

The Smart Manager *Series* (#4)

Excellence in Execution ...

**Key principles
&
Tools**

**... Applied to
Pharma Companies**

June 2019



**Smart Pharma
Consulting**

*“Excellence is not a skill.
It is an attitude”*

– Ralph Marston

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1. Introduction

Excellence in execution is essential to turn a strategy into a business success

- If the quality of R&D remains the primary success driver of innovative pharmaceutical companies, the quality of their medical, marketing and sales departments is also of utmost importance to turn new products into commercial successes
- Actually, the great majority of drugs face strong competition, which requires the crafting of a solid medical, marketing and sales strategy to boost customer preference and hence optimize corporate revenues
- However, business successes or failures are more dependent on the quality of the strategy execution than on the chosen strategy
- The purpose of this position paper is to propose principles and practical recommendations to help pharma companies excel in executing their strategy

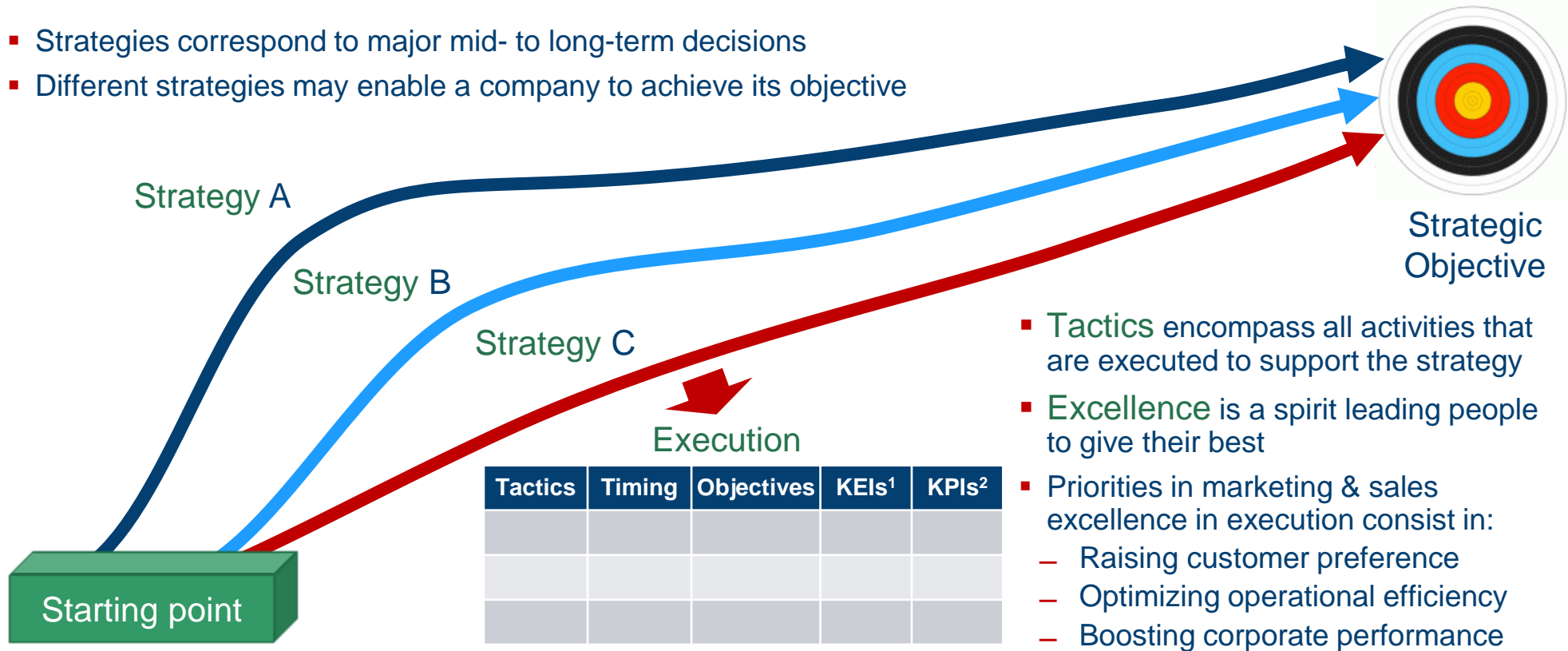
“Strategy is about execution” – Sanjiv Anand

1. Introduction

Excellence, when applied to strategy execution, contributes to drive customer preference, optimize operational efficiency and corporate performance

Strategy – Tactics – Execution – Excellence

- Strategies correspond to major mid- to long-term decisions
- Different strategies may enable a company to achieve its objective



1. Introduction

The Smart Strategic Model helps to align the “Strategic Square” to the strategic objective and then to craft the best strategy and the corresponding tactics supported by the right organization

The Smart Strategic Model™ – Principles



- **Purpose:** Why do we exist?
- **Vision:** What do we aspire to become?
- **Mission:** What do we do and for who?
- **Values:** What do we believe in and how do we behave?
- **Objective:** What do we want to achieve?

- **Strategy:** Where to play and how to play to win?
- **Organization:** What activities, processes, structure¹ and culture we put in place to execute the strategy?
- **Key tactics:** How are we going to execute the strategy?
- **Performance:** What have we quantitatively and qualitatively² achieved and what are the gaps and why, if any?

1. Introduction

The strategy should be crafted according to the analyzed situation and trends, and the strategic objective set, prior to the design/adjustment of the organization

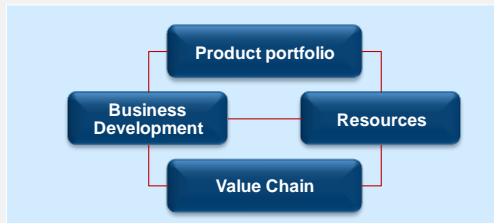
The Smart Strategic Model™ – Strategy & Organization

Situation & Trends Analysis

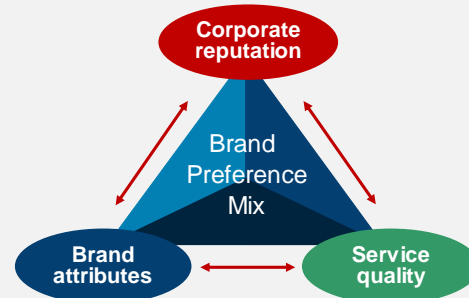
Competitive Landscape Analysis



Company Assets Assessment



Strategy Crafting

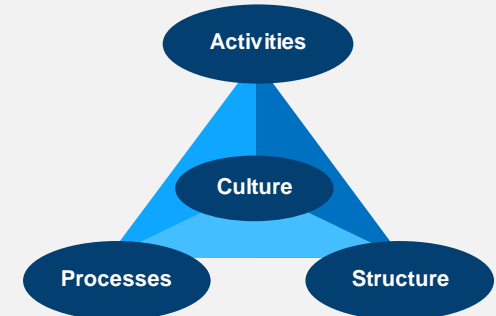


Marketing & sales strategies should be crafted to raise customer preference and create a long-lasting competitive advantage by:

- Seizing market opportunities
- Combating market threats
- Leveraging competitive strengths
- Addressing competitive weaknesses

Strategic Objective

Organization Design



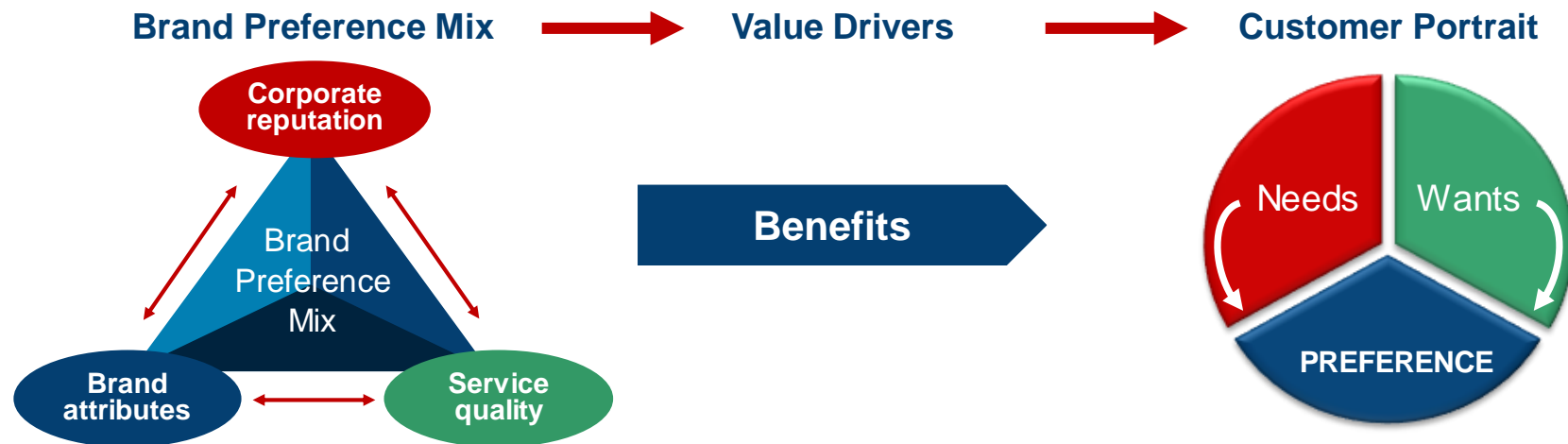
The organization should be designed to support the crafted strategy efficiently. Four dimensions should be considered:

- Activities (and competencies)
- Structure (FTEs, organization chart)
- Processes (coordination, decision-making, information sharing, etc.)
- Culture (working conditions, etc.)

