The New Breed of Leadership

Meet Pharm Exec’s 2010 Emerging Leaders—25 proven talents whose great promise will be tested by an industry in turmoil
Pharm Exec’s 2010 roster of Emerging Leaders are the incoming landlords of a building in receivership, riddled with more dents and pockmarks than the Parthenon. P&L margins are down, only government workers are being laid off at a higher rate, public trust remains an unmet ethical need, and the odds from investing in R&D are certainly not on the house.

Nevertheless, our 25 up-and-coming leaders know well to cast their gaze in the right direction—down to the foundation—and to adjust the mortar mix around new ingredients—the basic sand and water multipliers of institutional credibility and strength.

Tomorrow’s biopharma business will be built around two pillars: people and perceptions. One cannot stand without the other. No industry focused on the commercialization of intangibles like scientific knowledge can thrive unless it has an engaged and motivated workforce. Nor will there be a market for that knowledge if the world outside has no confidence in the industry business model or its reputational imprint on society.

There is no fixed course to putting these two pillars in place—it’s not a teachable moment. This is why few of our profiled leaders emphasize the conventional resume points of length of service, where they went to school, or who they trained with. Our interviews with the group indicate that leadership will depend less on mastery of the “quant” topics like finance and marketing than on the “soft” disciplines like human resources, ethics and governance, enterprise diversity, leadership development, and community/stakeholder relations.

Management wags call it a change in mindset, from the “era of expertise,” where tenure and technical skills drove performance, to the “era of behavior,” where intuition and people skills are prized assets. If the world provides no clear direction, then leadership is less about commanding ship than in being first to identify trends, spot problems and shape better questions that at least help define what needs to be done. A focus on behavior also means that interdependence and collaboration are key drivers of process, while ethics has to be treated as an element of business performance rather than a legal or public relations sidebar.

The interviews have produced some additional insights in tagging biopharma’s drivers of leadership success.

First, diversity is not just a human resources construct—a measure of ethnic or gender equality—but a source of competitive advantage. From an enterprise perspective, diversity generates ideas. It facilitates the contributions of cross-functional teams and thus leverages all the advantages of a more global workforce. Most important, diversity is critical to the innovation process because it has an engaged and motivated workforce. Most important, diversity is critical to the innovation process because the more promising work in medical research today occurs at the intersection of different fields—for example, nanotechnology, where biology and engineering are combining to create novel delivery vehicles for complex medicines.

A second theme is the central task of good leadership: keeping talented people motivated in a world where there are zero expectations about job security. Pay and perks count for something, but the larger challenge for leaders is harnessing their people’s discretionary energies—what management experts dub the vast “cognitive surplus” created through our individual day-to-day experiences and insights. Traditional carrots and sticks work less in this environment than does creating a mission that marks every participant as wanting to contribute to a community to which they really want to belong.

Of course, the added value provided by a motivated employee will matter more as Big Pharma gets “lean” and scales down—this is the first leadership generation that can no longer count on a surplus of resources to get things done.

Third is the emphasis on a new style of communicating, which paradoxically must cultivate the capacity to listen. To reach out to the masses effectively, the communicator must begin by framing a highly individual question, as in “How would I explain this to a patient?” It is the quality of the conversation that counts, as this is fundamental to establishing trust.

Finally, even in this new business environment, company culture remains a key fault line in managers’ success or failure. Says organizational consultant Marilyn Nyman: “Culture is still destiny for leaders today. The ability to discern that culture at work is a critical skill. Can I jump three levels in the organization to get the answers I need or is that viewed as doing an ‘end run’? Flawless execution—the precise area where future leaders will be expected to excel—is impossible if you bungle the culture challenge.”

All of this suggests that our 2010 leaders will still need unprecedented reserves of old fashioned toughness to prevail in the years ahead. Hard choices must be made, and simple life experience will throw some unexpected curves. As our cover tag notes, even this under 45 generation favors a monochrome wardrobe of black. But the real fabric of the workplace is decidedly shaded in gray.

—William Looney, Editor in Chief
To Claire Thomas, life experience matters in molding the diversity of talent that enables a large organization to thrive as more than just the sum of its parts. “I’m Welsh; I was raised on a farm. My parents are entrepreneurial and have encouraged myself and my two sisters to be independent, different and brave in how we approached life. Today, as a member of GSK’s corporate executive team, Thomas leads a staff of 1,700 human resources professionals; she uses this background as a tool to execute a new business model—one built around a more diversified product portfolio, a different contract with society, and a strong global market mindset.

Thomas notes she has a mandate from CEO Andrew Witty to drive change throughout the organization. One focus is the role of the country General Manager—the front line for engagement in an increasingly external-facing, customer-driven operating environment. He or she is the one responsible for leveraging a more complex product and operations structure to consistently achieve against plan targets and motivate people to perform above expectations.

