

# MedicinMan™

~ FIELD FORCE EXCELLENCE ~

PHARMA | MEDICAL DEVICES | DIAGNOSTICS | SURGICALS

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## Editorial

# Front-line Manager - The Last Mile Disconnect in Pharma Strategy

According to an excellent must-read Booz and Company's Pharma Sales and Marketing Trends Report, 68% pharma executives believed that the present pharma business model was broken and needed significant repairs.

I wonder what an India specific survey would reveal. Most consulting companies are busy trumpeting the huge potential of Indian healthcare market without saying much about the current business models and practices. **The business part that needs the most repairs is Sales Force Management and Front-line leadership development.**

In this issue, MedicinMan looks at the last mile challenge from several angles and perspectives. **First, there is an excellent lead article written by industry veteran Vikram Munshi** who has worked in senior positions in pharma giants, GSK and Ranbaxy. (<http://in.linkedin.com/pub/vikram-a-munshi/5/168/141>)

Vikram's article echoes the voice of thousands of front-line managers on whom new and newer strategies are thrust without addressing their basic need of quality front-line people. Concepts like SFE, KAM, CRM make eminent strategic sense. However, they fall flat at the ground level. And that is how good concepts like SFE, KAM and CRM get a bad name and are discarded/misused or made into our own brand of khichdi; instead of what Hanno Wolfram writes in his excellent article –

“Understanding and Aligning SFE with Commercial Excellence”. Read Vikram's and Hanno's article and send us your feedback.

Then there is the MedicinMan Poll on LinkedIn, which has received excellent response – 90 votes in 10 days and counting (Booz and Company surveyed 150 pharma executives globally). This Poll is to identify the learning needs of pharma front-line managers. Five skills were listed – see Poll and Participate - <http://linkd.in/yJ2HVZ>

1. Managerial Skills of Planning, Organizing, Execution and Monitoring
2. Creating Trust & Building Relationship
3. Spot, hire, motivate and engage talent
4. Build skills of team members
5. Effective communication

Except for managerial skills, all others require significant amount of emotional intelligence and leadership learning. And it is clear from the comments that very little learning and development happens at the front-line. Everyone expects the front-line manager to perform like an expert juggler who can balance several roles and responsibilities simultaneously. But an expert juggler learns, trains and practices like hell before he performs before the crowd. Significantly, Effective Communication Skill received the least importance – does this reflect on the underlying problem of poor

communication, disengagement and attrition?

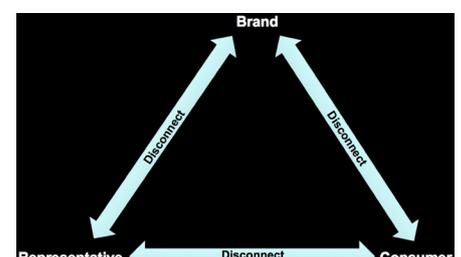
The article by Jitendra Singh gives front-line managers five simple steps to cope with the current challenges till the Indian pharma leadership steps in and addresses the issue holistically.

Srinivasan's article on facing interviews should help Medical Reps as well as recruiters.

Dinesh Chindarkar and Dr. Neelesh report on Health 2.0 India. A very interesting and new frontier approach to healthcare issues. These new approaches could hold some answers to fixing the pharma business model.

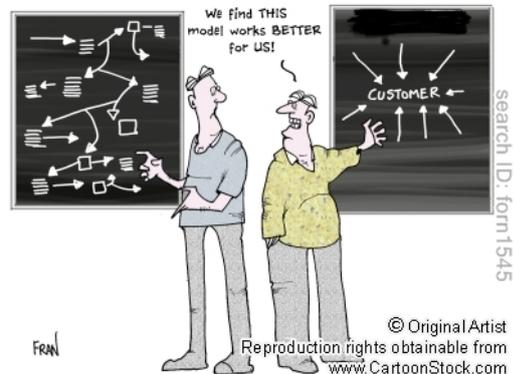
**Encouraged by the success of Brand Drift for pharma brand managers MedicinMan is partnering with Knowledge Ventures to produce an event focusing on Sales Force Management, specifically on enabling front-line managers to unleash the FORCE in the FieldForce. Call us if you want to partner with us.**

We look forward to your feedback and support in our efforts to foster Field Force Excellence.





## Understanding and Aligning SFE with Commercial Excellence



### Hanno Wolfram

It is very clear that the first two letters of SFE stands for Sales Force. The 3rd letter is not clear at all! The letter “E” stands for Effectiveness or Efficiency or Excellence.

All three meanings are used in pharma companies. Often within a company, SFE might stand for any or rather all of the three meanings indicated. In the latter case confusion will eat up a lot of energy and time. A clear idea of what a word means is essential for human communication. Within a pharma company, the “idea” must not only be clear but the meaning must be common and the same for all. Why? Because otherwise you would never know what your boss or colleague would mean when he says: “You did an excellent job!” Actually SFE as a concept triggers many details in a company. For example KPIs will be influenced by SFE. Many metrics and measures are decided using the “E” in SFE as a starting point.

Peter Drucker said, Effectiveness stands for doing the right thing. Efficiency stands for doing things right. “Excellence” we need to define ourselves and I would suggest using the vote of clients - client rating on a scale of 1 to 10. A rating of ‘10’ would imply –“I was served in an excellent way”. Then we have a metric for “excellence”. GSK is doing this in the US after abandoning revenue related KPIs for Medical Reps.

The key message from all three “E-words” is contained in the sentence: “You can only manage what you measure and what you measure gets done!”

We all know this: if you measure calls, you get calls. If you measure mileage you get mileage, if you measure round table discussions, you will get them. From our daily life we all know this phenomenon: setting a computer on your car to display “fuel consumption” will influence the way you act. If you set your car display to “average speed achieved” you will try breaking records. There are plenty of examples in work and family life. This is the reason that a clear, coherent definition and understanding across the company is mandatory.

#### SFE Summary:

- Sales Force Excellence must be something decided by clients.
- It can be measured as GSK is doing. “Client satisfaction” is the key metric driving bonus payments and “excellence awards”.
- If the “E” stands for “effectiveness” a medical rep would make many calls. One of the subsequent KPI is “calls / day”. In many cases this metric / KPI is seen as being from the past.
- If the “E” stands “efficiency” a medical rep would make impactful calls to high potential physicians and one of the KPIs could be “revenue increase per call”.

Commercial excellence leads one step further into the future, but ....only if it is defined properly! Establishing and running a company only has one core purpose: gaining more return on your capital. Anything that contributes to this purpose

can be called “commercial excellence”. Commercial Excellence covers and is an issue for the whole company and in a pharmaceutical enterprise must be seen as something, which is related to every single “client facing” part. Commercial Excellence in the future will mean:

1. Healthcare stakeholders see us as acting in a commercially excellent way (this means giving and taking!)
2. Our clients will like the way we run our commercial operations
3. The shareholders or the balance sheet will deliver proof of our excellence

The most important part in defining what Commercial Excellence means in your company is the fact that Commercial Excellence does not allow the old rules of departmental thinking. Remember that the word department comes from “depart” and not from “cooperate”. Commercial Excellence, if understood the way indicated above, can be achieved only by joint effort within your company to achieve the commercial results. One of the major consequences could be that the core KPI is “bottom line results”. To achieve Commercial Excellence, departments like Market access, Pricing & Reimbursement, KOL management, Key Account Management, OTC field force and Rx field forces must work together in a unidirectional way.