1. Introduction

Medical, Marketing & Sales departments must put into perspective the value drivers related to the three components of the Brand Preference Mix to gain/strengthen customer preference

The Smart Strategic Model™ – Key Tactics (1/2)



- The 3 components of the Brand Preference Mix must be activated...
- ... to bring **superior benefits** to customers than competitors do
- Marketing & Sales activities aim at **promoting** these **benefits** and **convincing** customers to **recommend, buy or use** the proposed **products**

Customer preference is **driven by** their:

- **Needs:** “I need a treatment for this disease that is effective and safe” [**fact-based**]
- **Wants:** “I want to prescribe this treatment because I feel more secure” [**emotional**]

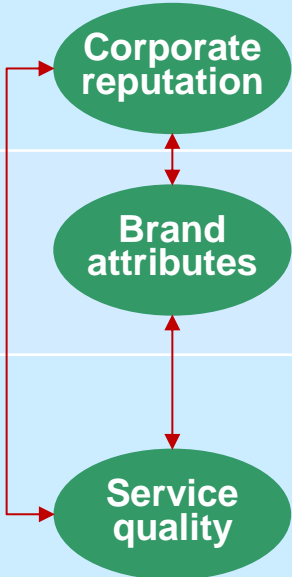
But **limited by** their:

- **Fears:** “I am used to another treatment and do not wish to change my habits” [**fact-based & emotional**]

1. Introduction

Features of each pillar of the Brand Preference Mix should be expressed as benefits to customers in order to strengthen their preference to the brand

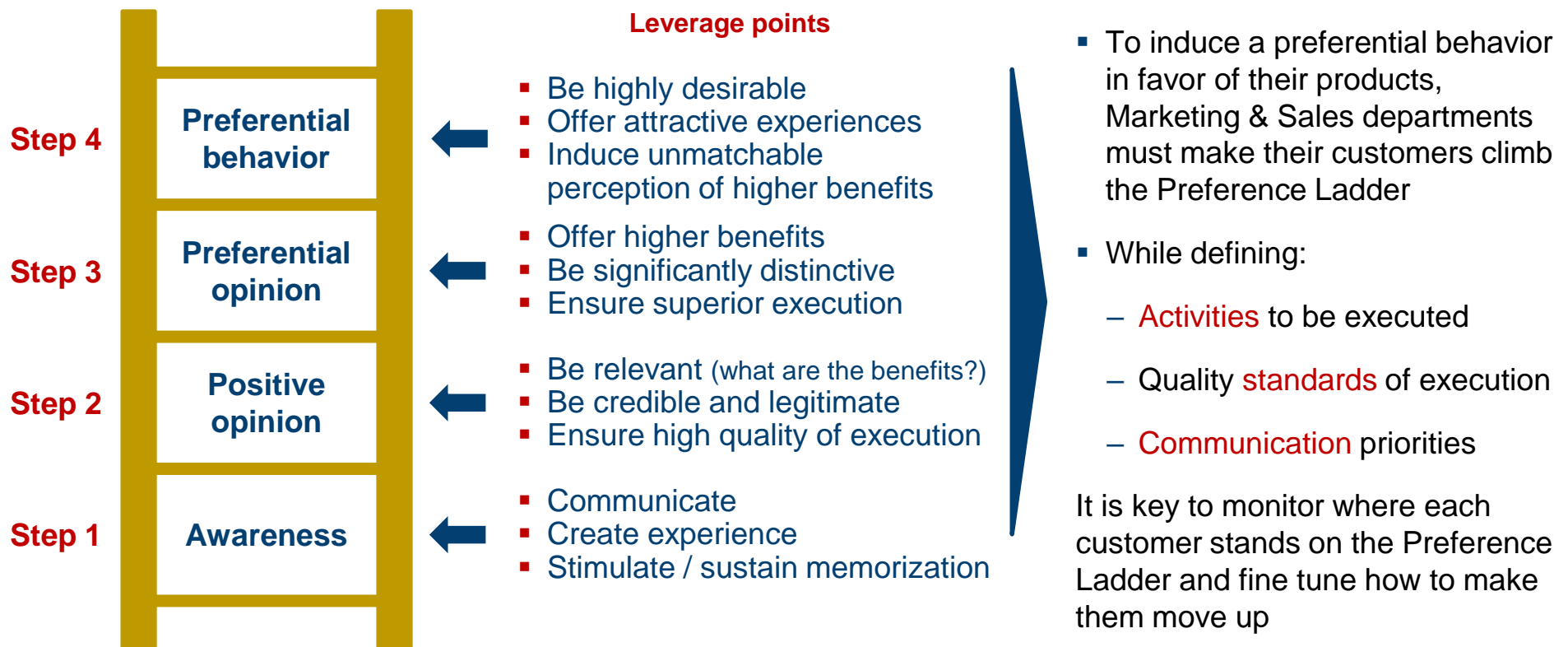
The Smart Strategic Model™ – Key Tactics (2/2)

Brand Preference Mix (BPM)	Features of the BPM pillars	Benefits to customers
 <p>Corporate reputation</p> <p>Brand attributes</p> <p>Service quality</p>	<ul style="list-style-type: none"> What to say and do to build an appealing image and establish the company as a reliable player? How should these initiatives be carried out? 	<p>The benefits the customers are likely to draw¹ should be identified for each feature of each component of the Brand Preference Mix</p>
	<ul style="list-style-type: none"> How to differentiate positively the brand from competition? How to highlight these attributes in an effective and efficient way? To whom these differentiating points should be communicated? 	
	<ul style="list-style-type: none"> What services to develop to create a superior difference vs. competition? How to make sure these services are highly valued by customers? <i>[Are they useful / interesting / convenient / well executed?]</i> How should these services be executed to meet excellence? 	

1. Introduction

The Preference Ladder shows where do customers stand and how to make them move up to the ultimate preferential behavior step

The Smart Strategic Model™ – Expected Outcomes



1. Introduction

Strategy and execution must be perfectly aligned to lead to success

Strategy to Execution Alignment



- Strategy and execution are closely intertwined since, to achieve an objective, it is necessary to choose:
 - A strategy (approach) and
 - The activities to be executed to implement that strategy



Case study: Starbucks



- Howard Schultz, former CEO of Starbucks, wanted his coffee shops to be the “third place” for conviviality beyond home and workplace
- Starbucks has managed to deliver its promise by:
 - Creating a warm layout and decor in its stores
 - The warm and friendly behavior of its employees who know how important they are to succeed

“Strategy without action is a daydream. Action without strategy is a nightmare”

2. Definitions

Excellence is a spirit leading people to give their best to beat competitors, to exceed customer expectations, in an efficient manner, to optimize corporate performance

Excellence vs. Perfection

EXCELLENCE



- The pursuit of excellence is focused on the reason for a task and the results to make it a success
- Excellence is related to:
 - Doing the right things (i.e. focus on what matters), making it more productive than perfectionism
 - Looking for continuous improvement to deliver outstanding quality to outperform the competition
- There is no fear attached to excellence

~~PERFECTION~~



- If perfection is the ultimate goal, the business environment moves too fast to achieve it
- Perfection is related to do things right
- Looking for perfection is inefficient due to the inordinate amount of time required
- Perfectionism has shown to cause anxiety and procrastination by fear of failure and thus to reduce people performance

“Strive for excellence, not perfection”

3. Why is Excellence in Execution so Important?

Excellence in execution is the ability to carry out a plan in an outstanding and better manner than your competitors so that to generate customer preference



Excellence in Execution

“The thing that keeps a business ahead of the competition is excellence in execution” – Tom Peters

- If the right strategy is needed to achieve companies objectives, it is not sufficient
- Actually, to produce its effect, the strategy must be well executed
- Thus, looking for excellence in execution is imperative to create and increase the preference of customers
- Execution excellence does not only boost sales, it also reduces costs by improving operational efficiency
- According to John Kotter from Harvard Business School, 70% of strategies fail because of poor execution
- Achieving excellence in execution is challenging because it requires to have the right tactics in place, the right capabilities and the right behaviors

“When a strategy looks brilliant, it’s because of the quality of execution” – Rosabeth Moss Kanter

4. Reasons for Poor Execution in the Pharma Industry

Poor medical, marketing and sales execution is mainly due to inadequate strategy, lack of customer insights, insufficient coordination and absence of efficient monitoring system

10 factors preventing Excellence in Pharma Medical, Marketing & Sales Execution

#1

Brand strategy crafted at the global level is not necessarily relevant to local markets

#2

Unclear understanding of the brand strategy by medical, marketing and sales people

#3

Insufficient customer insights (knowledge and understanding of their wants and needs)

#4

Poor quality of interactions with HCPs which are seen as useless and not interesting

#5

Inefficiency of first line managers to develop frontline collaborators competence¹

#6

Low enthusiasm from medical, marketing and sales teams who are insufficiently connected

#7

Activities carried out without prior evaluation of their likely impact on customers

#8

Non systematic evaluation of the impact of key activities on customer level of preference

#9

Suboptimal collaboration and cooperation between medical, marketing and sales teams