The goal at GSK is as simple as it is specific: to ensure all colleagues have the skills to realize their leadership potential in a turbulent commercial environment. Business outcomes can be hard to predict; all this external uncertainty calls for an internal management structure clear on its capabilities, creating an atmosphere that fosters strong performances. “At GSK, we are putting more emphasis on delivering the softer strategic elements of HR such as talent and leadership development, strategic capability building and change management, while running an effective, efficient HR service organization across the world,” she says, “We have established Centers of Excellence to design HR products and services for global application and we are consciously upgrading our function through skills training and different ways of working.”

Communication is also a priority for Thomas, who believes that social media tools can enhance the relevance of human resources in creating a world-class organization—particularly those as big as GSK is today. “GSK has always had a rather paternalistic, top-down culture, which is inconsistent with the drivers that shape our prospects as a business today,” she says. “New social media technologies allow the opportunity to tap contacts throughout the organization and lessen the dead weight of hierarchy.”

Two key characteristics come to mind when Thomas defines an ideal leader at GSK. The most important, she says, is courage. “If an organization is serious about a commitment to change, people have to believe that there is no penalty for being a contrarian. We need people able to chart a path that leads us out of the intellectual wilderness of conventional wisdom.” The other is self-awareness, a desirable personality trait when there are fewer fixed boundaries around which to set strategy and guide decisions. “Good managers have to be able to adapt. If your own internal compass is rigidly set in one direction, then decisions are not always going to mesh with reality,” Thomas says. Assessment of this leadership skill is now being built into the “360 degree” feedback process for top managers. Part of this process is the “Ideas Engine” program that allows the company’s employees to suggest and vote on ideas to improve staff engagement, morale and productivity. “It is proving to be a tremendous engagement tool,” she says.

The bottom line? “We are a unique industry in that our business mission is linked to passion about the human condition. We don’t make chocolates – we want to improve the state of public health. This passion is a competitive advantage. If we can overlay this with outstanding leadership and an engaged workforce we have a powerful recipe for success.”
Andy Schmeltz joined Pfizer in 2003 to help bring the firm’s novel HIV drug from proof of concept to market. Pfizer was late to HIV, but Selzentry promised to be a significant addition to patients’ treatment options, and Schmeltz had proved his mettle launching Abbott’s Kaletra, one of the protease inhibitors that transformed the disease.

Although Selzentry’s performance has been underwhelming, Schmeltz himself did not disappoint, handling the scientific and regulatory hurdles with aplomb. His reward? More responsibilities, of course. “At the end, I was leading our infectious-disease therapeutic area, including HIV, hepatitis C, and our hospital anti-infective portfolio,” he says.

His career path took an unexpected turn when he was asked to be chief of staff to Ian Read, the then-president of Pfizer Pharmaceuticals, in 2007 and 2008, when the firm was restructuring its business model and deciding the company’s future. “It was a big change, from being the head of a small cross-functional team to a staff role supporting a top manager,” says Schmeltz. Yet his exposure to how top-level strategy is done, especially at such a formative time for the company, taught him a great deal. “My takeaway from that experience is, Be flexible with your career aspirations.”

Schmeltz was in on the decision to acquire Wyeth and worked closely on the integration of the two companies. These experiences primed him for his current position as head of commercial development for the specialty-care business unit, which went from a pre-merger $6 billion revenue line to $16 billion once Wyeth’s rich biologics line was added. The job combines global marketing with new product planning—in other words, the full Monty. “The main challenge,” he says, “is focusing energy on the commercialization issues that are relevant to each individual asset, rather than trying one-size-fits-all.”

“It’s the unique combination of both hard skills and soft skills that can set people apart as leaders,” says Schmeltz. Emotional intelligence, situational management, and other fashionable phrases make his soft list, but so do time-honored talents as communication and inspiration and such outmoded traits as accountability. “You have to walk the talk and model the behavior that you expect from others,” he says. “A good leader is committed to the development of future leaders, not just future products.”

“I try to create an environment where people feel proactive and personally engaged. Don’t wait to be told what to do. Go out and do it.” In the spirit of walking the talk, after observing that Pfizer lacked junior-level marketing talent, Schmeltz has spearheaded the creation of an MBA marketing rotational program, recruiting fresh MBAs from the top schools.

As pharma goes global, diversity makes economic as well as ethical sense. “Making sure that our workforce and our leaders reflect the diversity of our customers will enable us to realize better business outcomes,” he says. But managing an organization that spans continents poses new challenges, ranging from how to communicate to how to create a coherent culture. Technology helps on a day-to-day basis, but that doesn’t change the need for face-to-face contact and taking the time to build relationships, especially where we’re working on matrix teams,” he says.

