



*WHY STRATEGY IS  
NOT ENOUGH:  
BUILDING THE BRIDGE  
FROM STRATEGY TO  
RESULTS REQUIRES  
ORGANIZATIONAL  
EXCELLENCE*

Janice Haigh, WW Head of P&MA

PAREXEL Access Consulting

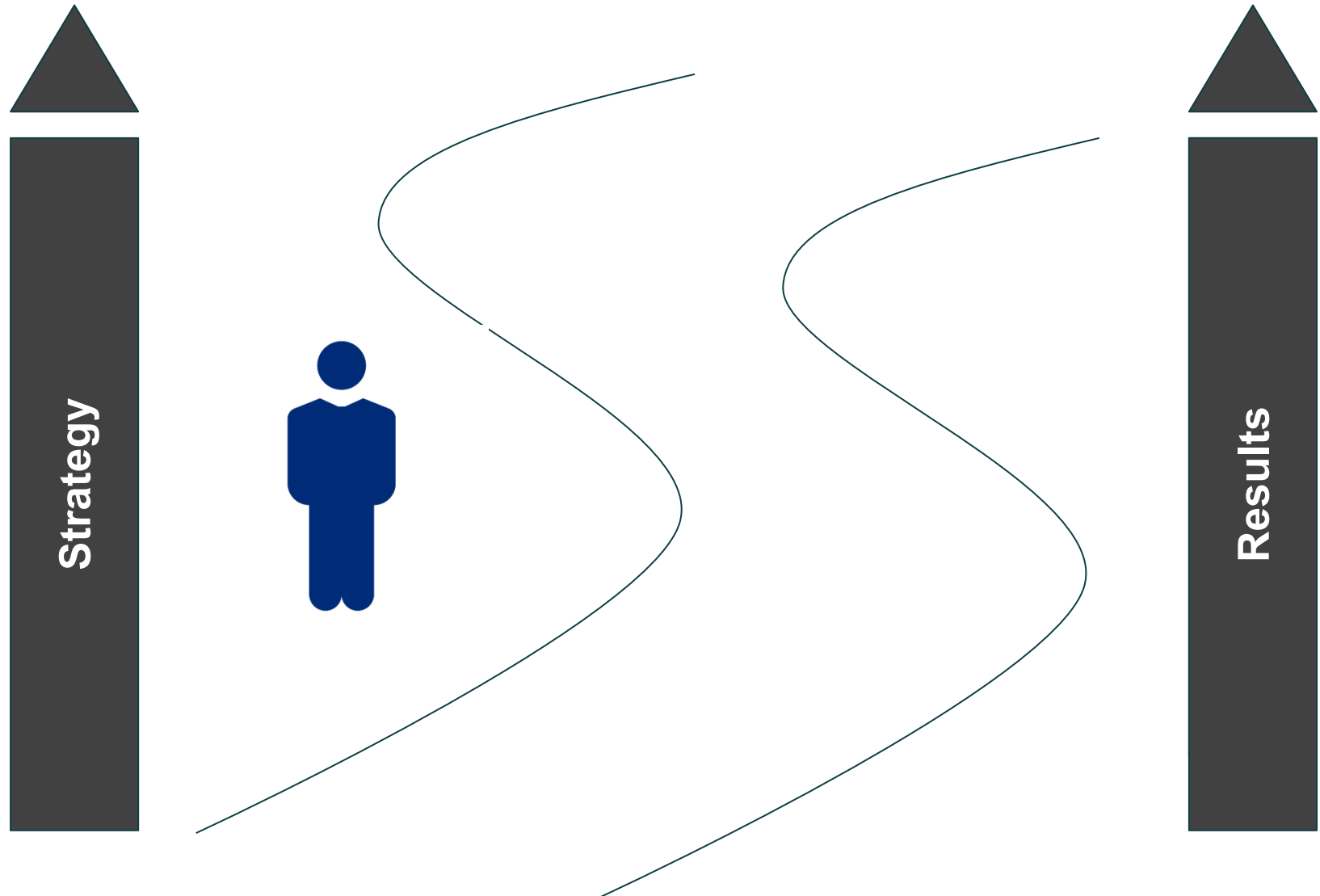
October, 2017

**PAREXEL**<sup>®</sup>  
YOUR JOURNEY. OUR MISSION.<sup>®</sup>

# *ACHIEVING ORGANIZATIONAL EXCELLENCE IS THE BIGGEST CHALLENGE FACING CEOS WORLDWIDE*

*A recent survey of more than 400 global CEOs found that executional excellence was the number one challenge facing corporate leaders in Asia, Europe, and the United States, heading a list of some 80 issues, including innovation, geopolitical instability, and top-line growth – Harvard Business Review, 2015*

