

## **LEADING IN TURBULENT TIMES SHIRE U.S. COMMERCIAL OPERATIONS**

- Identifying key areas that increase the agile ability of the organization and its members
- A focus on capability building supports the organization in turbulent times
- Developing functioning methods for communication creates value

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*By Amy Pott & Arne Buthmann*

Amy had established a reputation in Baxter (and its spin-off, Baxalta) through her roles in Innovation, Government Affairs, then Customer Strategy as a creative, innovative thinker and team leader.

After Shire acquired Baxalta in 2016, Amy moved to the Boston area to be the Head of Global Market Access. Two weeks after she moved with her family, it was decided that the role should be based in Switzerland. Amy was clear that she wanted to stay in the US. She was offered the role of Head of US Commercial Operations: sales operations, marketing operations, learning and development, operational excellence & analytics.

Amy remembers thinking, "Why me? What do I know about the operational aspects of sales and marketing?" Her ability to pull people together and motivate them to do their best was what Commercial Operations really needed.

She inherited a group of 120 people from two legacy companies (Baxalta & Shire) separated across three sites: downtown Chicago, Bannockburn (the outskirts of Chicago), and Lexington (greater Boston). Those in Lexington had recently been relocated from Philadelphia. Morale was at an all-time low. "People had been worn into the ground. No one was advocating for them," Amy recalls.

The first thing Amy did was develop with her leadership team a common purpose behind which they and their team could rally. "One of the reasons I asked for Valeocon's support, was to facilitate us in developing a common purpose and path forward. We owned it so were committed to making it happen." The key questions the team thought together were:

- What is the business need that we help achieve?
- How do we fulfill the need?
- What benefits do we deliver?
- What makes us unique?

In answering those questions, the common purpose emerged.

*US Commercial Operations enables Franchises to execute solutions that drive business growth through a collaborative approach.*

*We develop flexible, robust processes and capabilities that are efficient, compliant and forward-looking.*

*We bring unique cross-franchise insights, knowledge, and experience.*

This common purpose signaled **how** the team would work as well as **what** the function's contribution to the business would be.

Starting from the current reality, the team imagined the journey in stages:



Knowing that she and her team are important role models for the rest of the Commercial Operations group, Amy took time to build her leadership team. Over three leadership team meetings the team looked at their individual and collective learning styles, developed behavioral norms for themselves, explored how each would respond under pressure and ways to support each other. It is difficult to find time to step back from the crush of day-to-day issues to reflect and invest in the team; however, it was key to Amy and her team's ability to ride through the turbulence that lay ahead.

The main challenges that Amy and her team faced were:

- Motivating the group
- Upgrading skills and competencies
- Integrating two cultures
- Managing across three locations

Contributing to low morale was a recent reevaluation of many jobs in the group which were downgraded by an outside consultant i.e., people doing the same work as before were being paid less. Not only was it demotivating, it meant the roles are more junior; therefore, more difficult to recruit qualified talent from the outside when needed. Amy recalls, "During my first week on the job I was handed the results of a Happiness Survey. Of course, people were demoralized." It is hard enough under normal circumstances to help an operational group see that they are not in the "back room" but in "front room" helping the business drive results.

Realizing she had to keep the wheels of day-to-day business turning while completely transforming the business, Amy and her team prioritized what needed to be done to build toward their aspiration:

- Focus on delivering for the business
- Create an agile operating model and organization
- Ensure open communication internally and with stakeholders
- Invest in employees' professional development and building foundational capabilities

## Focus

Each member of the leadership team presented in a common format, their function's value proposition in the context of the group's mission.



Functional strategies were developed, challenged by the team, to concentrate on the most important business priorities.

## Agility

In reviewing priorities, it was clear to everyone that in supporting 7 Franchises, the demand for support was infinite, while resources were not only limited but

also being cut to deliver the savings expected (promised) from integrating two companies. "How can we design a more agile organization so we are able to respond to unanticipated changes and requests?" Amy asked.

With Valeocon's support the Comm Ops Leadership Team devoted two off-site meetings to design the ideal organization. They started by stepping back and identifying the "dogmas" or paradigms about how they currently operate:

- Don't have enough people
- We don't have enough budget
- We are a "support" function vs. strategic partner
- We'll never have a seat at the table and we weren't invited

This helped free up the team's thinking about what is possible i.e., how to break the current mold.

Since the team was redesigning an on-going business (rather than starting from a "green field" site), they listed what truly were givens and where they had the freedom to move. While the overall number of employees in the group would have to stay the same, they realized they could change:

- Internal, cross-functional, distribution of activities and resources i.e., rebalancing/aligning work
- Managerial levels (how shallow is the hierarchy)
- In-source, out-sourcing activities
- Roles and responsibilities

In other words, a lot could be redesigned to operating more efficiently and flexibly.

Before diving into alternative ways to structure the group, the team anchored itself in the corporate, commercial priorities the flagship initiatives that came out of their own functional planning work.



This helped identify overlaps between US Commercial Operations functions and “must-win” deliverables:

- Agile integrated commercial capabilities
- Launch excellence and effectiveness (strategic realignment)
- Virtual networks of commercial excellence

These were key to being seen as “thought partners” by the Franchises. Benchmarking data was reviewed on how Shire’s Commercial Operations group compared in terms of capacity and resources with their peers.

### What capacity and/or capability gaps are there?

#### Under resourced according to TGaS

- Digital
- Agency management
- Data management
- Reporting
- Incentive compensation
- Analytics

#### Gaps

- Consulting & Relationship Management Skills, Influencing without Authority
- Process Redesign, Project Management Skills
- Metrics & Feedback, Continuous Improvement

Depends on how we want to position ourselves and our mission



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Since there is no one perfect organization design, criteria were identified based on the above to help the team review alternatives after they were identified.

