

# Career Chameleons

by Nick Stephens, chief executive of life science recruitment specialists, RSA

As anyone working in pharma knows, the industry is transforming and four key changes are having an important impact on jobs and career prospects - globalisation, poor pipelines, regulatory stretch and price pressure.

## **Globalisation**

Over the last fifteen or so years the industry has shifted, from being a parochial, headquarters-based business, to a truly global one. New products are discovered, developed, made and sold in places that a decade ago would not have been considered viable. The pace of change will only quicken over the coming years.

## **Poor pipelines**

New blockbuster drugs are few and far between, high-value niche indications may well be the path to future profits and the more money the industry pours into R & D the fewer new drugs reach the market. Clearly shareholders will not tolerate this trend for long.

## **Regulatory Stretch**

The path to new medicines is becoming more complex and expensive. Regulators the world across are heaping new regulations on an already heavily regulated industry. Once a product has its licence the company may well be unable to get reimbursement for it. Recent drug safety crises mean that the chances of a product withdrawal seem to rise daily.

## **Price Pressure**

The customer power base is changing rapidly with oligopoly purchasers who are beginning to understand their power and flex their muscles. Average margins have been falling for some years in the EU and Japan and will soon tumble in the USA.

So how do today's pharma executives ensure they keep or enhance their jobs in the future? Well, every problem is also an opportunity. The executives who are fastest on their feet, most able to change and keenest to add value to the patient are the ones who will climb the ladder fastest.

The challenge of globalisation means executives will either have to move to new territories as the opportunities arise or learn to manage people from very different backgrounds remotely. To survive and pursue strong and durable careers they will need to think and act globally. They will have to co-operate with, and rely on, widely distributed teams, working with people they rarely, if ever, meet. Long-haul flights, even videoconferences in pyjamas, will become an even greater part of their work routine. The executives of the future will be those who understand how to map this global business approach on to the work of discovering, developing, selling, making and distributing innovative new drugs.

Another change they will need to factor-in is the continuing consolidation of the industry. There will be fewer big players and therefore fewer jobs for people at the top. Career options such as interim management and consulting are increasingly seen as viable options for people displaced in this way and can be a satisfying way to use their experience without having to play the corporate politics game.

Poor pipelines mean that competition for promising new drug candidates will be higher. Individuals who can forge relationships, build alliances and achieve true win-win partnerships will do best. Other skills that will help them do well are best exemplified in the commercial skills we see today in the branded generics sector; opportunism, speed and a commitment to value-added service.

We can learn from other industries too. Novartis is a leader in this, actively recruiting executives from brand-based businesses such as Nike and Mars. Where, historically, pharma has had its nose in the air and looked down on less technical businesses, all of sudden it must learn lessons from them in order to survive.

Every new regulation serves as an opportunity to out-comply or to out-think competitors but it also adds to the cost and complexity of doing business. Outsourcing well, or bringing in a team of well qualified interims who have faced the challenges before, can add huge value in this fast changing environment, and can give executives a new set of levers to control their business. Leaders who learn to engage and motivate their service providers will get the best from them.

Price pressure means that the challenge of demonstrating value to the purchaser is critical in today's world. Clinical strategists who build in value-based measurement to their trials are very attractive to potential employers. Those who understand the label payers will be happy to reimburse and develop products to meet those needs, even though that might preclude going for a blockbuster, and they will add significantly more value to their employer than those who don't.

We are also seeing a (correct in my view) pressure towards outcomes-based reimbursement. As pharma has access to huge quantities of data on their own and on comparator products, the industry can build models that benefit both their shareholders and their patients. The executives who move wholeheartedly towards these new models have the potential to be the saviours of our industry as well as the new champions of the patient. I can't wait.

To succeed in this new and fast moving world executives need to change fast, to learn lessons from other, lower margin industries that have faced similar challenges, and always to think about the benefit of the patient. A much wiser man than me once said: "Look after the patient and the profits will look after themselves." It's true.

[www.thersagroup.com](http://www.thersagroup.com)

ends