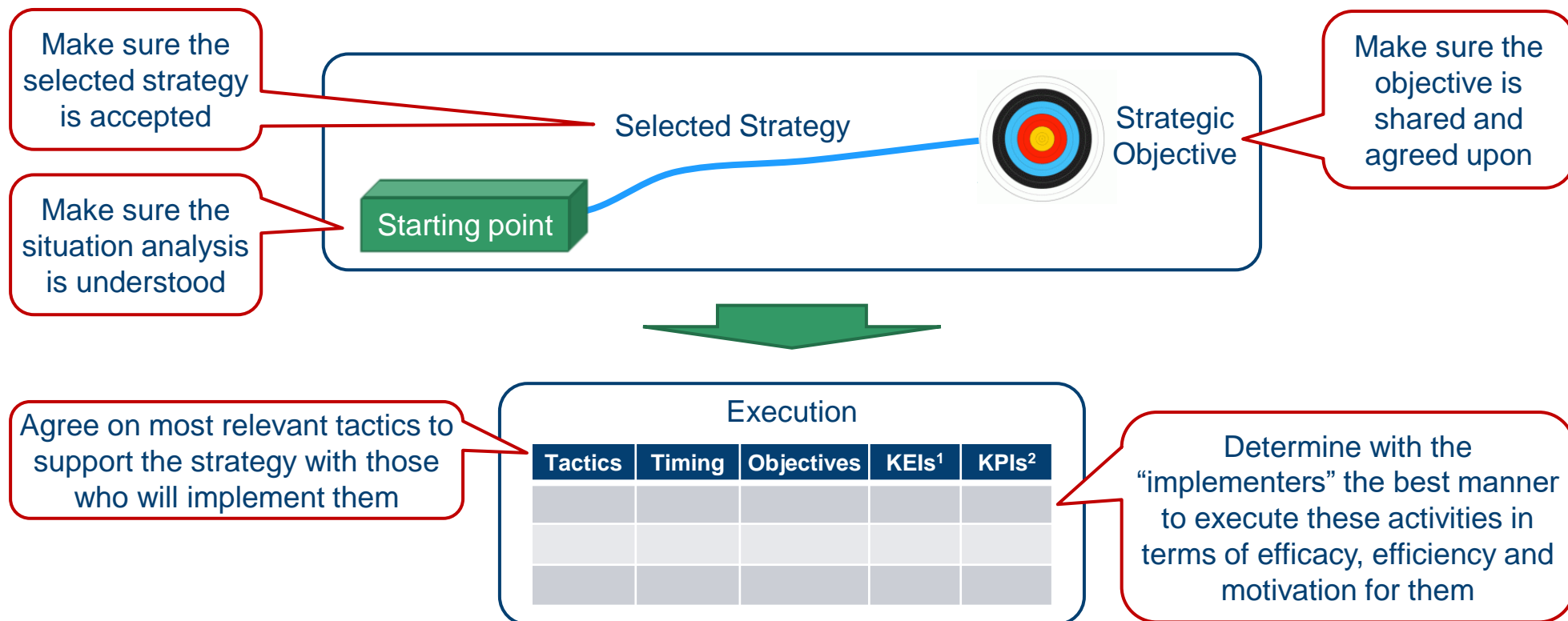
#10

Lack of boldness from the regulatory department to accept innovative ideas

5. How to develop a Smart Execution Excellence Model?

Alignment on the objective, the selected strategy and the corresponding tactics, of collaborators involved in execution will make it more relevant and more efficient

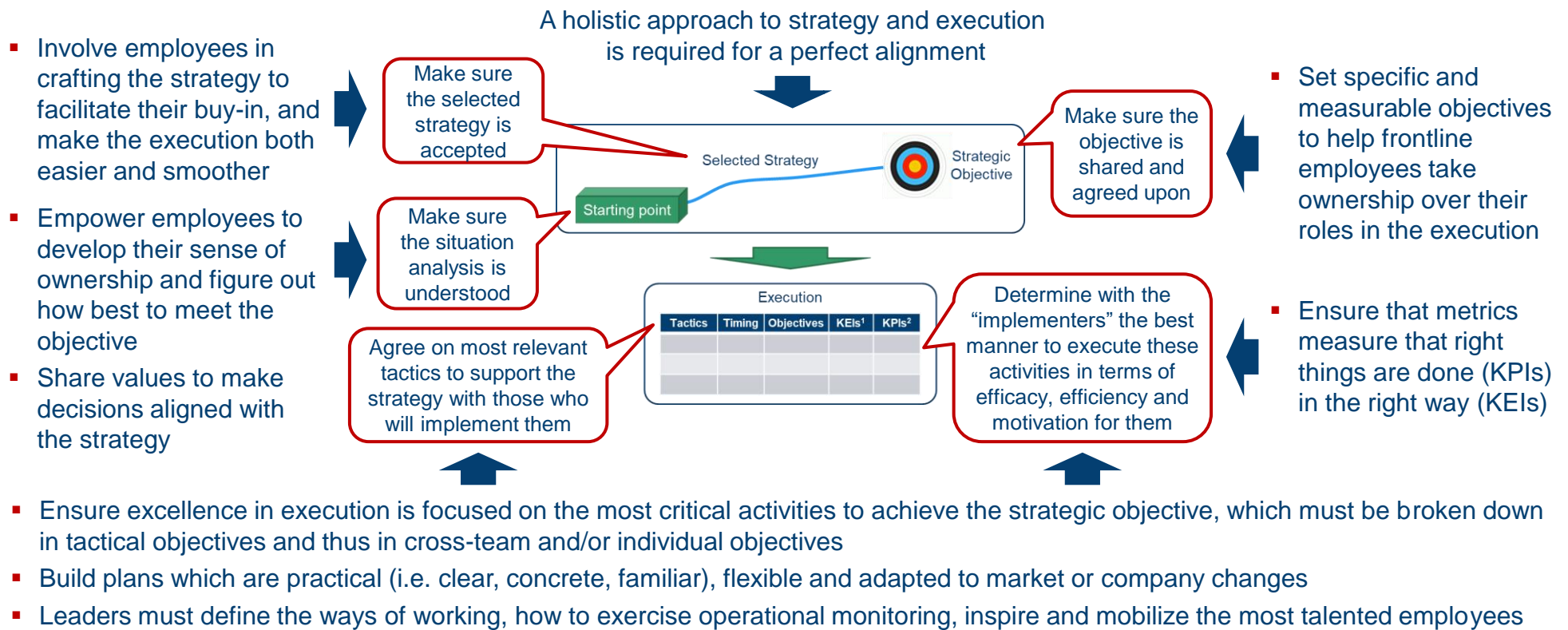
Introduction (1/2)



5. How to develop a Smart Execution Excellence Model?

Excellence in execution requires a participative and collaborative approach, to focus on the most important activities, to develop competence and to ignite passion of collaborators

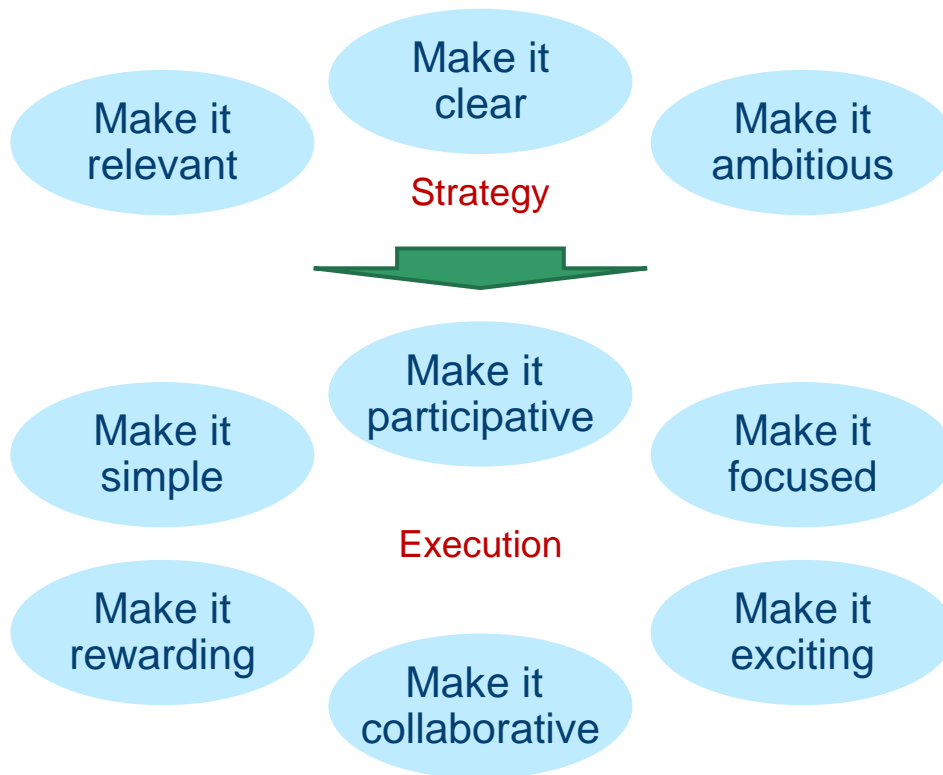
Introduction (2/2)



5. How to develop a Smart Execution Excellence Model?

Nine guiding principles to be applied and five key questions to be answered should help the implementation of a Smart Execution Excellence Model

Nine guiding principles



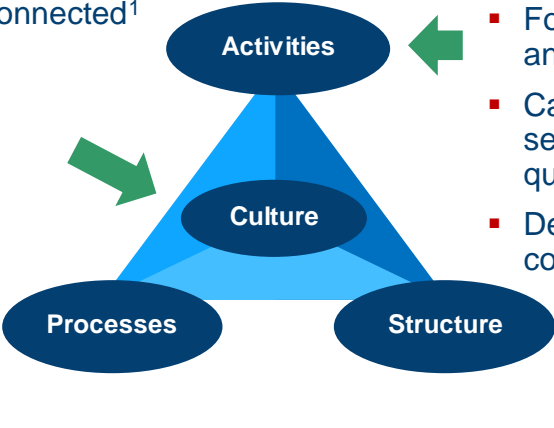
Five key execution-related questions

- 1. What to do?**
Select the most relevant activities
- 2. Why to do it?**
Document the rationale to carry out these activities
- 3. How to do it?**
Define the best practices and the best organization
- 4. How well it has been done?**
Monitor the quality of execution
- 5. How close are we from the objective?**
Monitor the performance

5. How to develop a Smart Execution Excellence Model?

To achieve Excellence in Execution, companies must design an holistic organizational system that will foster the search for excellence by all its collaborators, front line and back-office ones

Key organizational recommendations

- 
- Develop a culture of superior customer satisfaction to gain customer preference and increase market share
 - Develop a powerful vision so that people feel connected¹
 - Install a participative culture²
 - Engrain a culture of excellence
 - Create a working atmosphere that will engage collaborators to give their best
 - Encourage pro-activity, agility and experiment to find new solutions to excel in execution
- Provide direction and resources for achieving strategic objectives
 - Focus on activities that best support the strategy and that the company excels at
 - Carefully plan the execution of key activities and select a limited number of metrics to monitor the quality of execution and the impact of activities
 - Develop the skills of managers and of their collaborators in charge of executing activities
- Facilitate and motivate cooperation and collaboration across multifunctional teams
 - Develop enabling tools to:
 - Align objective, strategy and tactics
 - Measure the quality of execution and the impacts of activities
 - Reinforce the cohesion of the teams
 - Learn from experience
 - Streamline processes and set up standards of excellence
 - Define a process to facilitate participation of collaborators
- Design an adaptative structure that can be easily modified according to the changing environment
 - Set up flat and lean organizational chart to favor accountability and empowerment
 - Simplify structures by eliminating needless complexity
 - Delineate lines of authorities and decision rights