# *IT IS CLEAR THAT A GOOD STRATEGY IS NOT ENOUGH TO GUARANTEE RESULTS*



# DESPITE A SOLID STRATEGY, HERSHEY'S FAILED TO REALIZE ITS AMBITIONS DUE TO POOR EXECUTION

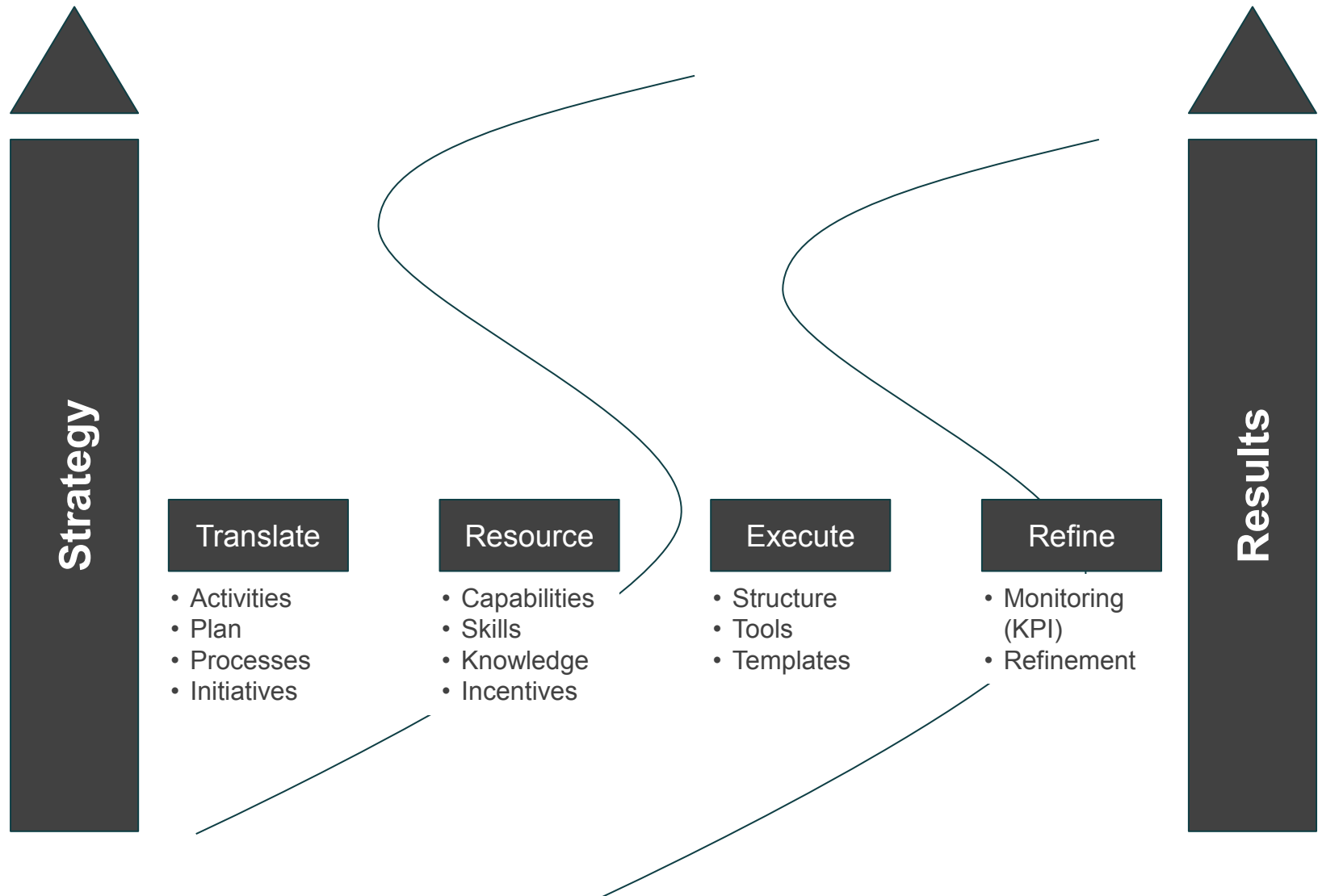
- **Company:** Hershey's Confectionery
- **Business unit:** Manufacturing and Operations
- **Strategy:** Improve collaboration, productivity, inventory management and cost efficiency by upgrading legacy IT systems onto a single enterprise resource management system
- **Summary:** Hershey's attempted completion within 30-months (despite 48-months recommended) in an effort to roll out the systems before Y2K. As a result, the go-live scheduling coincided with Hershey's busiest periods. To meet the aggressive scheduling demands, the team cut corners on systems testing
- **Shortcoming:** Poor planning, inadequate processes, knowledge gaps



