

THE ART OF EFFECTIVE R&D TRANSFORMATION



An effective pharmaceutical R&D transformation shapes the R&D function into a high-performing one. Such transformations cover many aspects and affect many people, so require clarity, simplicity, and sustained effort to have an impact.

The reason that companies engage in R&D transformation is usually a concern about R&D productivity. High attrition rates and regulations that increase time to market are constant enemies of R&D, so need constant attention. The opportunity to improve R&D productivity lies primarily in organisational culture: how to ensure people are focused on what matters rather than being in some way distracted by the organisation, for example through silo behaviour such as an “us vs. them” mentality resulting from corporate structural changes such as M&A. R&D transformation also presents an opportunity for R&D functions to change in response to ever-changing science and medical practice.

Successful R&D transformation ultimately links the exciting purpose of the pharmaceutical industry – to save and change patients’ lives – with the mindset of the people who create the high-impact medicines of the future. A great culture enables people to have a mindset of working seamlessly and effectively both internally and externally, enabling a complete symbiosis between the R&D function, colleagues in other functions, and the outside world. Embedding such a collaborative culture is a major challenge in R&D, as it is very different from the academic culture that many scientists come from. It is also one that is prepared for the serendipity of innovation and motivates everyone to go the extra mile for patients.

Because culture change is at the heart of great R&D transformation, the act of transforming R&D should be considered as a major endeavour and an ongoing long-term journey that must be constantly linked to a clear focus on what matters. Patient-centricity and putting the project at the core of R&D activity are two common cornerstones to start forming the focus around. Patient-centricity links a transformation effort to the core purpose of the company, and project-centricity mobilises people to work collaboratively and transversally towards a common goal: medicines that make a difference to patients’ lives.

The art of R&D transformation starts with leadership. Leaders must create clarity and simplicity from complexity. They must communicate in simple ways that are memorable, and create a shared language that signals how the culture must evolve. Simple language that crosses functional boundaries enables the teamwork required for R&D to be successful – often articulated through goals such as “patient-centricity” or “let the biology speak”.

Though simple and inspiring statements and goals are easy to say, it is not easy to determine how to get there. To make such statements live in an organisation requires leaders to change their R&D operating model, including processes, governance, structure and capabilities. Examples of such changes include creating a new translational capability to bring the patient to the centre of R&D activity, simplifying governance and processes to improve the quality of decision-making, linking more effectively with commercial functions to ensure projects are valuable, and finding ways to bring the patient into the heart of R&D activity in order to create better value for patients through new medicines. Making all or some of these changes coherently and systematically requires focus and leadership. Leaders must constantly communicate and role model the behaviour and culture that will ultimately result in R&D transformation.

The art of transforming R&D is therefore more a journey than a one-off event. Changes need to be sustained, and to do so must recognise that the pace of transformation should be varied so that fatigue does not set in. Constant linking to the purpose of R&D to save and change lives is essential: it is after all people who create great drugs, and leaders that transform R&D well enable their teams to do that collaboratively and with urgency.