Sources: Adapted from Scott A. Snell "In search of Execution" SHRM (2016) by Smart Pharma Consulting

¹ Set clear performance expectations, hold them accountable, give them regular feedbacks, reward their performance, share outcomes, etc. – ² Solicit ideas and inputs, listen to people, select and implement their most appropriate suggestions

6. Case Study: The Mumbai Dabbawalas

The lunchbox delivery system carried out by dabbawalas is considered as one of the best-in-class model of service excellence in logistic for its level of accuracy and its timeliness

Description of the Business Model (1/2)



Dabbawala in Mumbai area

- The dabbawalas deliver ~130,000 lunchboxes per day, in Mumbai area, from homes and restaurants to people at work
- The lunchboxes are picked up in the morning, delivered predominantly using bicycles and railway trains by 1:00 pm



Lunchboxes distribution by handcarts

- Lunchboxes are labeled using a system of signs symbols, numbers, letters and colors indicating:
 - Where the lunch has been picked up
 - Which station it will be sent to
 - The final address of the owner
- This old-fashioned distribution system is more effective than Deliveroo or Uber Eats
- It is recognized as one of the world's most efficient logistics systems



Lunchbox coding system

- The cost for the service is ~ € 6 per month
- The dabbawalas belong almost exclusively to the Varkari community, which worships the Hindu god Vithala who teaches that “giving food is a great virtue”
- They are organized in a cooperative of 5,000 semiliterate partners, are self-employed and paid the same, around € 190¹ per month, and receive in addition tips from their customers

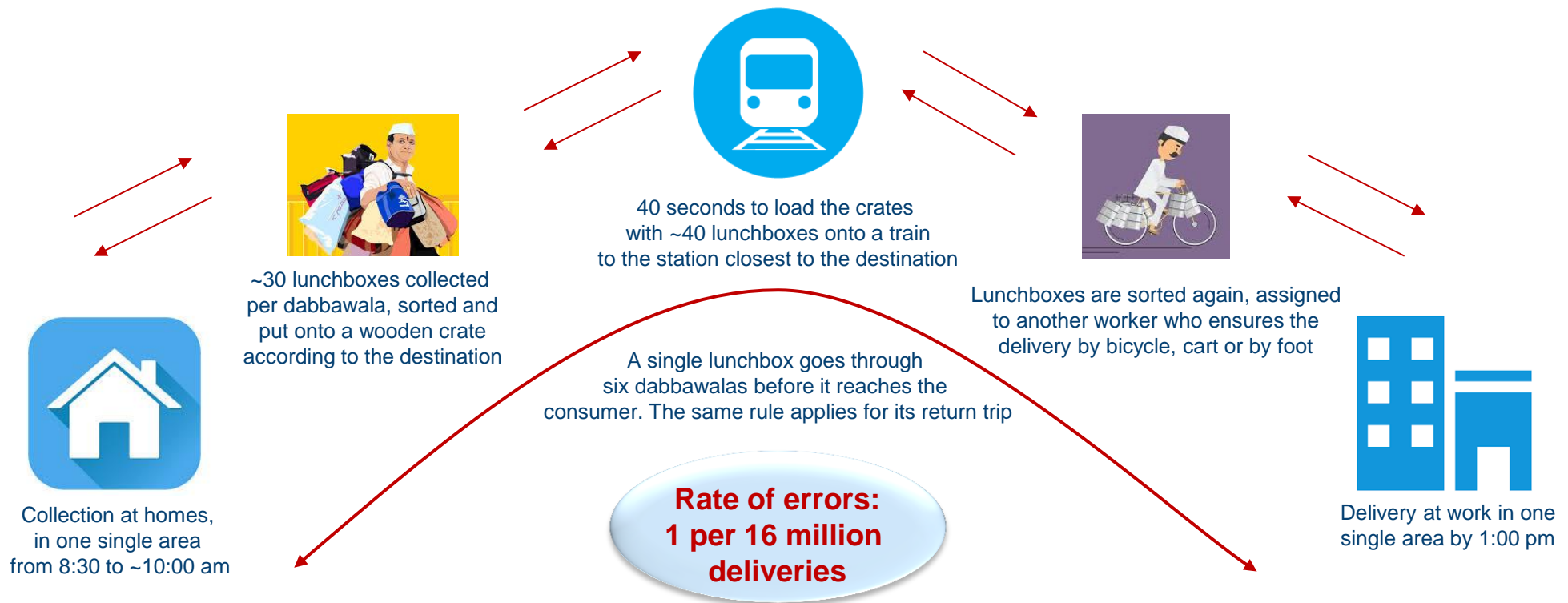
Sources: Sources: “How Dabbawalas became the world’s best food delivery system” by Emma Henderson, Independent (2017) – Smart Pharma Consulting analysis

¹ Which is considered as a good salary in India, especially for unskilled labour

6. Case Study: The Mumbai Dabbawalas

The low-tech distribution system carried out by the dabbawalas has been graded “Six Sigma”, meaning that the rate of mistakes is fewer than 3.4 per million transactions

Description of the Business Model (2/2)



Sources: “Mumbai’s models of service excellence” by Stefan Thomke, HBR (2012) – Smart Pharma Consulting analysis

6. Case Study: The Mumbai Dabbawalas

The efficacy of the dabbawalas distribution system is based on the perfect alignment of their organization, their management and culture which tend to reinforce one another

Analysis of the Business Model

Activities

- Each dabbawalla is responsible for his allocated group of customers
- Workers with more than 10-year experience serve as supervisors¹
- Tight schedule helps synchronize everyone and imposes discipline

Structure

- 200 units of 20-25 groups of dabbawalas are headed by a supervisor
- Flat structure ensuring agility
- 2 committees² tackle operational and organizational issues

Process

- Simplicity is key³
- Each group is autonomous
- 2-3 extra workers per group stand by in case of emergency
- Adherence to processes and to quality standards is mandatory
- Performance is based on schedule and proper lunchbox delivery

Culture

- Dabbawalas remain in their group for their entire working life, which creates strong ties
- Most of them have the same culture
- They are proud to deliver food to people and have a strong sense of belonging

Dabbawalas mission: “Delivering food on time every time”

Sources: “Mumbai’s models of service excellence” by Stefan Thomke, HBR (2012) – Smart Pharma Consulting analysis

¹ There are 635 supervisors amongst the 5,000 dabbawalas – ² The Operational Committee and the Charitable Trust –

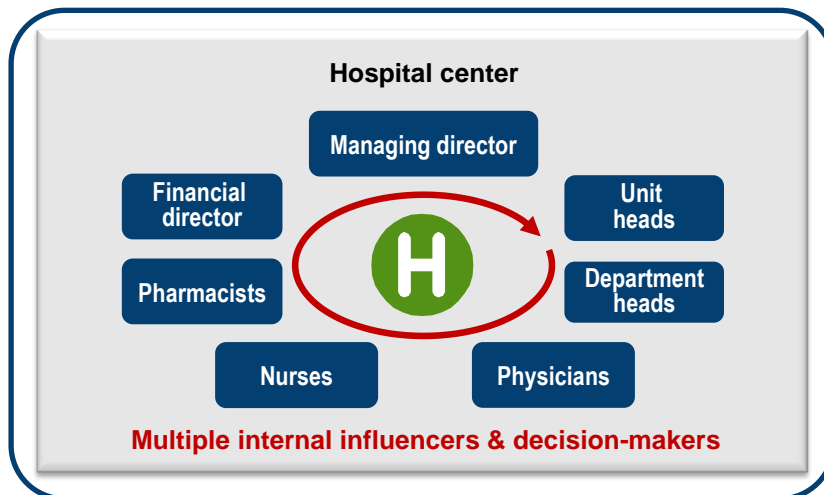
³ As shown by the coding system, the standardization of lunchboxes size and shape

7. Pharma Medico-Marketing & Sales Application

To get physicians to prefer a brand is becoming more complex, both in hospital and open care markets, due to increased price sensitivity and the multitude of influencers

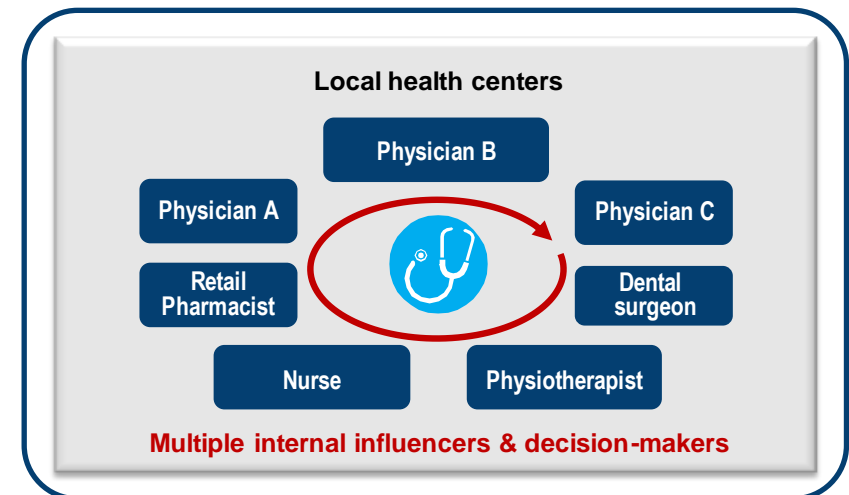
Situation analysis (1/2)