**Impact: Unable to process \$100M of Halloween and Christmas orders, despite stock available**



# ORGANIZATIONAL EXCELLENCE IS CRITICAL TO BRIDGE THE GAP BETWEEN STRATEGY AND RESULTS



# PRICING AND MARKET ACCESS STRATEGIES ADDRESS THE WHO, WHAT, AND HOW TO SECURE ROI

**Objective:** Maximize return on investment

## Strategy

<b>Who?</b>	For which patient population?
<b>What?</b>	With which value proposition?
	With which evidence?
<b>How?</b>	In which markets?
	At what price?
	With what contract?
	At what time point?



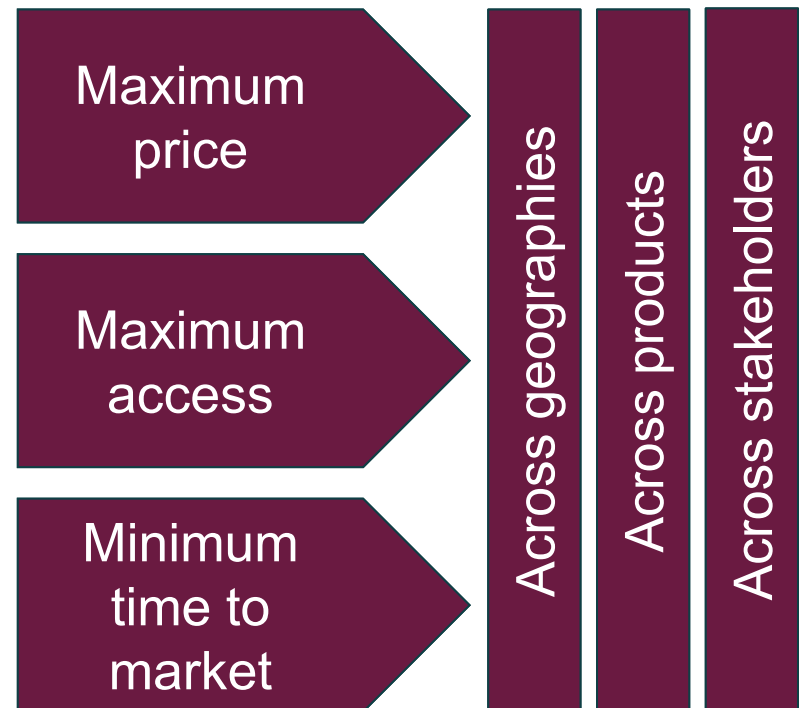
# SUCCESSFUL EXECUTION OF THESE STRATEGIES PROMISES TO DELIVER MAXIMAL REVENUES

**Objective:** Maximize return on investment

## Strategy

<b>Who?</b>	For which patient population?
<b>What?</b>	With which value proposition?
	With which evidence?
<b>How?</b>	In which markets?
	At what price?
	With what contract?
	At what time point?