The growing complexity of technology, science, and society itself is roiling the drug industry. “It often feels like no one is in charge,” Schmeltz says—and that makes the need for leadership even more acute. But if there’s such a thing as next-generation leadership, it is distinguished by coming to grips with this ever-increasing rate of change.
Trained in public health with early exposure as a US Peace Corps volunteer in Africa, Erin Gainer came to her present role by serendipity via a common acquaintance with the founder of HRA Pharma. Ten years later, her decision has been vindicated. “My job combines scientific leadership on women’s health and reproductive rights with the practical satisfaction of commercializing new medicines to improve the quality of life,” she says.

Headquartered in Paris, HRA is a pioneer in emergency contraception and other products for gynecological use. It also specializes in orphan drugs for endocrine disorders, including the treatment Lysodren for cancer of the adrenal glands. HRA’s sales footprint now covers 60 countries. The key management challenge for Gainer is adjusting to growth that has seen company staffing more than double in the past 18 months. “As a small biopharma company, deploying our human capital effectively is critical,” she says. “Regulatory and compliance burdens are increasing and pricing pressures require more specialized expertise. If we don’t manage these issues right, they can quickly become barriers to market entry.”

Gainer depends on her teams to tap these cross-functional capabilities. “No one doubts these teams are empowered to make very basic decisions,” she says. To build motivation in a flat organization, she relies on the company’s geographic reach to give promising employees the chance to test management skills in different cultural settings. “Geographic mobility is going to be critical to individual management success in the next decade,” Gainer says. Teams have to be flexible in both mandates and membership; HRA has recently moved to add drug safety and health economic capabilities to all its internal groups.

And looking forward? Gainer believes that transparency has to be front and center in the leadership skill set for future CEOs, if only for the fact that sales will depend increasingly on good contacts with governments and public buyers who are heavily influenced by reputational issues. Ethics and integrity are closely related—“Absent these, in this industry you have no business.”
I am the “management by walking around type.” I enjoy chance meetings and interacting with all levels of the organization; if your team understands why something is important, they are enabled to get it done.

The challenges of the pharmaceutical industry have focused me. Good science and medicine alone are not going to improve healthcare. We need good and transparent business practices, a focus on low cost value to patients, and complete diligence to safety. I find all these aspects are present every day at J&J. On a daily basis, I feel enabled to do the right things for patients and the company without conflict.

I look at globalization, cultural diversity, and strategic decentralization as opportunities. Globalization has opened new skills and new markets. Cultural diversity brings new perspectives, histories, and thinking that is potentially non-traditional. Strategic decentralization allows each piece to focus on excellence internally without overextension and distraction. The leadership challenge is about helping your organization optimize the utility of the matrix.

Unlike the previous generation, I never had any expectation of long-term security with any given employer. It is pure employment at will and performance-based advancement. I think this approach is a necessity of the challenging economic environment in which business is now conducted. I also feel the new leadership model is decentralized and virtual. I seldom sit in my office, but everyone knows where I am and what I am doing.

Large pharmaceutical companies have traditionally been dependent on internal R&D to fill their pipelines. Inward-looking culture and the NIH (not-invented-here) syndrome in the large pharma companies is stymieing innovation, as reflected in weak pipelines when compared with the total investment in R&D. Many of these large companies are coming to the realization that they need to radically change their outlook on R&D to get a better bang for their R&D buck, and that inward-looking culture is slowly giving way to a more transparent attitude.

The leadership team at Nektar weathered a number of challenges in the early days. Our biggest challenge was when the company’s most meaningful product—an inhaled form of insulin—was pulled from the market by our pharma partner. We faced this challenge head-on and initiated a major shift in strategy away from out-licensing our technology to developing our own clinical pipeline. In addition, we got out of the inhalation drug arena, where the opportunities were limited. Instead, we focused on developing drugs using the company’s validated polymer conjugation technology, which offers more possibilities across multiple drug classes of both large and small molecules.

The result is that we now have several highly promising mid- to late-stage candidates in oncology and pain, both significant and growing markets with serious unmet medical needs. We’ve built an exciting and innovative biopharmaceutical company. We have gone from a market cap of about $300 million in 2008 to about $1.2 billion in the past two years. A remarkable turnaround.
Sean Nolan was chief operating officer at Ovation Pharmaceuticals when the company was acquired last March by Danish big pharma Lundbeck for a sensational all-cash $900 million. He led the integration over the past year, and succeeded in retaining Ovation’s staff—minus founder Jeff Aronin, whose departure found Nolan in the CEO seat of newly formed Lundbeck US.