Hospital market segment



- Prescribing decisions are more and more made in concertation, following protocols, and through the influence and pressure of various stakeholders
- The access to HCPs at hospital centers by Field Forces has become a burning issue

Open care market segment

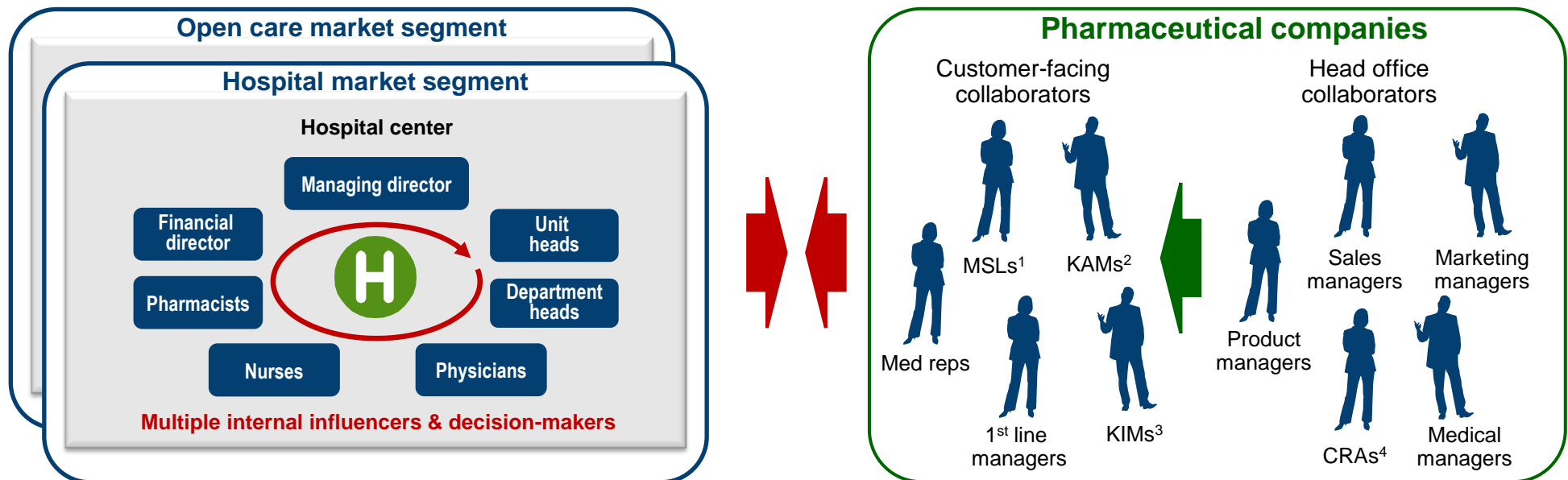


- Office-based physicians prescribing behavior is more and more under the influence of health authorities, payers or other HCPs
- Access to HCPs on the open care market segment has become a major issue for Field Forces

7. Pharma Medico-Marketing & Sales Application

Pharma companies must adopt an efficient organization to deal with bigger accounts, more and more price-sensitive, in which decision-making processes are complex

Situation analysis (2/2)

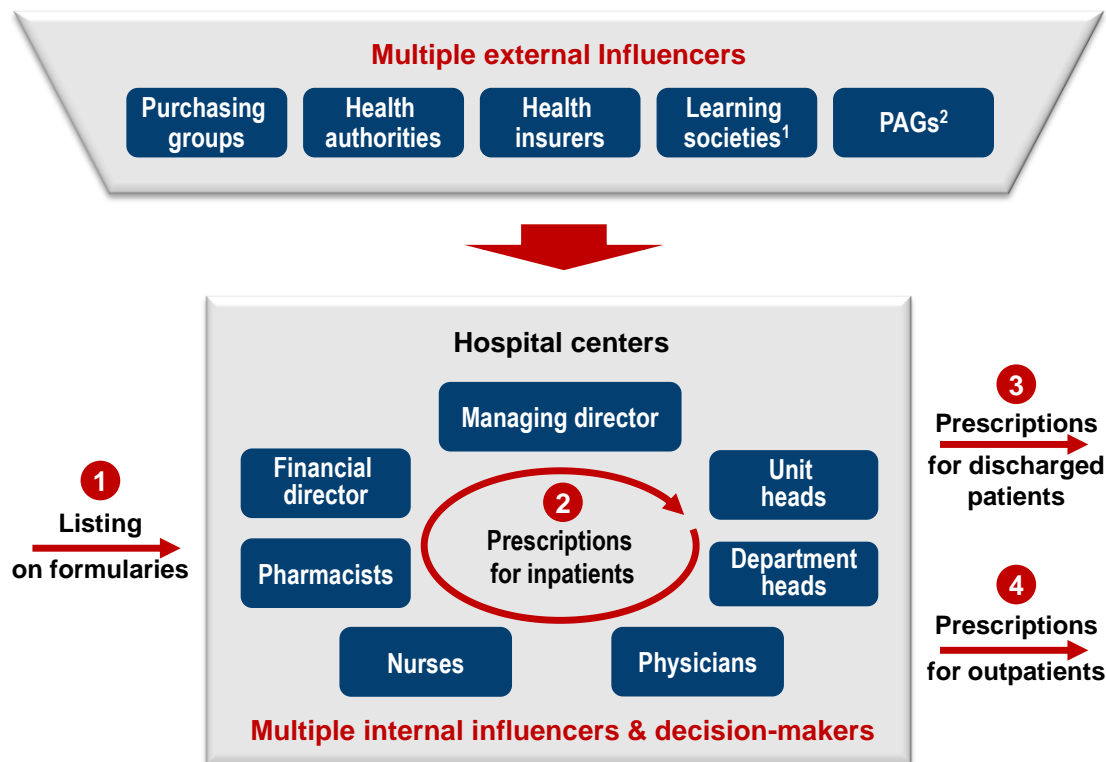


- Pharma companies have to address two key issues:
 - To protect, as much as possible, the price of their drugs
 - To move from a B-to-C to a B-to-B business model in which the prescribing decision is made by multiple stakeholders having different views and objectives

7. Pharma Medico-Marketing & Sales Application

Irrespective of the hospital key account, the strategy crafted by pharma companies should have a favorable impact on one or several of its four key performance drivers

Strategy Crafting on the Hospital Market



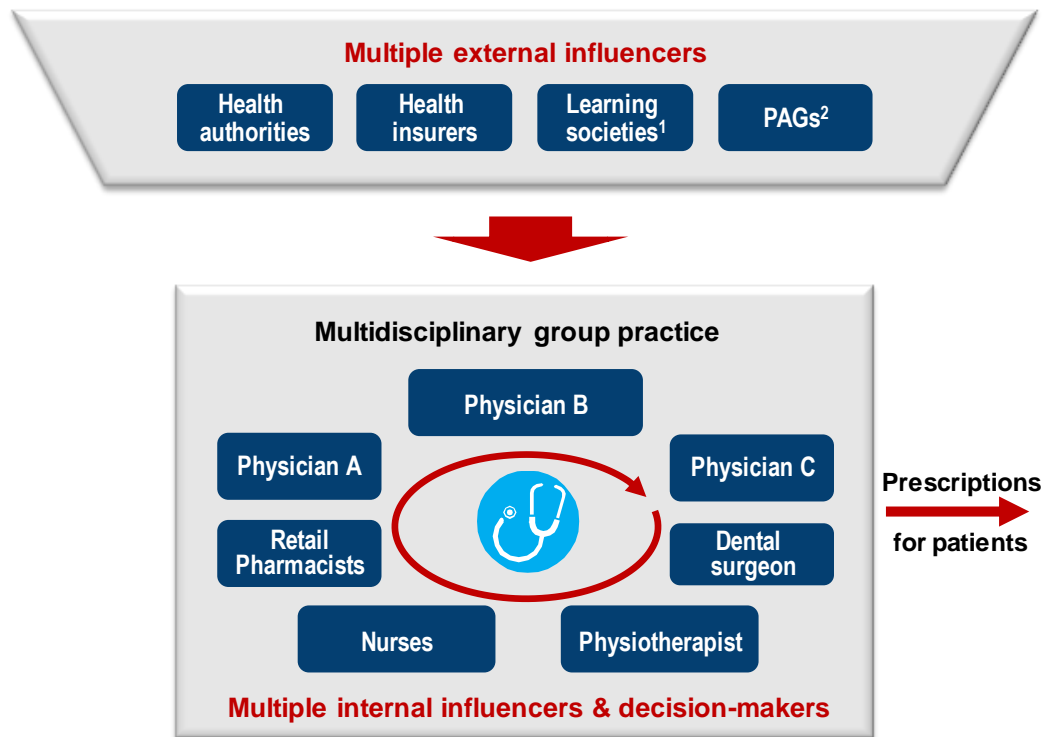
● Key performance drivers for pharma companies

- To boost their performance at hospital center level, pharma companies should activate one or several of the following key performance drivers:
 1. The listing on formularies³
 2. The prescription for inpatients⁴
 3. The prescription for discharged patients⁴
 4. The prescription for outpatients⁴
- These drivers will be selected according to the objective set and the actions to activate them will depend on:
 - Each hospital specificities (e.g. strategic priorities, procurement process and policy, degree of complexity, power games)
 - Product portfolio competitive position
 - Value of services offered to date
 - Corporate reputation

7. Pharma Medico-Marketing & Sales Application

Field Force Teams operating on the open care market must secure access to customers and raise preference to their brand by ensuring highly valued interactions