## Result



















# HOWEVER, ACHIEVING SUCCESS REQUIRES TIMELY COLLABORATION ACROSS FUNCTIONS AND LEVELS

**Objective:** Maximize return on investment

## Strategy

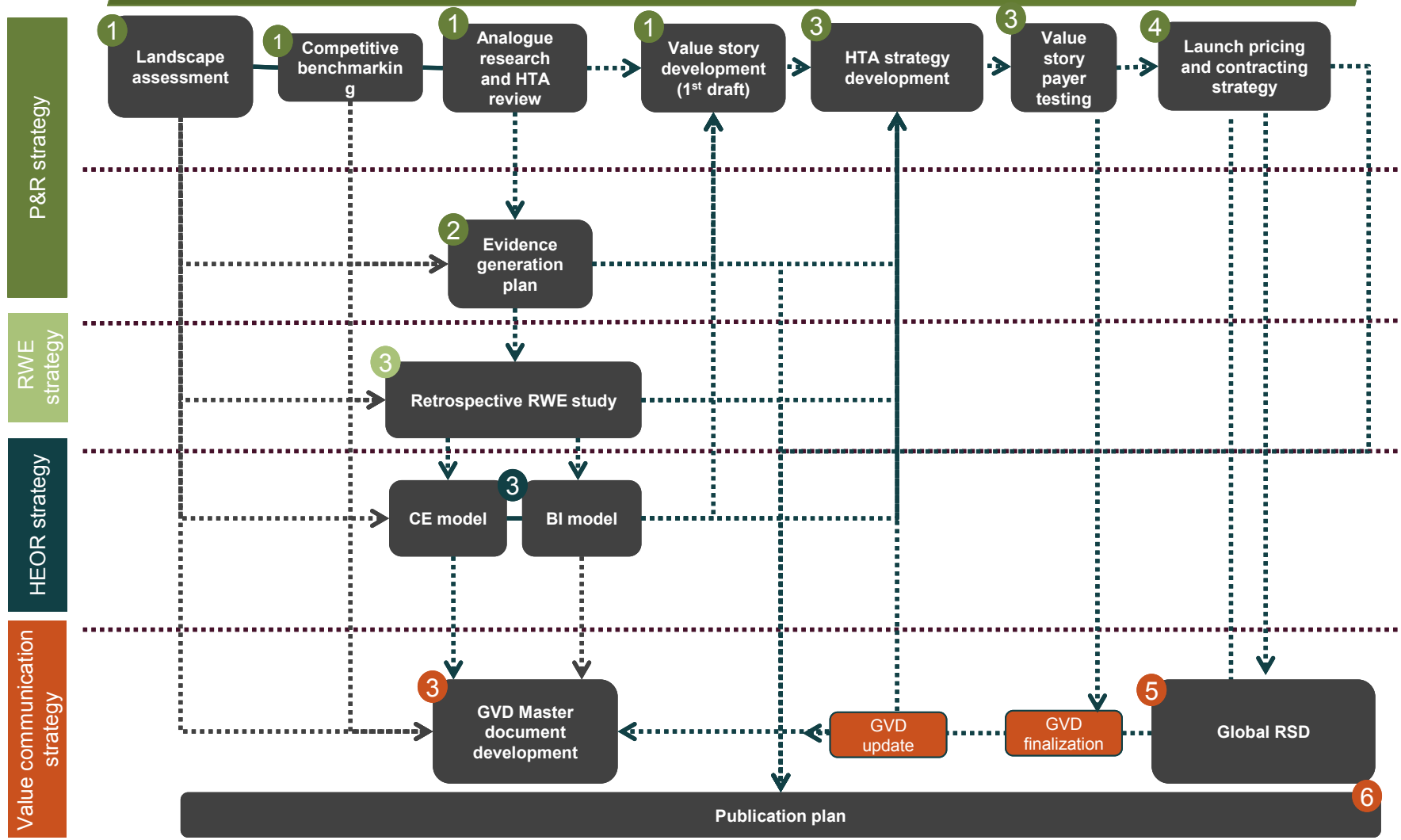
Global    Regional    Local

Strategy			Global	Regional	Local
<b>Who?</b>	For which patient population?	CLINICAL, REGULATORY, COMMERCIAL			
<b>What?</b>	With which value proposition?	COMMERCIAL			