Long before the Lundbeck deal, Nolan made his pharma debut as a sales rep at Abbott. Nolan made quick work of Abbott’s sales and marketing ladder, making it to manager in various therapeutic areas before moving on to little Ovation. Given his background in sales, Nolan’s focus is on results, not process. But he cares about developing a culture of what he calls “assertive debate,” in which all ideas are fair game for challenging—starting with his own. “If the CEO allows people to challenge him, and they see that, ultimately, everyone gets it—they’re being asked to propose what they think is the best thing for the business, as opposed to just doing what they’re told to do,” he says.

Nolan believes leadership is an inherent trait and transcends time—you either have it or you don’t. But it isn’t enough to just manage by divine right. “Leading, to me, is always by example,” Nolan says. “You model the qualities you want to transmit. So it’s very important that people see that you have honesty, integrity, a hard work ethic, a positive attitude—especially in times of duress. It’s easy to be a good leader in good times.” Nolan recalls one particular litmus test, when FDA told him that there would be a six-month delay on its review of Sabril. “The entire company could have gotten depressed because so many plans hinged on the approval date,” he says. “But the attitude I took was: We’re going to use this as an opportunity to work through all the data again, rehearse additional mock advisory panels, and make sure that by the time we get to the advisory committee, we’re even better than what we are today.” Sabril won two approvals last fall, with unanimous votes.

And now, with healthcare reform and other major legislation, “understanding the impact of what’s happening in Washington from a regulatory and policy perspective is going to be essential.” Because the industry is so dynamic, a leader’s necessary competencies are always evolving. “You have to be able to digest, analyze, and act on very complex, very fast flowing information.”
Simon Clowes joined AstraZeneca as a college intern 20 years ago, back when it was mainly a chemical company. Today, he’s the global product manager for Brilinta, the anti-platelet that may knock out Plavix as the standard of care for acute coronary syndrome and earn a fortune for the British firm. That makes Clowes something of a star at AZ—even if the development has consumed 12 years of his life.

As manager of a hard-driving cross-functional team, Clowes calls himself more of an “alignment agent” than a “change agent.” One of the first things he did as head of this big-product cross-functional team was to lead everyone out into the real world of heart-attack patients and doctors in emergency situations. “Seeing a patient coming into a hospital in an ambulance really did help us all understand how the data that we were developing was really critical,” he says. Clowes’ fieldwork silenced those who said Brilinta’s twice-daily dosage would be a commercial problem. “When you sit down with a cardiovascular patient, and they show you the seven or eight different medications they’re on, adding a drug that could save their lives would not be a problem for them,” he says.

Clowes’ formula for good leadership isn’t complicated: Vision, passion, and delivery. “A clear vision is not created and kept in a sterile box. It’s constantly challenged and refined. We must have passion for what we do, a deep understanding for our patients, and a desire to serve.”

“One of the really enjoyable parts of my job is to try and predict what will be happening in five or ten years time,” he says. He follows daily medical news, the professional journals and meetings, and larger trends, from stent manufacturers to financial markets—and, of course, the competition. “When you design an 18,000-patient study that will take years to complete, you’ve got to anticipate where the world will be by the end of it to make sure it’s still medically relevant.”

Being open to criticism is no less important than being open to novelty, especially if your goal is to produce the best drug possible. “I like to include people with different views and I like to have ideas challenged,” Clowes says. “When we were designing this study, I brought other AstraZeneca experts in and said, ‘Throw stones at us and tell how the study can be improved.’”

We’ve seen tremendous changes in the last decade across the entire spectrum of the pharmaceutical industry. In clinical development, we’ve seen significant efforts in centralized resource planning and outsourcing of non-core functions. On the commercial side, we’ve seen health outcomes gaining importance and reimbursement playing a pivotal role in market planning. These changes are driven by many factors, but the most important among them is the drive for increased productivity and demand for quality from payers and customers. This convergence has brought business development activities to the forefront of long range planning. We can no longer afford to rely solely on the ingenuity of our scientists. We must proactively monitor and acquire external assets to enhance our pipelines.

As the industry becomes increasingly globalized, new challenges emerge, while conflicts and confusions arise. But I don’t think this represents an accurate picture of pharma today. What I see are proactive efforts to adapt to the changing environment, and to continue to deliver value.

We live in a defining moment in the healthcare and pharmaceutical industry—it is the best of times and the worst of times. The current economic environment is forcing the industry to adapt and change for the better. This provides unique challenges and opportunities. I strongly believe that innovation is the foundation that will take us to the next golden age of pharma. As scientists unlock the power of human genome and medicines become more personalized, only those who continue to innovate will survive and thrive. I hope that I will have played a role in being part of these positive changes.
RYO KUBOTA
President and CEO, Acucela

ryo Kubota has kept his eye on the prize—curing blindness—ever since he was a kid whose injuries to his retina caused floaters and required laser surgery.

