COMPETITIVE INTELLIGENCE IN AN AGILE WORLD

Adapting intelligence functions to an increasingly complex pharma landscape

COMPETITIVE INTELLIGENCE IN AN AGILE WORLD

This thought piece explores the concept of agile working for the pharma world, delving into the opportunities and challenges that arise for CI teams and managers as working environments adapt to find success in a more dynamic, uncertain, and fast-paced environment.

If agile is the answer, what is the question?

At the heart of pharma stands the monolith that is the clinical trial protocol: three phases; strict regulations governing every aspect of each; enormous quantities of clinical study report data to be captured and translated into coherence. This is the template that pharmaceutical companies have incorporated into every aspect of their decision-making process. Upon these three cascading phased tiers are all pharma workflow decisions made. This structure is immutable, and pharma companies monkey with it at their peril.

Except... recent guidance from the FDA practically begs them to monkey with it. Consider the September 2018 guidance for industry, Adaptive Designs for Clinical Trials of Drugs and Biologics:

"Adaptive designs can provide a variety of advantages over non-adaptive designs. These advantages arise from the fundamental property of clinical trials with an adaptive design: they allow the trial to adjust to information that was not available when the trial began."[1]

To anyone familiar with the plethora of modern workflow and productivity systems, that last sentence - allowing the trial to adjust to information not available at the beginning - can only mean one thing:

Somebody at the FDA knows - and cares - about agile.

So, what is agile working?

Agile refers to a working methodology focused on better enabling teams and functions to deal with, and succeed in, uncertain environments.[2]

At first impression, agile may seem chaotic, anarchic, and almost perversely committed to a lack of managerial accountability. When seen from inside, however, the creation of a uniquely skilled, hardworking and disciplined team is an ideal solution to the problem imposed by large, slow-moving, inflexible projects composed of many smaller moving pieces.
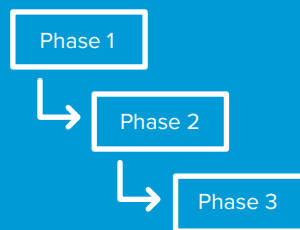
Agile working: key concepts

Waterfall working systems

Traditional workflows in which all of the most important decisions must be made right at the beginning of a project, when the least is known. Each preceding tier must be completed before action on the next can begin.

Common negatives: frustration, personnel overtime, unplanned expenses.
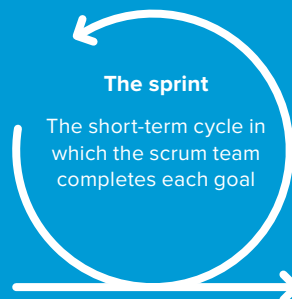
Phase 1 → Phase 2 → Phase 3

Agile working systems

Adaptable workflows utilizing fit-to-need teams and many shorter-term work cycles, some of which can take place in tandem of one another.
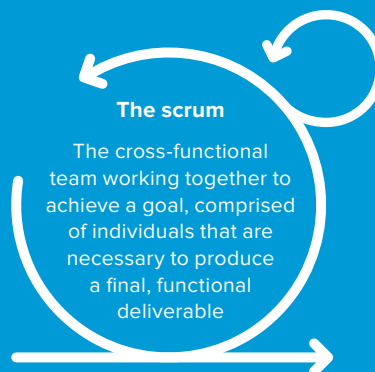
The focus is on *increased stakeholder touchpoints* that ensures the end product meets current needs.

Sprint 1   Sprint 2   Sprint 3
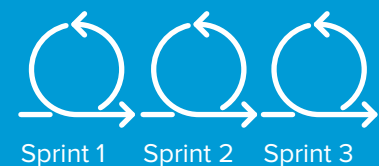
To counter the waterfall style of working, agile introduces two concepts:

The sprint

The short-term cycle in which the scrum team completes each goal

A short-term work cycle during which the scrum team works to achieve discrete elements of larger tasks, thus breaking down larger goals into manageable pieces and completing some tasks in tandem with one another.

The scrum

The cross-functional team working together to achieve a goal, comprised of individuals that are necessary to produce a final, functional deliverable

The scrum team[3]

Focus: delivering a client/stakeholder need
Composition: a small cross-functional group of individuals working across different sprints

Note: Individual members' responsibilities, and thus levels of leadership, shift organically depending on the nature of the task within each sprint.

Scrum master[4]

Focus: facilitating the scrum team to complete its sprints
Responsibilities: enabling teamwork and collaboration, assisting with ambiguity and complexity, removing obstacles.