	With which evidence?	CLINICAL, REGULATORY, COMMERCIAL			
<b>How?</b>	In which markets?	COMMERCIAL, REGULATORY			
	At what price?	COMMERCIAL			
	With what contract?	COMMERCIAL			
	At what time point?	COMMERCIAL, REGULATORY			

# A CLOSER LOOK AT THE DEVELOPMENT PATHWAY FURTHER ILLUSTRATES THE COMPLEXITIES INVOLVED

## Commercialization road-map

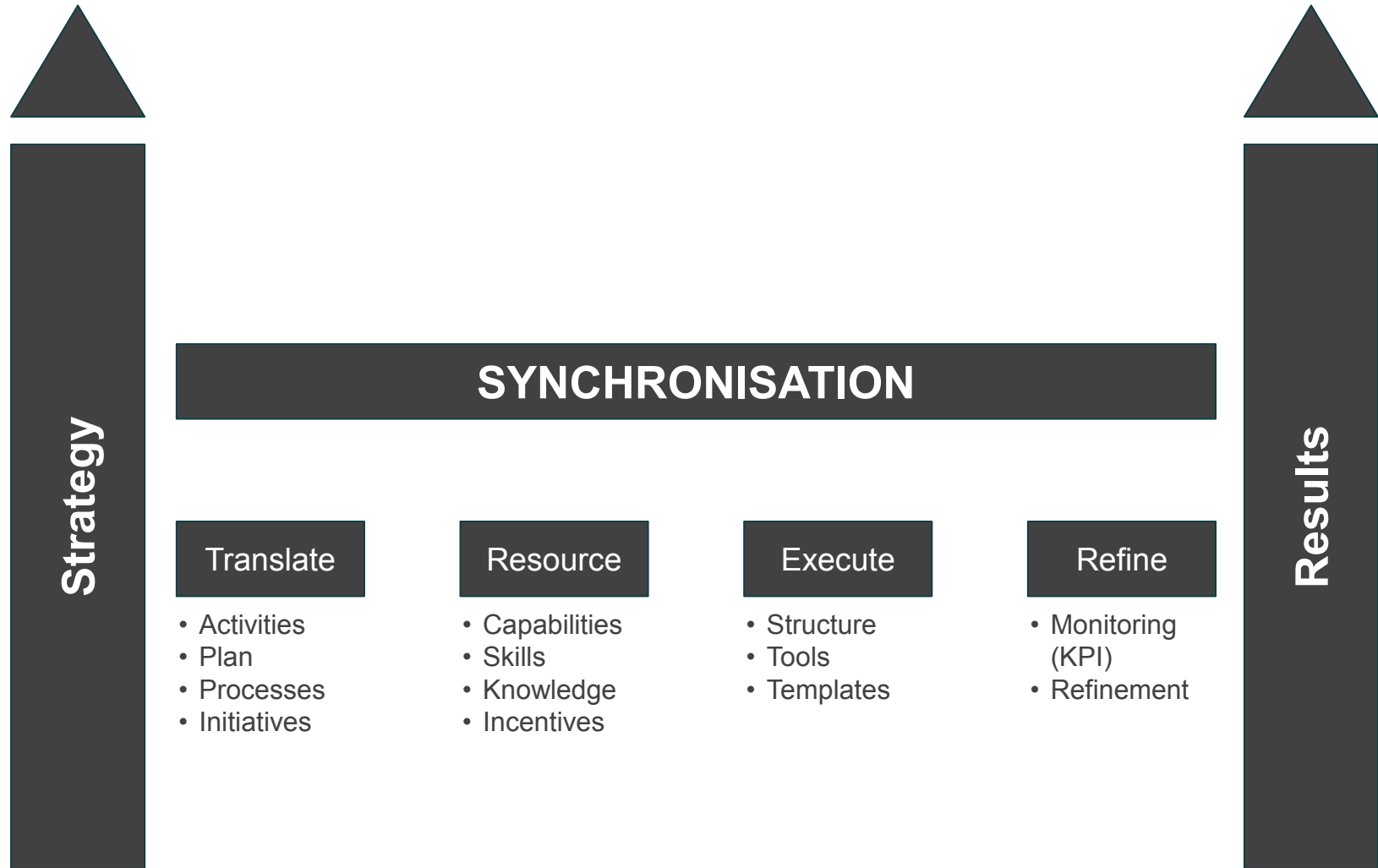
Activities and synergies across work streams