The path to this goal started when Kubota, a native of Japan and eye-surgeon-cum-researcher, discovered the gene that causes glaucoma, the second leading cause of blindness worldwide. But after the devastating realization that a cure would take many, many years, Kubota left Japan for the University of Washington Institute for Stem Cell and Regenerative Medicine. There, he discovered a way to test small molecules for possible activity against the wayward gene. Running with that technology, he started up Acucela in 2002.

Governing Acucela presented a learning curve for Kubota, between having to attract funds and micromanage in the lab. But he soon found his footing, employing what he calls a collaborative approach to management. Most major decisions are now delegated to his team of department heads, who must come to a consensus. “I will come in only when they cannot come to an agreement—I’m pretty hands-off at this point,” he says.

Kubota believes that trust is essential to leadership, and that the burden is on the leader to discover “a tailored way of communicating with each person to create a strong bond so that they will embrace your vision and follow your lead.” And it should come as no surprise that this successful scientist-entrepreneur encourages his staff to experiment, take risks, even make mistakes. “My message is, If you’re not making some mistakes, then you’re not stretching yourself enough,” he says.

And after only eight years, the biotech has solved its money worries. Otsuka Pharma has inked a deal with Acucela to bankroll development costs. “We don’t have to raise any more money till commercialization,” he says. “The only reason we are interested in going public is to expand our pipeline.” It currently has five compounds for various serious retinal pathologies.

Kubota’s ten-year plan isn’t limited to treating blindness. A true believer in the concept that strength lies in diversity, he wants to apply his faith in collaboration to global problems. “Throughout my career, I have seen that there is a way for everyone to live in prosperity by means of collaboration, despite very different backgrounds. I would like to expand that beyond the pharmaceutical business so that the world can live together in a more cohesive way,” he says.

SALLY BARENNES
Strategic Advisor, Pharmaceutical Research and Early Development, Roche

I tend to be direct with people, but I am also consistent in the way I interact with my superiors, peers, and subordinates alike. Building trust and integrity is as important in the workplace as it is in our personal lives. While my leadership style is straightforward, I believe one key aspect of leadership is listening. Organizations strive to hire the best and brightest; it just makes sense that we should listen to these people we hire! I am also learning the importance of celebration, of recognizing key accomplishments. It may be simplistic, but the simple act of thanking people can ensure that they remain engaged.

I hesitate to describe myself as a “change agent,” but acknowledge that I have now accumulated significant experience from different perspectives. I was part of Parke-Davis/Warner Lambert when we were swallowed up by Pfizer. The secret for survival on that occasion was being quick to adapt. I then joined Novartis—prior to an organizational steady-state, either in terms of culture, structure or harmonized processes. The past 18 months at Roche have involved rapid change and reorganization. I feel fortunate to have held a key role during that time, and to have been intimately involved in the Genentech integration and subsequently in the design of the Pharma Research and Early Development (pRED) organization. I think it is essential not to be intimidated by change, but instead to embrace it. Change can be exciting and so often leads to new and interesting opportunities.
ARThUR BEDRoSIAN
President and CEO, Lannett Pharmaceuticals

Lannett Pharmaceuticals president and CEO Arthur Bedrosian has had a lot of bosses in his lengthy career—mostly good, with a few not-so-good. Bedrosian keeps a list of quotes to live by, and at the top is one that inspired his own management style: “If you decide to be a boss, be the boss you wish you had when you were an employee.” And while common sense would dictate this only works in a small setting, Bedrosian begs to differ.

“I'm convinced that you can do that if you have 60,000 employees, because having a family atmosphere, having respect for your employees, comes from the top down.”

Bedrosian's first ambition was a bit more prosaic than becoming CEO of a pharma company. “By the time I was 16, I decided I wanted to be rich,” he says. And so he became a lawyer, working at a Greek shipping company to pay his way through law school. His legal skills come in handy now—he uses them to navigate the ever-rolling regulatory waters at FDA.

After finishing law school, he found himself with an offer from a generics drugmaker in the south Bronx—as a sales rep. That was in 1968. Even then, Bedrosian had the telltale drive of a future leader: “I certainly didn’t know how to make drugs back in 1968. I could barely sell them. But I decided I wanted to own a drug company,” he says. The Bronx generics maker was founded by Edwin Cohen, who went on to start Barr Laboratories. Aside from being a mentor, Cohen proved to be a gateway to other invaluable connections, like Biocraft founder Harold Snyder and Apotex founder Barry Sherman.

When former CEO William Farber brought Bedrosian onto Lannett’s board, he did so with the purpose of putting Bedrosian in a position to turn the company around. After a short trial run as VP of business development, Farber put the president position out there—though not without some trepidation. Bedrosian had a simple argument for his appointment: “While I assured him I knew what to do, I also told him, ‘Look, first of all, you can always fire me, and number two, I never failed at anything in my life.’”