Strategy Crafting on the Open care Market

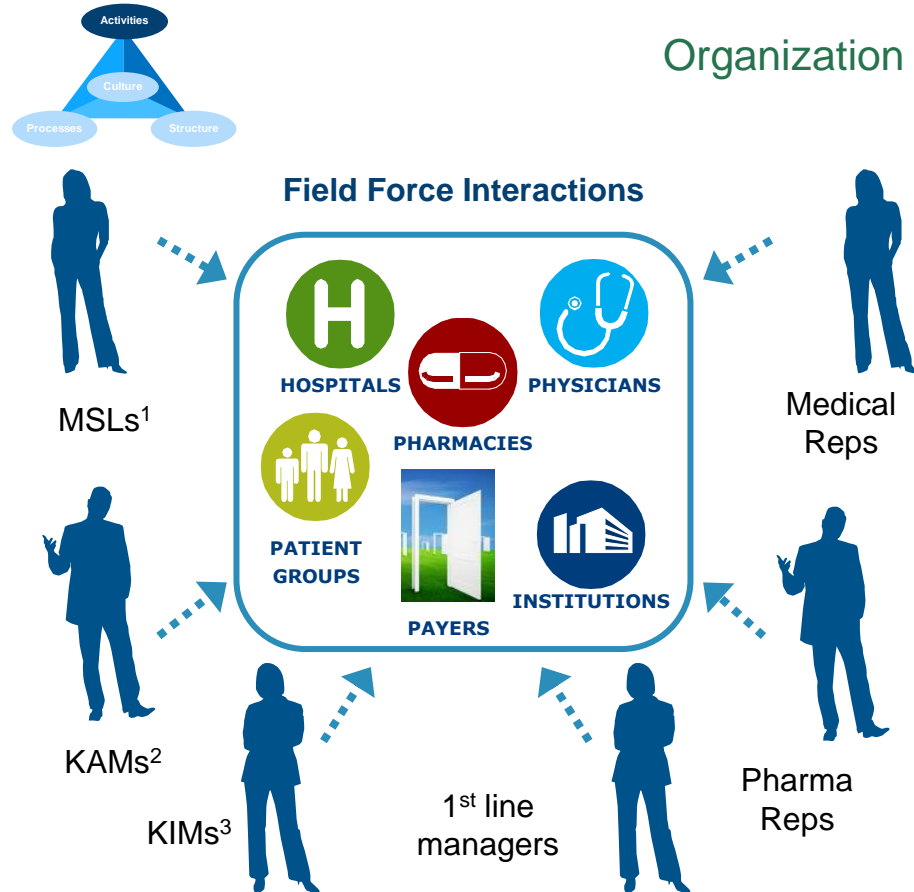


- The expected outcome from customer strategy on the open care market is to:
 - Secure **regular access** to HCPs which is particularly difficult in health centers
 - Raise **HCPs preference** in favor of marketed products by leveraging the three components of the Brand Preference Mix³
 - Maintain a **favorable opinion** and **behavior** of stakeholders who are likely to influence HCPs and patients
- To address these challenges, the Field Force Team members will have to:
 - Ensure **highly valued interactions**
 - Coordinate their **activities** to leverage **potential synergies**
 - Be **flexible** enough to adjust themselves to the external and internal changes

7. Pharma Medico-Marketing & Sales Application

Field Force Teams activities should be regularly adjusted to secure a regular access to customers and boost their preference to the brands marketed by the company

Organization – Key activities (1/2)



- Activities of Field Force Teams should be systematically streamlined:
 - Activities having no significant impact to raise the value of the marketed brands should be stopped
 - Customers shared by different Field Force functions (e.g. MSLS and medical reps) require a clear co-positioning to avoid duplication and a thoughtful coordination of activities to leverage potential synergies which will be driven by sharing competencies and/or costs
- To secure access to customers and influence them, Field Force Teams should, better than competitors:
 - Acquire a high level of market insights⁴
 - Highlight the image⁵ of the company they work for
 - Propose and deliver highly valued services
 - Exhibit the benefits offered by the marketed brands
 - Use customer preferred communication channels
- Ambitious capability building programs would be required

7. Pharma Medico-Marketing & Sales Application

The development of Field Force Teams competencies can be structured and prioritized with the help of the Smart Index tool

Organization – Key activities (2/2)



- The **Smart Index** is a tool which structures the development of competencies around 3 components:

Smart index = Knowing x Understanding x Behaving

Knowing

Precise, reliable & relevant knowledge of facts & figures re. the market, the company, with a special emphasis on customers and their influencers

Understanding

In-depth & robust analytical skills and fact-based decision making

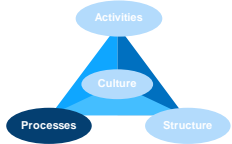
Behaving

Planning, organizing, directing & monitoring to guarantee the quality of execution, leverage potential synergies and keep colleagues engaged

“Any fool can know. The point is to understand” – Albert Einstein

7. Pharma Medico-Marketing & Sales Application

High market sensitivity, simple and short processes, cross-departments coordination and cooperation will contribute to serve customers better



Organization – Processes (1/6)

- Customer-focused organization (silos around customers vs. brands)
- Knowledge- and experience-sharing
- Harmonization of activities

- Skills to develop and deliver high value solutions
- Ability to explore and discover customer insights (deep knowledge of their needs, wants, behaviors)
- Motivated and empowered collaborators



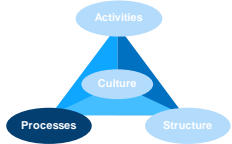
- Project teams including members from various departments centered around customers
- Shared customer database
- Introduction of metrics to foster cultural change

- Partnership with external players to propose unique and highly valued offerings to customers

7. Pharma Medico-Marketing & Sales Application

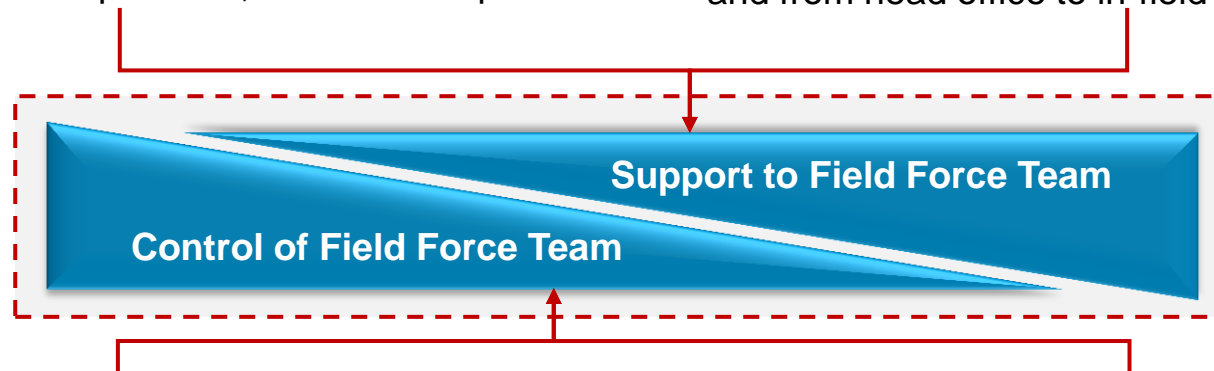
To create value for field forces, and therefore for the company, head office functions should maintain a business-driven balance between support and control

Organization – Processes (2/6)



- *Ad hoc* capabilities missing at Field Force level
- Complementary resources (e.g. if understaffing)
- Strategic directions and priorities, whenever required

- Support to facilitate in-field activities, to address scientific, legal, HR issues, etc.
- Competence and experience sharing across BUs and from head office to in-field functions



- Business-relevant metrics (automation, dashboards, standardized score cards)
- Selected number of KPIs (key performance indicators) and KEIs (key execution indicators)

- Monitoring of compliance (e.g. HR policy, people management, marketing & sales practices, etc.)
- Monitoring of the level of organizational agility and suggestions of solutions to fill up the gaps (if any)

7. Pharma Medico-Marketing & Sales Application

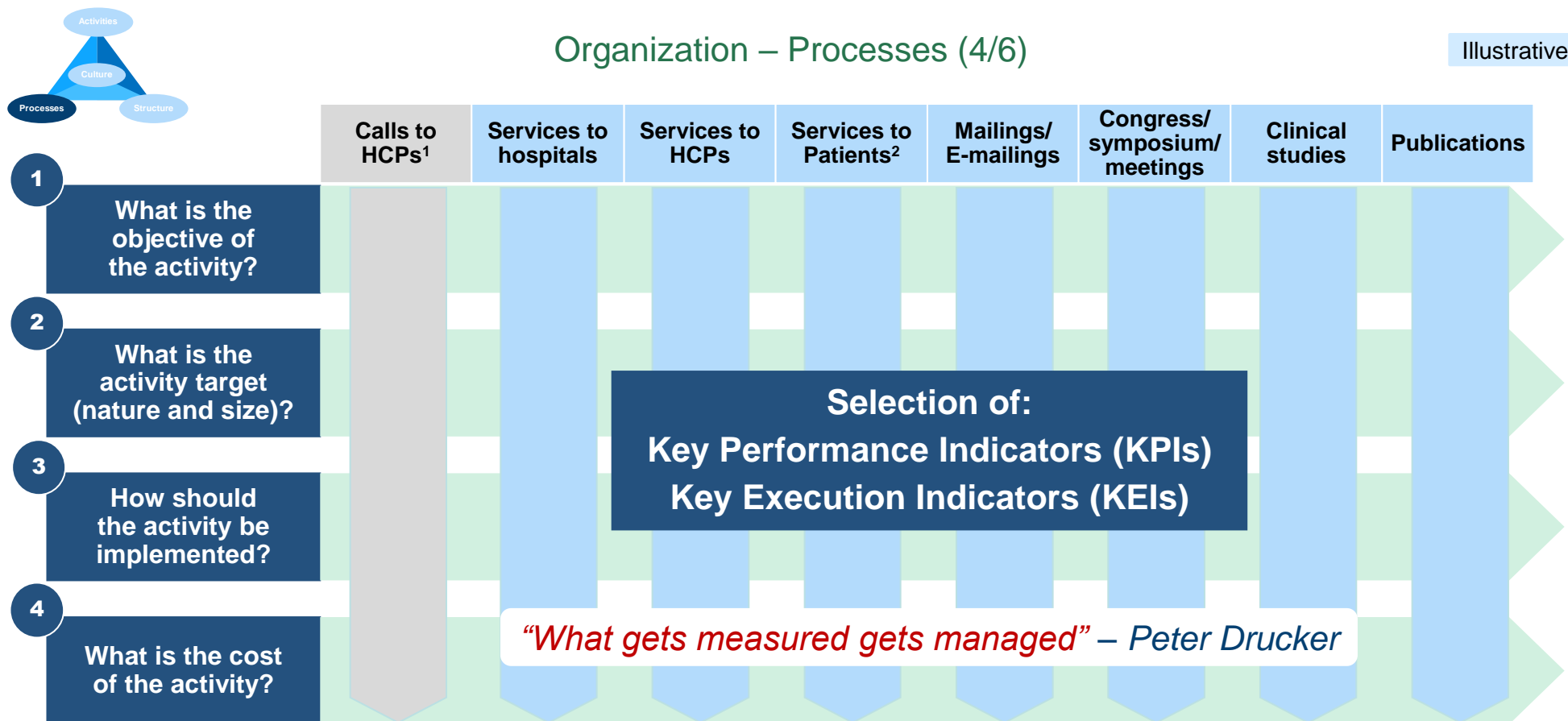
The activities of in-field collaborators interacting with the same customers should be integrated in a single strategic plan, including separated sections