# *PAREXEL HAS IDENTIFIED THREE KEY COMPONENTS NEEDED TO TURN STRATEGY INTO RESULTS*



# MARKET ACCESS STRATEGY CANNOT BE DELIVERED INSIDE THE MARKET ACCESS FUNCTION



# WE HAVE MULTIPLE EXAMPLES TO DEMONSTRATE THE VALUE OF SYNCHRONIZATION

## PAREXEL case study

<b>Situation</b>	The global commercial team was in the process of finalizing the Value Proposition for a new asset and wanted to ensure that <b>voices from cross-functional teams were heard and taken into account</b> before testing with external stakeholders
<b>Challenge</b>	<b>Different functions had conflicting inputs for the Value Proposition</b> and how it should <b>align with the pricing and market access strategy</b> : <ul style="list-style-type: none"><li>• Regulatory thought that the Value Proposition did not accurately capture the breadth of the indication approved by EMA/FDA</li><li>• Legal objected to the evidence in support of specific value messages</li><li>• However, from a market access perspective, a delay in launch to wait for further evidence would severely affect the uptake potential of the new product</li></ul>
<b>Solution</b>	<b>All different functions were engaged in a two days workshop facilitated by PAREXEL.</b> Cross-functional teams were split into three break-out sessions to work on a part of the Value Story. The outcomes of the break-out sessions were integrated, the revised Value Proposition was presented, and a consensus was reached.
<b>Outcome</b>	<b>Perception of co-creation</b> among the cross-functional teams led to alignment towards a <b>united, clearly defined purpose</b> and <b>resolve</b> to work together to achieve it.

# TO ACHIEVE SYNCHRONISATION, PHARMA NEEDS TO ACTIVATE CROSS-FUNCTIONAL COLLABORATION

## TIMELY

Are study outcomes released on time for regulatory submission?



Are payer value drivers and willingness to pay assessed early on?



Does commercial adhere to regulatory restrictions?



Are early access programs registered on time?



## COLLABORATION

Does clinical understand the commercial potential of the compound?



Are pricing strategy and Value Propositions aligned with the economic value of the product?