He certainly hasn't failed at Lannett: Net sales increased from $72 million in 2008 to $119 million in 2009, and gross profit grew three sizes that year to $45 million. (When Farber offered him the CEO spot in 2006, it was a $10 million company.) And rather than continue to fight for general generic market share, Bedrosian is steering Lannett towards vertical integration, concentrating on controlled substances.

But Bedrosian also has a loftier goal than dominating the controlled substances market: “In ten years, I’ll be acquiring Teva.”

BOB AZELBY
Vice President, Commercial Effectiveness, Amgen

I would suggest that my family upbringing defines me more than my professional life. I grew up the youngest of four children, with a father who was a New York City policeman and a mother who was at home raising the kids. I have been given numerous developmental opportunities due to the rapid growth of Amgen over the past 10 years. I was also afforded the opportunity to work with many talented people over that time frame; learning from others has enhanced my chances for success. Recognizing this is a key aspect of leadership.

I am not convinced there is a “next generation leadership.” I believe there are numerous leadership styles that are effective, and therefore I don’t buy into the premise of new styles vs. old styles; there are just different successful styles. A good leader at Amgen is an individual that can work across the various functions and create a team dynamic where the team feels fully aligned to the goal. This leader allows all sides to be heard and then makes a decision, which the team usually supports.

I am a big believer in getting the “right people on the bus,” so in the majority of the roles I have taken, I have made some personnel changes within the first year. Currently, I am attempting to change the vision/culture of my organization from one focused on operational efficiencies to one focused on enhancing revenue generation through insight. This is a work-in-progress and the final chapter has not been written.
**JOHN BOLLA**  
**Vice President, External Supply, GlaxoSmithKline**

The pharma industry is very different from the one I joined almost 15 years ago. Obviously, the industry has consolidated and the commercial business model continues to change. Economic pressures are great on our industry, and we are challenged not only with delivering high quality, novel medicines, but ensuring access to these medicines across the globe. Affordable access to medicines is a key business requirement in the evolving global economy. When I joined GSK we were a western centric Big Pharma company. Today, globalization and a strong vision by our CEO are transforming GSK into a global, diverse healthcare company.

GSK is a company that believes in developing leaders. With that in mind, I accepted the role leading the External Supply organization, which moved me away from procurement and into an area where I could grow professionally while delivering a significant change program within manufacturing. This challenges both my leadership as well as technical skills, while allowing me to deliver valuable services for the organization. I’m proud to lead a team that is developing a flexible, responsive manufacturing capability. We are actively managing our network of external suppliers and are intent on selecting partner companies that can grow and develop along with GSK.

A good leader is someone people are willing to follow. Vision, compassion and strength of conviction are key attributes of a successful leader; however, they are only a means to success. Along with that leadership role comes a great responsibility to cast a positive shadow.

**LYNN TAYLOR**  
**VP, Government Affairs, EMD Serono**

Industry dynamics have shifted dramatically. We now see a greater focus on health outcomes; more competitors in the biotech space; an increase in government oversight; an increasing focus on value; an increased global reach of policies. Therapies have become more complex and pharma issues more politicized. There is more focus on patient solutions.

Our government affairs team is one of the highest-caliber teams I’ve had the honor to work with, and everyone brings a different yet equally valuable expertise to the table. Our strategy is sound, our goals are aggressive and clear, and our voice is being heard.

My responsibility is to predict shifts in business environments that affect operations, then encourage innovation and drive access for patients. We are focused on bringing good public policy to inform public decision-making. This creates a win-win for all stakeholders.

Next generation leadership is critical. By having a sound strategy for succession, the leaders of tomorrow can embrace the mission of a business. This model creates an opportunity for future leaders to prepare for change to drive the organization forward. This creates an open environment that fosters new thinking across disciplines.

**JOHN HOLLWAY**  
**Vice President, Business Development, Achaogen**

My job as a manager is to make sure everyone understands that they have a valuable role to play, that they are excited about it, and that they know why we think it’s valuable. I learned a long time ago that it’s important to separate the message from the messenger, and to view people taking adversarial positions in a charitable light. While I may have a different agenda than the person across the table, that person is not a bad person and is not out to get me or prove me wrong. He or she simply believes a different result favors his objectives, which is exactly what I’m doing on my side. That realization took a lot of anger and competitiveness out of negotiating, and allowed me to think more about how to address other people’s needs to build consensus on the objective. From there, we can enable experts to decide the best method of attaining that objective.