Organization – Processes (3/6)



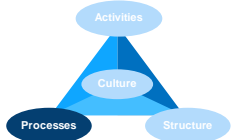
7. Pharma Medico-Marketing & Sales Application

Four questions would need to be answered before deciding to implement any activity, which should then be monitored with KPIs and KEIs



7. Pharma Medico-Marketing & Sales Application

Before making the decision to invest in medico-marketing or sales operations, the expected impact should be clearly defined, as well as execution and performance indicators



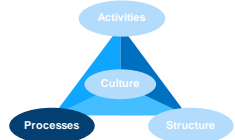
Organization – Processes (5/6)

Illustrative

What is the objective?	What is the target?	KEIs ¹	KPIs ²
<ul style="list-style-type: none"> Create / reinforce awareness Generate interest Develop brand preference Increase share of prescription Increase compliance Limit substitution rate Get the brand listed Fine tune the profile of the customer 	<ul style="list-style-type: none"> Physicians (e.g. KOLs, specialists, GPs) Pharmacists (e.g. retail or hospital) Patients Nurses Influencers (e.g. health authorities, “politics”, patient advocacy groups, public health insurance, private health insurance, professional associations) 	<ul style="list-style-type: none"> % of the target covered by the Field Force Team % of the target influenced by the Field Force Team % of the target having a positive opinion of the services offered Number of interactions (e.g. by customer, by in-field collaborator) Implementation time required vs. planned Actual vs. budgeted cost 	<ul style="list-style-type: none"> Brand Preference Mix index (i.e. corporate reputation, product attributes, service quality) % of hospitals having listed the brand Price negotiation Sales level and evolution Share of prescription Change in the number of treatment initiations Return on investment

7. Pharma Medico-Marketing & Sales Application

This type of tool is essential to prioritize and monitor the activities that are likely to contribute to reinforce the preference of customers for the brands



Organization – Processes (6/6)

Illustrative

Activity Description		Activity Objective		Target (HCPs, patients, etc.)			
Key steps					Perceived benefit by the target		
Description	Responsible	Timing	Cost (K€)	Comments	Evaluation*		Rationale
					Usefulness & Interest	1 2 3 4 5	
					Execution	1 2 3 4 5	
					Overall	1 2 3 4 5	

Barriers		Rationale	KPIs (Key performance indicators)	KEIs (Key execution indicators)	Expected Impact on Brand Preference Mix	
Technical	L – M – H	• Implementation	Indicate the metrics and the expected achievement	Indicate the metrics and the expected achievement	Brand	
Regulatory	L – M – H	• Compliance			Service	
Economic	L – M – H	• Estimated cost and return			Reputation	

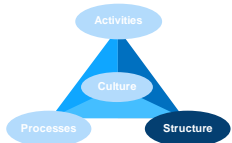
L: Low – M: Medium – H: High

* 1 & 2 below competitors – 3 as competitors – 4 & 5 above competitors

Source: Smart Pharma Consulting

7. Pharma Medico-Marketing & Sales Application

There is no magic numbers, the Field Force size depends on external and internal factors, the impacts of which are specific to each company and each product



Organization – Structure (1/2)

Illustrative

Field Force sizing: Driving Factors

External factors

Authorities

- Regulations re. Field Force activities (charter)
- Limitation of interactions with HCPs
- Refusal of institutions to interact with pharma companies

Customers

- Number of HCPs and other customers (e.g. influencers such as PAGs, patients, payers)
- Opinion and behavior vis-à-vis the company, its products and services
- Inclination of customers to change their opinion and behavior under the influence of Field Force Teams

Competition

- Number of targeted customers
- Type¹, content and frequency² of interactions
- Number of in-field FTEs

Key factors
to estimate
Field Force size

Internal factors

Products

- Number of brands
- Product life cycle stage (pre-launch, launch, growth, maturity, decline)

Organization

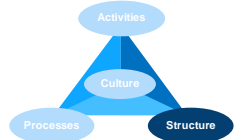
- Number of field days
- Type¹, content and frequency² of interactions
- Number of daily interactions
- Number of interactions per customers
- Cost per in-field collaborator and per interaction

Skills

- Quality of contact
- Contact productivity
- Territory management

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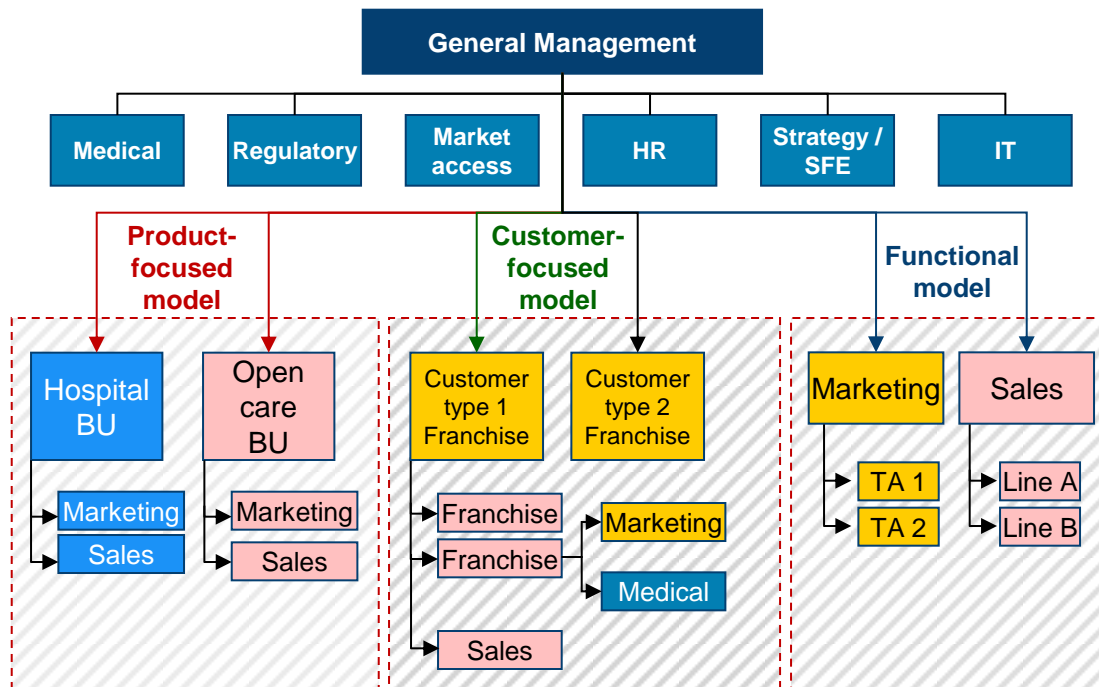
The preferred structure should be built around customers, remain lean and agile to favor collaborations across departments and with the support functions



Organization – Structure (2/2)

Illustrative

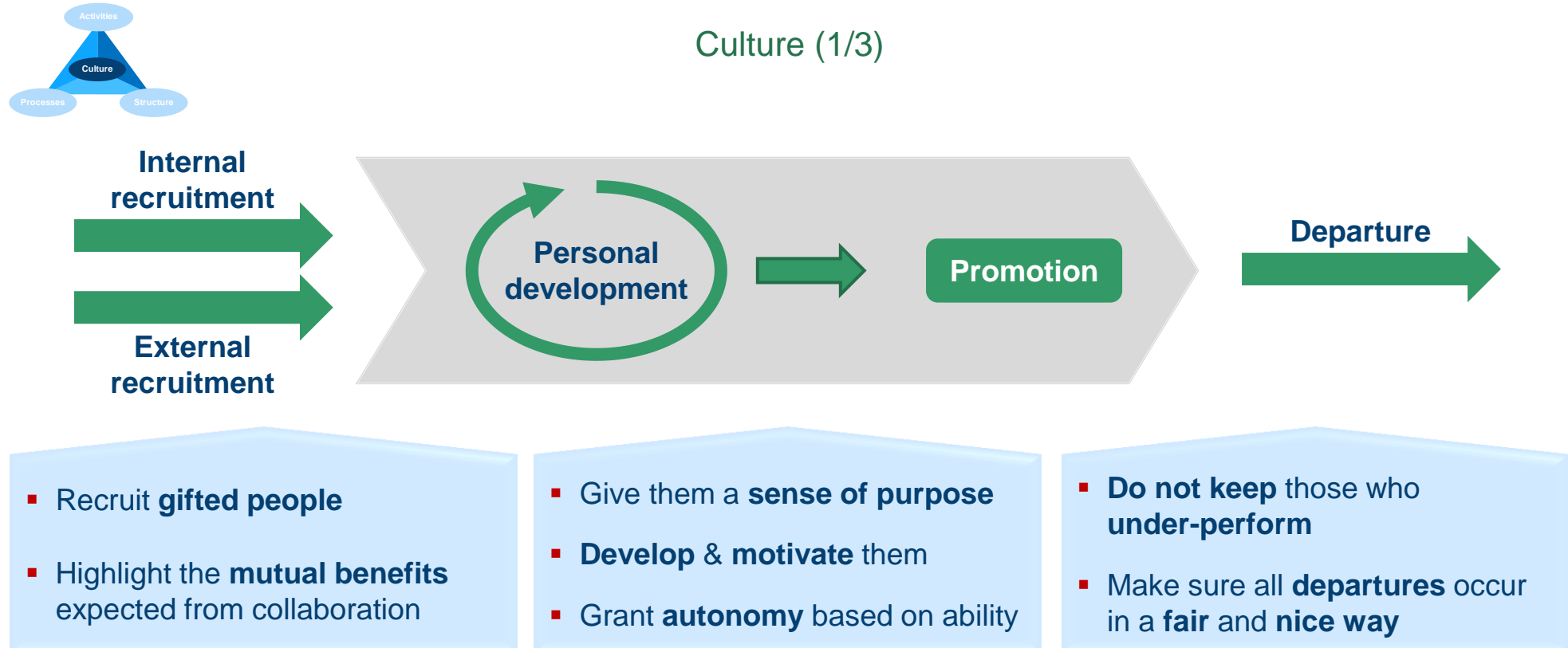
Typical structure of pharmaceutical companies



