and the progress made is essential.

Q7. Companies around the world are keeping a watchful eye over corporate culture and inappropriate behavior. What are actions that board members should take to identify possible toxic situations?

Culture is what keeps your most valuable asset, your employees, working as hard and ethically as possible. So it is the responsibility of both the executive team/CEO and the board to build systems and enable productive frequent discussion to prevent failure of team values and culture.

Internal systems like an annually reviewed honor code (with digital learning), an Employee Assistance Plan, and an anonymous Ombudsman program are all tools for day-to-day. While structured board time in every meeting (reviewing items including succession plans, engagement score change, and turnover) with the CEO, Chief Legal Officer, and Chief Human Resources Officer is also good practice. Also, skip level interviews both inside the company, and with the board and senior leaders are very helpful.

Q8. You joined your most recent board in 2018. Can you describe the onboarding process for you as a new director?

- Extended one-on-one time with all parts of the company (Founder, CEO, HR, R and D, IT, Legal, Finance, Marketing, etc.)
- Immediate and ongoing access to all other board members (for board meeting preparation as well as general discussions)
- Full company events tied to board meetings which are all held in office, so that we are able to see, feel and blend into the company culture by meeting and interacting with the entire organization
- Recommended ongoing in market/in outlet visits and digital commerce to more deeply understand the employee and customer/consumer experience

Q9. What attributes do you admire most in fellow board members?

- Preparation resulting in concise points of view on key issues
- Diversity in background, mental models and experience
- Courage to have difficult discussions
- Respect for the CEO/executive team and other board members
- Lessons learned, as well as new thinking, in skill area represented on the board
- Collaboration within the board on committee work and with the executive team

Q10. What is your advice for women who aspire to get on their first board?

Make it clear to your company and mentor network that you are looking for board service.

Learn board governance through exposure to your own board and also by serving on a non-profit where you have passion and can add value.

Join board networking organizations (like WCD) to both learn and network.