

The Practice of Alliance Management in the Biopharma Industry - 2009

A Global Research Study

Request for Sponsors and Participation

An Urgent Need

The strategies of biopharm companies large and small around the globe are increasingly dependent on alliances and other collaborative relationships. In addition, a wave of consolidation and reorganization is sweeping through the industry. With these trends, has come the need for an organizational collaborative capability, sometimes referred to as an alliance management capability. Across the industry, executives are making decisions about how their most important collaborations are managed, if at all, who should take the role, what the scope of their responsibilities should be, and where they fit in the organization. These questions are being considered both by companies that currently have an alliance management function and those that do not.



The purpose of this study is to determine how the role, responsibilities, and organization of alliance management functions are evolving as biopharm business models are changing and organizations are developing their collaborative ability.

We intend to explore the practice of alliance management across the biopharm product lifecycle, including in initial deal evaluation and negotiation stages. The study will look at both the direct support of alliances and the role of the alliance management function in enabling an organization-wide ability to collaborate.

Importantly, this study also examines the responsibilities of "accidental alliance managers," those project managers, business development managers, and marketing managers, among others, who find themselves responsible for alliances and other collaborative relationships in addition to their traditional duties. It also looks at how dedicated alliance managers are supporting and enabling them to grow their collaborative abilities.

In addition, as companies make strategic decisions about the capabilities that are core and those best left to other specialist firms, it has become increasingly important to develop more collaborative and potentially risk-sharing relationships with service providers, patient advocacy groups, academia, and others. We'll explore alliance management's role in these relationships relative to the accidental alliance managers.

Key topics to be probed in the study include:

- Do organizations have a distinct alliance management function?
- If so, what is its scope of responsibility? Where does it report?
- If not, who is responsible for the success of alliances? How is the efficient utilization of alliance resources managed?
- Is alliance management seen by practitioners as a profession? A general management skill? A set of tools and behaviors?
- What activities is the alliance management group engaging in to develop the capabilities of non-alliance managers to work collaboratively? Where does the responsibility lie for non-alliance relationships that must be collaborative instead of traditional arms-length vendor or service provider relationships?
- What role does alliance management play in acquisitions?
- Where do alliance managers see opportunities for growth of their remit? What challenges do they see for the job?

Individual responses will be held in confidence. Data will be reported in the aggregate and summarized by relevant demographics. Individual responses will not be identified, although a list of participating companies will be included.

Sponsorship Opportunities

The study is being designed and conducted by The Rhythm of Business, Inc. a research and consulting group specializing in alliances and other collaborations. We are seeking a small number of sponsors at \$3,500 each to underwrite this inaugural study. In addition to a whitepaper detailing the study findings, sponsors will receive a profile of their organization compared with their peers. They will also be able to participate in a webinar with other sponsors presenting the results of the study. Additionally, they will have the opportunity for private discussion with the study authors.

Participation Opportunities

The study will be conducted in the fourth quarter of 2009. Results will be published in January 2010. Participation is sought from companies large and small. We intend to garner participation from 30-40 companies to provide a broad view of current practice and to conduct the study on an annual basis. Data will be gathered through a combination of interviews and electronic surveys. Alliance managers and business development professionals will be the primary contacts, as well as senior executives.

Participants will receive a whitepaper outlining the study findings.

Differentiation from ASAP's State of Alliance Management Study

Every two years, the Association of Strategic Alliance Professionals (ASAP) and Prof. Ard-Pieter deMan conduct the State of Alliance Management Study. That effort looks at the types of alliances organizations across all industries are engaging in, the success rates of those alliances, and the tools

alliance managers are using to deliver success. In contrast, *The Practice of Alliance Management in the Biopharm Industry* looks at the roles, responsibilities, and reporting structures of alliance managers strictly within this industry and across the product lifecycle. It is an important complement to the *State of Alliance Management* study.

About The Rhythm of Business

The Rhythm of Business specializes in collaborative business—the organizations, business models, management and ways of working to innovate and succeed through collaboration. Our comprehensive management methodology is used to design, implement, measure, and assess the effectiveness of collaborative networks, such as strategic alliances, preferred provider relationships, and cross-functional or cross-business unit research teams. Our consulting and research activities are cross industry and cross sector. We focus on scientific and technically intensive collaborations, especially within life sciences and energy, as well as complex issues related to economic development that are as diverse as hunger, fostering entrepreneurship, and growing foreign direct investment.

Principals Jeffrey Shuman, PhD and Jan Twombly have co-authored numerous books and whitepapers on collaboration, alliances, and the practice of alliance management. Recent studies include *Innovation and Growth through Collaborative Networks*, commissioned by Scottish Enterprise, *Collaborative Networks are the Organization: An Innovation in Organization Design and Management* prepared for the First Global Peter F. Drucker Forum, and *Modeling and Replicating Effective Collaboration, A Case Study of the Harvard Stem Cell Institute*, first presented at 15th International Conference on Multi-Organizational Partnerships, Alliances, and Networks. Through its *Collaborating to Win™* assessment, The Rhythm of Business has gathered data on more than 7,000 life sciences professionals, demonstrating that better collaborators produce better results.

Shuman is also professor of management at Bentley University where his courses, Managing Collaborative Relationships and Entrepreneurial Thinking are part of the MBA curriculum. In addition, he serves on the faculty of the Institute for Global Work at Boston University.

Shuman and Twombly are among the first to receive the designation of Certified Strategic Alliance Professional (CSAP) awarded by the Association of Strategic Alliance Professionals (ASAP). Shuman currently serves as co-chair of ASAP's Collaborative Innovation Council and Academic Council. He is also actively involved on the teams that have developed the Certificate of Achievement – Alliance Management (CA-AM) certification and the CSAP certification. Twombly serves on the Executive Committee of the Association's Board of Directors and is Chairperson of the Marketing Committee. She serves on the Global Summit Planning Committee and is a member of the 2009 Biopharm Council Summit Planning Committee.

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