Developing new drugs is a hard, high-risk, pressure-packed job. In order to be successful, it’s essential to have a team that is motivated and energized by that challenge, that enjoys working together, and that feels a sense of personal ownership over their program(s). Leadership means understanding the personal goals, motivations, and styles of each member of that team, so that his or her contributions are recognized, respected, and maximized. Doing that in a decentralized and culturally diverse world requires some extra effort to engage people on an individual basis, but the overall name of the game hasn’t changed.
The economics of pharma have changed fundamentally. Ten or more years ago, if a company was successful in bringing a new medicine to market, they were almost assured of being able to generate positive returns. Now, as success rates have declined, costs have gone up, and margins have decreased, this is no longer the case. Most new medicines don’t return their fully loaded investment cost.

R&D needs to work even more closely with commercial and manufacturing to make the right decisions and investment choices to profitably discover, develop, and deliver medicines to patients. We also need to work closely with partner organizations around the globe including academics, contract organizations, and other bio-pharma companies to manage risk, share costs, and leverage each other’s strengths and innovations.

A certain amount of luck always plays a role in one’s career, and I feel fortunate to have worked with outstanding leaders during my career. I had an excellent mentor in Ben Bonifant, a partner at Campbell Alliance, for whom I worked regularly at Mercer Management Consulting. Ben helped me move into life sciences after business school. My mentors at BMS have played key parts in preparing me for my current role. I came to BMS as a consultant and, with Ben, helped in a transformation effort within clinical development organization.
ELONA KOGAN  
Associate General Counsel, King Pharmaceuticals

I started out at a healthcare law firm after graduating from law school, proceeded to go in-house to a pharmaceutical distribution company, and then moved to Big Pharma. Since then, the industry has seen some dramatic changes. So, to achieve progress, a leader must have a thorough knowledge of the underpinnings of the industry from product development and through product approval and commercialization.

Leaders at King strive for excellence and are believers in allowing others to excel in their roles through coaching and rewards, not by managing small details. A skill and attitude that I often call on in dealing with colleagues is empathy. I grew up in both Russia and the US; an experience that gave me the opportunity to see how different cultures drive certain personality traits, and taught me to respect the differences that make each of us unique.

A management leader will need conviction to accomplish a goal, regardless of any seemingly insurmountable obstacles. Conviction is necessary to maintain both short- and long-term strategies, regardless of changes in political climate, legislative developments, financial upheavals, and other unforeseen events.

Some of these obstacles include the legal and regulatory changes that have created greater accountability in the industry. New legislation, court decisions, and FDA often provide much-needed guidance; however, a key component of implementing these new mandates requires a great amount of skillful interpretation by in-house counsel. We ensure that an organization develops an appropriate interpretive strategy that complies with the law, and also is tailored to meet and exceed the organization’s specific corporate goals.

SHAUN THAXTER  
CEO, Global Pharmaceuticals  
Reckitt Benckiser Pharmaceuticals

Showing a belief in others in a way that inspires performance rather than demands it is essential to good leadership. I strive to communicate a clear vision and the end goals, but I give others the authority to make decisions on how to arrive there. This empowerment truly unleashes one’s potential. I like to find each employee’s self-perceived glass ceiling—and then shatter it.

I started at Reckitt Benckiser as a sales rep and progressed through marketing to become the president RBP USA. I’ve been lucky to find mentors willing to share their advice and expertise all along the way. I was promoted to CEO of pharmaceuticals eight months ago primarily due to my success leading the launch of RB’s US operations, where we helped revolutionize opioid dependence treatment and pioneer change in the addiction space. We developed a physician-training model to enable patients to access office-based treatment, which required an act of Congress.

In the industry, there is an increasing regulatory focus on product safety, while payers are looking beyond cost to cost effectiveness and value. Patients have higher expectations and are better informed. Employees and shareholders want their companies to demonstrate social responsibility. It’s my job as a leader to focus on these changes not as issues but as opportunities be the “first in and best dressed.”

Leaders have to be lifelong learners. The fast pace of technological development is accelerating the speed of change in healthcare. Next generation leaders will have to quickly anticipate the impact of constant change and lead their organizations to leverage the opportunity.
**BILL ANDERSON**

Senior Vice President, BioOncology Business Unit, Genentech

Some leaders come into a new situation and feel the need to quickly differentiate themselves from their predecessors by listing problems and implementing a change program. I’m less concerned with critiquing the past than with just listening to employees, customers, and other stakeholders about what we can do better in the future. I really like interacting with people: brainstorming, problem-solving, debating, and leading a team to accomplish a mission comes pretty naturally to me. I’m also decisive, and I’ve had to work hard to let go of the decisions that are better made by others on my team. A great leader in pharma must have a very strong grasp of the technical and financial elements of drug development and a strong working knowledge of the science and medical state-of-the-art in her therapeutic areas of interest.

Our industry is being held to higher and higher standards, and everything we do in developing and promoting our medicines is under inspection. This environment has forced us to constantly consider our thoughts, words, and actions, and ask questions such as: “How would I explain this proposal to a patient?” or “Would I be comfortable with this plan being published in the local newspaper?” The pharmaceutical industry, by its nature, ought to be one of the most revered sectors of our economy. We have to earn the public trust by working harder to ensure that our all of our intents and deeds are really aimed at improving patients’ lives.