[1] https://www.mckinsey.com/~/media/McKinsey/Industries/Pharmaceuticals%20and%20Medical%20Products/Our%20Insights/R%20and%20D%20in%20the%20age%20of%20agile/R-and-D-in-the-age-of-agile.ashx

[2] https://techbeacon.com/app-dev-testing/agility-beyond-history-legacy-agile-development

[3] http://www.scrum-breakfast.com/2013/01/how-do-you-do-scrum-in-regulated.html

[4] https://www.pmis-consulting.com/agile-versus-waterfall/

Is anyone actually doing this?

In truth, a great many companies - pharma among them - are increasingly reaping the benefits agile workflows can bring.

These include American Express, Bank of America, Booz Allen Hamilton, Celgene, CNN, the Federal Reserve Bank, Medtronic, Roche Diagnostics, and Siemens Medical Solutions, along with the full slate of tech giants one would expect. McKinsey & Company, no strangers to implementing agile themselves, recently called for pharma companies to reconsider R&D in the "Age of Agile." In a 2018 report, McKinsey suggested that "fundamental changes to the R&D operating model are required to position pharmaceutical companies for success," citing fast-paced competition, cost pressures and shareholder expectations "driving pharmacos to operate in a more nimble, agile way to increase their 'metabolic rate' and improve their R&D productivity."[5]

Several companies, Roche among them, have rolled out various leadership training and management programs to help effect a new paradigm across the company that paves the way for the adoption of agile. Roche has invested significant resources in Kinesis, a four-day program that begins with individualized 360° Leadership Circle Profiles to help leaders understand how their behaviors might stand in the way of change. On day two, the managers are introduced to agile.

"If the leadership mind-set is not addressed first, then all of the other practical ideas participants get about agile organizations could receive the response, 'That won't work here.'"[5]

Michael Lurie, a partner at McKinsey who specializes in agile and leadership transformations, quoted in conversation with Tammy Lowry, head of talent innovation at Roche.

[5] https://www.mckinsey.com/business-functions/organization/our-insights/how-a-healthcare-company-is-pursuing-agile-transformation

Where does CI fit in?

Agile offers CI an unsurpassed opportunity to recreate itself across any pharma organization as a vital part of every team on every project. This radical new way of working offers fundamental structural advantages that will showcase the immediate value and ongoing importance of CI.

Agile does CI a tremendous favor by taking it as a given that knowledge is at its most imperfect at the beginning of any project.[2] A CI scrum team member in place on day one would be perfectly positioned to offer insights and guidance, identify key gaps in knowledge, and catalogue what issues must be examined more closely under the CI lens to ensure a robust, accurate answer. In this way, CI could prove indispensable in the improvement of the product from the start.

Thus: the first challenge for the CI manager might be to rethink the prerequisites for employment he or she might have previously held in high esteem during the hiring process. Whereas earlier workstyles might have rewarded someone who could sit alone, analyze a great deal of material, and emerge with a competitive landscape deck, success for a CI-cognizant employee on a scrum team would involve being able to engage teammates representing a multitude of disciplines and work styles to discern what information they know, and what information needs to be acquired or corrected.

Working with individual teams will also lead to more workstreams occurring simultaneously. If a CI department has grown too reliant on the waterfall framework, some employees may find themselves far outside their comfort zones, and attendant attrition issues may arise.

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CI and agile realities

While the ideal agile engagement would be a CI professional embedded on every scrum team, realistically this may not always be the case.

In such situations, the CI manager may have to prioritize CI efforts, decipher which teams have the most urgent need, and prioritize those arenas where CI can make the largest impact. In any agile system the number of touchpoints between CI and the team should rise exponentially; if it is not yet feasible for the CI department to have a CI-cognizant employee in every sprint of every scrum, it nonetheless remains the mission of CI to help teams tackle uncertainty and ensure alignment with evolving business needs. And, being close to teams will enable the CI team member to uncover gaps in team knowledge and build their own backlog of CI insights to sharpen competitive focus.

Which brings us to an important if unusual role CI can offer a scrum team: the protector of the inalienable right to be wrong. Because agile is founded on the premise that early on, knowledge will be imperfect, the CI-cognizant employee has an opportunity to probe deeply into the conscious - and unconscious - biases and assumptions team members may be making.

Thus it may be useful, on both an interpersonal and diagnostic level, to begin any first sprint with an exercise such as a one-day or half-day workshop, in conjunction with the scrum master, that explores what competitive landscape presuppositions the team may be making.

How well does the team understand the differing audiences and customers their product will ultimately attempt to reach? How clearly do they see the competitors they face? If there is group consensus, does that mean the group is right?