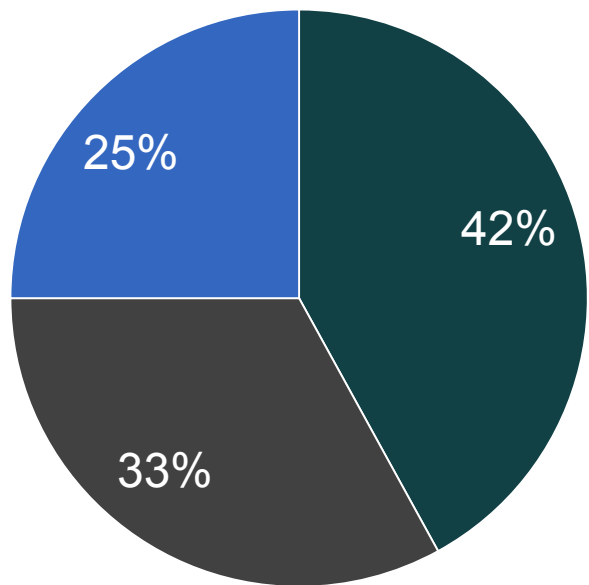


Does upper management market share expectations align with the product offering?



# PAREXEL RESEARCH SHOWS THAT CROSS-FUNCTIONAL TEAMS DO NOT ALWAYS COLLABORATE

**Survey:** How well do clinical, regulatory and commercial teams collaborate?



■ Well ■ Moderately well ■ Not well

n=15 market access leaders, updated in 2017

## Companies recognize the importance of collaboration...

*“We need to do earlier and more collaborative planning with more consideration of the market access challenges so that a more thorough assessment can be conducted”*

*“There is a lot more activity in the HTAs and coordination between them. It’s in our collective best interests to harmonize economic components of product development. There is an irrefutable practicality to that” (Interview respondent 1)*

## ...some are still trying to achieve it...

*“We need to recruit the right people and provide them the right resources, skills, time and bandwidth.” (Interview respondent 2)*

## ...and others are close to succeeding

*“This parallel evidence development strategy produces a set of assumptions which is fully validated through extensive early modeling and simulations. Every and all areas are involved” (Interview respondent 3)*



# *COLLABORATION REQUIRES FOCUS ON CLEARLY DEFINED RESULTS ACROSS FUNCTIONS...*

## WHAT

### **CO-ACCOUNTABILITY**

Focus on a uniting, clearly defined, and compelling purpose above functional boundaries

## HOW

Build the teams' cross-functional understanding

Develop a culture of trust

Ensure no conflict of interest

Define the overarching result

Give control of the process to get to the results

# ...AND A RESOLVED TEAM TO FOCUS ON ACHIEVING THE RESULTS

## WHAT

### RESOLVE

Determination to go beyond expectations to achieve the result

## HOW

Ensure that the results are challenging, but achievable

Stimulate involvement

Cultivate a sense of ownership

Activate discretionary effort

Give control of the process to get to the results

# ORGANIZATIONAL EXCELLENCE IS THE OUTCOME OF A SYNCHRONIZED, CO-ACCOUNTABLE & RESOLVED TEAM

Three steps to organizational excellence:

- 1 Synchronisation**  
**Develop a web for timely communication**  
*"If everyone is moving forward together, then success takes care of itself" - Henry Ford*
- 2 Co-accountability**  
**Align individual goals with global result**  
*"Accountability breeds response-ability" - Stephen Covey*
- 3 Resolve**  
**Build an outcome driven culture**  
*"We all know how to be fit, slim and healthy – but that means hard choices so we decide to start next week" - David Maister*



*ANY QUESTIONS?*

[janice.haigh@PAREXEL.com](mailto:janice.haigh@PAREXEL.com)

**PAREXEL**<sup>®</sup>  
YOUR JOURNEY. OUR MISSION.<sup>®</sup>