**INDRANIL BAGCHI**

Vice President, Head of Market Access, Pfizer

Every day, our world is becoming smaller. Borders are getting unclear, lines are fuzzy, and people are communicating in more than one language. It is necessary to constantly be thinking about how each decision can impact the world today and several years into the future. Having been born and raised in India, I saw the positive impact that globalization has had on this developing nation. Many of my team members are from a variety of nations and cultural backgrounds.

I also encourage my team to experience different countries and cultures firsthand. They do this by assuming responsibility for diverse markets. My team is also spread over multiple locations; this allows them to be close to the end stakeholder in different countries. We believe in virtual teams, and the fact that the team is not co-located has not hampered our ability to function as a well-performing team that adds value to Pfizer.

Next generation leaders lead by example, by rolling up our sleeves, by understanding and helping develop solutions to problems. Previous models of leadership were based more on providing direction and guidance, but the new models call for the leader to be a part of the team.

We also need to be agile and able to adapt to changing environments. Teams and functions resistant to change will find it very difficult to survive in today’s ever evolving environment.
After several years at J&J, Astra Merck, and Amgen, I co-founded Kythera Biopharmaceuticals in 2005. Starting a biotechnology company from scratch has been a difficult and deeply rewarding experience, both from a value-creation and a knowledge-expanding point-of-view.

I am a high-energy, passionate person. I lead by creating a common purpose, and then give the talented people around me lots of room to get the job done.

I look to surround myself with people who have a global perspective (understanding or having worked in global markets is a good indicator of adaptability), and can change strategies, tactics, and approaches as the business situation dictates. A significant element of this is the ability to run lean, highly virtual teams. There are far too many fixed costs and legacy “habits” in pharma and biotech today. Pharma has been relatively insulated compared to other businesses that have faced major structural changes including the full effect of globalization and regulatory changes. There are lessons to be learned from leaders in other industries that have undergone significant structural changes, and have led their companies into a strong long term position.

We need to stop thinking of globalization as something that is happening to us (e.g. the rise of China and India), or something to be addressed. It’s the state of the world—if you can’t assemble a team that can effectively immerse themselves in a global perspective, even when making domestic decisions, you may have already lost the game.

Growing up in a small town in the middle of the Alps, I did a lot of mountain climbing (and still do). Mountain climbing is a great discipline for knowing ourselves through self-control and leading a team in challenging situations.

One of my roles as a leader is to encourage entrepreneurship, creativity, and risk-taking in a big corporation; a challenge, given that the corporate environment can sometimes stifle those important traits. A leader must therefore engage people; be authentic and approachable, inspiring and empowering—and honest.

I always look for a very direct and honest relationship with people. The ability to talk about what is working well or not is absolutely vital, especially in times of great change—like the present.

In the past, we thought of our customers as just doctors. But we now need a much broader definition of that term to include other players: government, NGOs, patients, citizens, as well as healthcare practitioners. Demonstrating how beneficial the pharmaceutical industry is to their society is a key challenge.

I’ve been with GSK for 17 years, and during all that time I’ve been fortunate to work with great leaders—like current CEO Andrew Witty—in different parts of the world: Europe, the US, and now Asia.

I spend a lot of my time understanding the cultural traits of the countries of the Asia Pacific region. A global leader is, after all, someone who has the ability to understand cultural diversity. This understanding will allow him or her to engage with any group of customers or employees from anywhere in the world.
Being a leader and “change agent” is essential to doing my job well. The global regulatory environment is growing more complex and challenging, so our policy team must not only be quick to respond to changes, but also anticipate what could happen and prepare the path for favorable future policy development.

True leaders in our industry have the ability to make informed decisions quickly and confidently, and effectively implement those decisions. It sounds simple, but many in authority positions shy away from either or both. They also demonstrate integrated thinking, a critical skill. There are many fantastic functional managers, but leaders must see how the various parts fit together—people, process, technology, customers, global, etc.—the Big Picture. They must be both reactive and proactive, strategic and tactical.

People management is an often-overlooked aspect of being a successful manager. The “soft stuff” of motivating a high-performance team can be harder than the “hard stuff” of science, finance, and operations. One key skill I’ve learned is being clear on goals and holding people accountable for achieving those objectives—while being sure to provide the support they need from you. Having a vision for what the team needs to accomplish and clearly defining the individuals’ roles results in a better-aligned team.

I believe that “collaboration” and “managing change” are particularly critical for our team. Gone are the days of vertical command and control management. Given the always-evolving worldwide regulatory requirements on the pharma industry, being nimble and flexible to manage the change is also extremely important to success.