- In the **Product-focused model**, products drive the structure:
 - For “strict” hospital use, activities are organized in BUs or franchises, gathered or not under a common “Hospital Management” structure, and covering different therapeutic areas (TAs)
 - For mix products, companies display hospital dedicated med reps, reporting to open care BUs, and supporting detailing of open care products at hospital
 - Hospital and open care organizations are operationally independent, but share common supporting resources
- The **Customer-focused model** is shaped around customers by franchise, each of them containing marketing and medical resources, supported by sales forces
- The **Functional model** is less frequent among pharma companies, irrespective of their size

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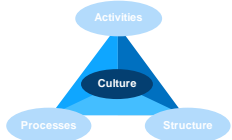
Employees should be managed dynamically, by attracting best performers, developing and making them feel strongly engaged, while granting them the level of autonomy they deserve



“Alone we go faster, together we go further” – African proverb

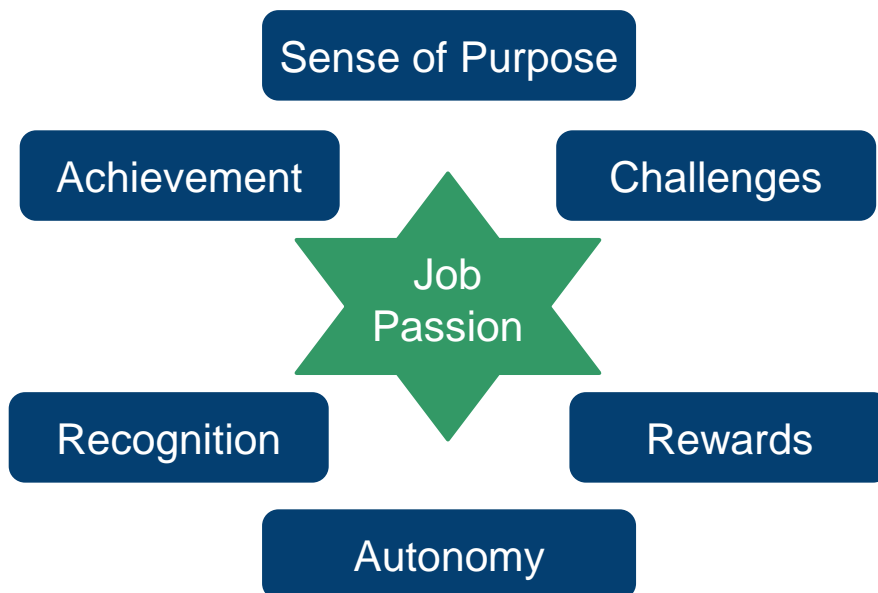
7. Pharma Medico-Marketing & Sales Application

Stimulating Field Force members passion for their job is a key performance driver, especially in a context where customers are increasingly reluctant to meet them



Culture (2/3)

Job passion is influenced by six key drivers



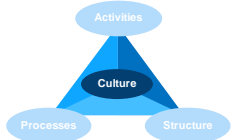
Passion is expressed by



“Pleasure in the job puts perfection in the work” – Aristotle

7. Pharma Medico-Marketing & Sales Application

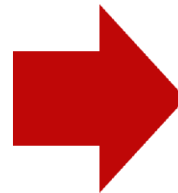
Managing by mutual benefits will give people a sense of purpose which will increase the probability to get their full and sustainable engagement



Culture (3/3)

MBO² (Management By Objectives)

- Definition of **objectives agreed** by both management and employees
- Well-**adapted** to **vertical management** models
- However, by focusing on results, the way to achieve them (the planning) can be overlooked and lead to **suboptimal efficiency**
- Does not favor innovation nor flexibility



MBMB (Management By Mutual Benefits)

- Creates **mutual benefits** and **value** by **fulfilling** the respective **expectations** of employees and employers
- Maximize the probability to obtain the **full engagement** of employees
- Requires from managers to (better) satisfy collaborators ...
- ... to create **favorable conditions** to secure a **higher quality** of execution that will lead to **better results**

8. Conclusion

Excellence in Execution requires to set a shared objective, the relevant strategy to reach it and high standards of quality, and to ignite the passion of collaborators

6 Tips to boost Excellence in Execution

- 1

 Set the **objective** of delivering **product** and **service excellence** to customers, which are second to none
- 4

 The **team** in charge of execution should be capable, accountable and **passionate** about exceeding customer expectations
- 2

 The **strategy** set should be **explained** to align, inspire and **motivate** people in charge of its execution to excel
- 5

 The executed activities should be **focused** on the **actions** the company excel at and that are the **most important** to support the strategy
- 3

 The **structure** and **processes** should **facilitate / encourage** the search for **excellence** by all the collaborators of the company
- 6

 The **activities** supporting the strategy should be carefully **planed** and **monitored** with execution and performance indicators

“Excellence is a set of beliefs, ways of thinking, a matter of discipline, and ways of focusing”

8. Conclusion

If you have ticked seven “Yes” boxes or more, you are on the right track to move closer to Excellence in Execution, but keep in mind that excellence is a moving target

Where do you stand on the Excellence in Execution Scale?



		YES	NO
1	You have a clear understanding of the Purpose – Vision – Mission – Values of the company and you share it	<input type="checkbox"/>	<input type="checkbox"/>
2	The medical, marketing and sales objectives are achievable and the crafted strategy is appropriate	<input type="checkbox"/>	<input type="checkbox"/>
3	The organization is particularly well-designed to implement the strategy through your activities	<input type="checkbox"/>	<input type="checkbox"/>
4	You have the right means (human and financial resources) to implement the strategy	<input type="checkbox"/>	<input type="checkbox"/>
5	You have the right skills to meet customers expectations and raise their perceived value of your products	<input type="checkbox"/>	<input type="checkbox"/>
6	You know how to conduct projects in an effective and efficient way	<input type="checkbox"/>	<input type="checkbox"/>
7	You have built a good reputation with your customers	<input type="checkbox"/>	<input type="checkbox"/>
8	You are passionate about your job	<input type="checkbox"/>	<input type="checkbox"/>
9	You regularly measure the quality of execution and the impact of your actions	<input type="checkbox"/>	<input type="checkbox"/>
10	You feel highly satisfied and proud when you manage to excel in the execution of an activity	<input type="checkbox"/>	<input type="checkbox"/>

9. Training program – Intra-company

How to apply the principles of Excellence in Execution?

Content & Organization

- The program will include basic definitions, recommendations, key tools, practical exercises and case studies relative to the pharmaceutical industry
- The program content will be customized according to the specific needs of the clients
- The program duration will be of one day, one day and a half or two days, according to the client needs

Target Audience

- Any collaborators from pharmaceutical companies, whatever their level of responsibility and seniority
- Participants can be part of the medical, marketing, commercial, market research, strategic,... departments

Example of a One-Day Program

9:00	Introduction to the program
9:10	Review definitions and basic principles related to Excellence in Execution, in general and in the context of the pharma business
10:40	<i>Break</i>
11:00	Exercises: Setting strategic objectives – Crafting a strategy – Selecting and executing supporting activities – Designing the appropriate organization
12:30	<i>Lunch</i>
13:30	Case study #1: Practical implementation
15:00	<i>Break</i>
15:20	Case study #2: Practical implementation
16:50	Conclusion and key takeaways
17:30	End of the program



The Smart Manager Series

- This series intends to provide practical recommendations to enhance the efficacy and efficiency of executives in order to help them become or remain *Smart Managers*
- The three previous issues of this series are dedicated to:
 - #1: Time Management (2017)
 - #2: Project Management (2018)
 - #3: Key Performance & Key Execution Indicators (2018)

Issue #4: Excellence in Execution

- Excellence in execution is critical to outperform competition

“Strategy is about execution”
- Business successes or failures are more dependent on the quality of the strategy execution than on the chosen strategy
- This issue provides a framework to align strategy and tactics, and to improve the quality of execution of the strategy, knowing that excellence is not a skill but an attitude

Smart Pharma Consulting Editions



- Besides our consulting activities which take 85% of our time, we are engaged in sharing our knowledge and thoughts through our:
 - Teaching and training activities
 - Articles, booklets, books and expert reports
- As of today, more than 100 publications in free access can be downloaded from our website
- Since the beginning of 2012, we have published:
 - 18 business reports (e.g. The French Pharma Market– The French Generics Market, incl. Biosimilars)
 - 4 position papers in the “Smart Manager Series”
 - 9 position papers in the “Best-in-Class Series”
- Our research activities in pharma business management and our consulting activities have shown to be highly synergistic
- We hope that this new publication will interest you and we remain at your disposal to carry out consulting projects or training seminars to help you improve your operations

Best regards

Jean-Michel Peny