

**“ADAPT OR DIE”: LIFE SCIENCE LEADERS EXAMINE INDUSTRY TRENDS**

**Zensights Gathers Top Executives to Scan BioPharma Leadership, Organizational, and Operational Transformations**

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The median cost of getting a drug to market is exceeding \$350 million<sup>1</sup>, numbers so staggering it risks sustainability of the BioPharma business model. Despite the costs, and perhaps because of them, BioPharma mergers and acquisitions are on the upswing<sup>2</sup>. Sellers seek to divest non-core assets while buyers hope to hedge fledgling R&D pipelines. Amid this change, BioPharma Leadership, Operational Systems, and Company Cultures built for prior decades strain over modern demands being placed on them.

Zensights gathered twenty BioPharma Leaders, Suppliers, and Industry Experts for an executive summit focused on these industry challenges. The meeting featured Lieutenant General (Ret.) **Rick Lynch**, an expert on Adaptive Leadership speaking on its potential applications to the Pharmaceutical Industry. As highlighted in his most recently published book, ***Adapt or Die: Leadership Principles from an American General***, Rick honed nine Leadership Principles while serving as the Commanding General, responsible for 163 Army Installations worldwide with an annual budget of \$12 billion and a workforce of 120,000. His key advice to Leaders in attendance included several gems from his personal experience:

**Focus on opportunities, not obstacles. “It can be done.”** Rick oversaw the army’s battlefield technology transition to digitization for “situational awareness.” Talk about a *Big Data* problem, it was literally life or death to know where you are, your buddies are, and enemy is on the battlefield. While there were many challenges with implementing the new systems, Rick saw the obstacles for what they really were: opportunities. He encourages us to look at the long-term when implementing things that give us situational awareness as it’s those things that truly enable organizations to move forward.

**Decide when to decide. “Take time to think.”** Rick led the army’s Third Infantry Division during the Iraq War. On the President’s orders, for 25,000 soldiers, Rick had

<b>Rick Lynch’s 9 Leadership Principles</b>	
Focus on Opportunities, not obstacles.	“It can be done!”
Have fun!	“If the boss ain’t happy, ain’t nobody happy!”
Achieve a work-life balance.	“How are you living your dash?”
Decide when to decide.	“Take time to think!”
Look down, not up.	“People don’t care how much you know until they know how much you care!”
Be a mentor.	“You must be accessible, you must listen, and you must truly care!”
Engaged leadership is important.	“Love your subordinates like you love your own children!”
Be demanding but not demeaning.	“Everyone must perform to his or her full potential.”
Always celebrate diversity.	“Don’t surround yourself with people like you!”

R. Lynch & M. Dagostino (Oct, 2013) *Adapt or Die: Leadership Principles from an American General*, Grand Rapids, MI: Baker Books.

to shift from a six month preparation plan to a combat plan in six weeks! There were hundreds of tasks, including advanced training exercises that required perfection. How did he tackle the impossible? He focused on the most critical tasks, those they could accomplish in six weeks, while preparing a timeline to confront the rest while in transit. He focused his team, not on a crisis, but on prioritized preparation. Leaders get teams to doing the right things, and doing things right to stay focused.

**Look down, not up. “People don’t care how much you know until they know how much you care.”** Like many leaders, Rick often met with those in his command reviewing operational and infrastructure issues. With a workforce of tens-of-thousands, there were unending challenges. He held town hall meetings, talking directly to those dedicated to the cause, and advocated strongly for having work-life balance. Rick backed up the rhetoric by establishing the “6 p.m. dinnertime rule.” The entire workforce, military and civilian alike, were to complete their required work and honor nightly dinner with their families. Leaders stand up for what they believe and make lives better, even while going through tough times as an organization.

Building on Rick’s leadership principles, Zensights featured an Executive Panel discussion on challenges BioPharma organizations face during transformations: **Monica Tellado**, *Gilead*, Vice President of US Commercial Operations; **Manish Sood**, *Reltio*, CEO and Founder; **Sharon Clarke**, *kaléo*: Vice President of Commercial Operations.

Many are calling on BioPharma to innovate with new thinking, new approaches, and new efforts to address rapid change. The panelists addressed how they are equipping their organizations to be ready for adopting agility and speed, keeping their business running while shifting the status quo. Highlights of the discussion included multiple themes shared from the panelist’s industry experience:

**Mergers and Acquisitions:** Significant change management and leadership challenges are associated with bringing two different organizations together. Management groups must ensure they have the right capabilities, resources, and processes onboard. Each panelist cited challenges with integrating technologies and leadership priorities. Alignment of corporate cultures were top-of-mind for leaders acquiring new teams and assets.

**Leadership and Operational Structures:** With the speed of change, the panelists employed special tactics to identify and prioritize what’s required to lead in their organizations. Aligned with many of the lessons shared by Rick Lynch, these leaders sought to identify the most important hazards or opportunities early and formulate appropriate actions. While all agreed that we’re in dynamic times, leaders are not necessarily held to new standards, but are expected to accelerate change in new ways.

**Company Culture:** With few companies doing everything “in-house,” BioPharma culture is changing. Even traditional competitors have teamed up to tackle R&D challenges. Consortiums, alliances, mutual foundations, and crowdsourcing are among the “new” approaches for collaboration. Done well, these relationships allow companies to share both risk and reward with external partners. Many leaders find themselves tapping into a small group of talented team members again-and-again to lead key initiatives. This can limit the volume and speed by which things get done. The panelists pointed to a key solution in “democratizing information” and sharing appropriate information at the right time, with the right groups across the company.

The quest is to build organizations that win today and are prepared for the future. BioPharma ingenuity must forge new ways of collaborating internally and externally to accomplish this change. This meeting benefited BioPharma attendees by identifying modern ways to broker change across multiple partners and suppliers while delivering life changing solutions.



1. M. Herper (2013) “The Cost Of Creating A New Drug Now \$5 Billion, Pushing Big Pharma To Change”, Forbes.  
2. Giovannetti, et al. (2014, January) “The Shifting Balance of Firepower” Firepower Index Growth Gap Report, EY

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