All these assumptions are testable, and as the sprints go on, CI can own the delivery of continuous insights, sharpening them over time from intelligence about a competitor to a strategic vision of every aspect of a product's entrance into the marketplace.
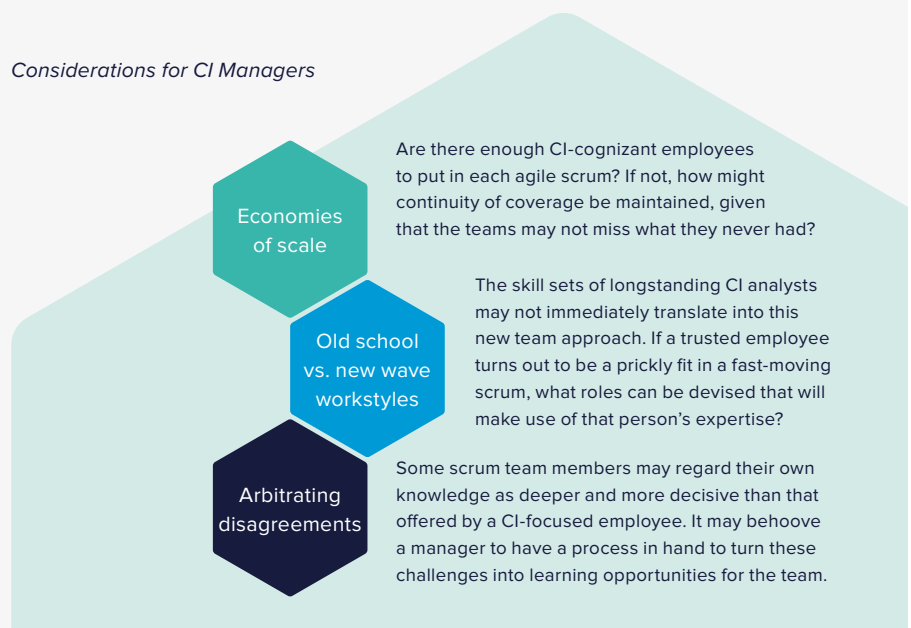
Old and new

Traditional CI tends to be somewhat opaque in most corporate settings, invisible behind the scenes until panic sweeps through the C- or D-suite, and then is called upon to save the day. In comparison, agile offers the CI department an incisive new opportunity to set strategy with high-quality intelligence right up front, powerful views on what is relevant to solve a problem, and the ideal positioning to add needs-specific and actionable insights over the lifespan of every project.

All of this is immensely superior to the classic, and all too familiar, CI role of being a box checked by an executive whose final decision was foreordained before the first email was sent, or of putting an enormous amount of work into a deck that is shown once before spending years unseen inside a hard drive.

Within an agile environment, CI will be closer to evolving needs, which means the insights they deliver can and should adapt during their lifecycle to maintain relevancy.

Additionally, agile's fundamental principles encourage insights to be shared and housed in much more functional ways, offering more opportunities for CI's outputs to be utilized across teams and functions whenever possible.

Considerations for CI Managers

Economies of scale

Are there enough CI-cognizant employees to put in each agile scrum? If not, how might continuity of coverage be maintained, given that the teams may not miss what they never had?

Old school vs. new wave workstyles

The skill sets of longstanding CI analysts may not immediately translate into this new team approach. If a trusted employee turns out to be a prickly fit in a fast-moving scrum, what roles can be devised that will make use of that person's expertise?

Arbitrating disagreements

Some scrum team members may regard their own knowledge as deeper and more decisive than that offered by a CI-focused employee. It may behoove a manager to have a process in hand to turn these challenges into learning opportunities for the team.

Fortune favors the bold

As the pharmaceutical industry continues to evolve, the mapping of the genome and the increased specialization of curative pathways has made the market inordinately more competitive. At the same time, the pressure to keep costs down have led to the introduction of new business models. In some companies unafraid to challenge the status quo, agile, with its team-based scrums and sprints, has emerged as a successful framework for, and agent of, change.

Agile dispenses with the orderly Gantt-chart progression of task handoffs from department to department by putting representatives of every department at the table from the start, telling them what needs to be accomplished in a specified time frame, and letting them alone to accomplish the task.

For a CI manager, agile presents an opportunity to prove the value and worth of CI to the widest possible audience at every stage of product development. What, then, is the goal of the CI manager confronted by a switch to agile? Simply put, to have a seat at every table on day one of every scrum, and to keep that seat through every sprint until the backlog of work has been completed, the goal has been achieved, and internal stakeholders have confidence in the outputs provided.

Agile, combined with appropriate leadership training and alignment, offers an opportunity for real transformation of the pharma paradigm. CI departments definitely have a role to play - a role that could expand their portfolios in new and interesting competitive and strategic directions. But if they do not adapt to this fast-paced new work style, they are very much in danger of rending themselves superfluous.

If, however, the CI department embraces the agile way of working, the rewards may well be game-changing.

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