## Organization Design Criteria & Prioritization

Workshop Output

Criteria	Details	Importance*
<b>Nimble</b>	Fast, flexible	23%
<b>Stable</b>	High quality, robust, reliable processes	17%
<b>Compatible</b>	Ease of collaboration with others "plug and play"	15%
<b>Innovative</b>	Fosters the creation and implementation of ideas that create value	15%
<b>Scalable</b>	Expand and contract own resources depending on volume of work	9%
<b>Service Oriented</b>	User friendly	9%
<b>Talent Oriented</b>	Supports talent development	8%
<b>Cost Effective</b>	What is affordable	4%

Top 4 Criteria

\*Output of prioritization exercise

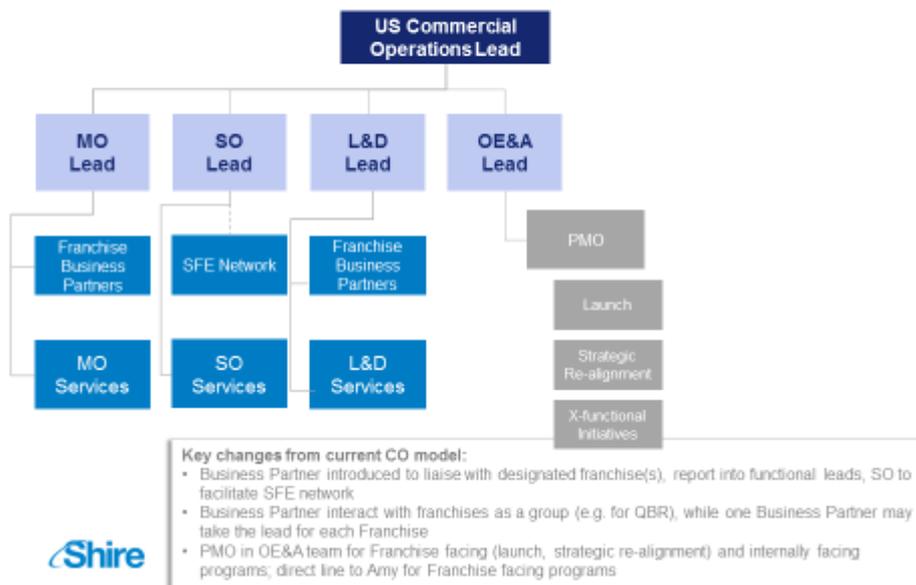


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The team worked through three main alternatives: fully aligned to Franchises, business partners within functions, project oriented. They settled on a hybrid of business partnering and a common program management capability to support strategic initiatives.

## Alternative Model #2

Workshop Output



## Communications

Amy and her leadership team recognized the importance of clear, transparent communications both within the Commercial Ops team and externally with key stakeholders and business partners.

On the internal side, Amy and her team built several communication platforms to help engage and recognize talent, including a quarterly team newsletter (“USCConnections”) and a mechanism for employees to recognize each other when demonstrating Shire’s leadership behaviors, via postcards. Amy and her leadership team invested in in-person town halls where one of the core topics was to recognize individuals and the team.

Amy’s leadership team also built similar platforms within their own teams to enhance communications and transparency. For example, the Marketing Operations team created a functional playbook to centralize key updates and information regarding strategic initiatives, functional projects, metrics & KPIs, and franchise support. This has proven to be a useful tool in ensuring that the team is always up-to-date on key functional priorities.

The team also developed a communications and engagement plan for external stakeholders and business partners, to establish rigor in how the Comm Ops leadership team engage with other teams at Shire. Through these plans, the team can track activities related to stakeholder engagement in other functions on a regular basis.

To formalize how they interact with Franchise leadership, Commercial Operations established quarterly business reviews (QBRs). This helped the team to be better connected with franchise needs, and showcase the value they bring to the business.

## Building Capabilities

In the spirit of building an agile organization, one of Amy’s top priorities for 2017 was to focus on advancing key capabilities across Comm Ops to foster professional development and maximize their full potential. Amy and the Comm Ops leadership team committed to investing in the team and their development by providing learning opportunities in the following areas:

These capabilities support our vision and strategy as we move to ‘elevate & optimize’



Each Comm Ops associate was expected to attend at least one course by the end of 2017. To ensure that the trainings were balanced in participant size, we

asked individuals to share their first, second and third preferences. Each training was offered in both locations (Lexington and Bannockburn) to ensure that all associates had the opportunity to get involved.

So far, the capability building initiative that Amy sponsored has proven to be successful. Many employees have now attended several courses already focused on personal branding as well as leading through change. We have heard many positive remarks about how the trainings have helped them build foundational capabilities and grow professionally.

## **Results**

Looking back just one year to July of 2016, Amy and the team are well on their way to transforming the US Commercial Operations group. Behind a common purpose and priorities, the disparate teams have been brought together. The journey in three stages has been communicated and is a constant providing a sense of continuity in a sea of constant changes and uncertainty in the larger corporate context. The leadership team bonded to face adversity together, executing systematically their plan to build more agile ways of working collaboratively. In March of 2017, the group was recognized by the CEO and Executive Committee with a Team Excellence Award highlighting their service and contributions to the business. In May, it was announced that all Commercial roles will be transitioned to Massachusetts. While the transition will bring many changes to the team, it also provides an opportunity to strategically look at the organizational model again. The Comm Ops organization has proven to be extremely agile, which not only helps the current transition to Massachusetts, but will be imperative for future changes as well.

## **Conclusion**

Amy and her team demonstrated exceptional skill in balancing attention to short, medium and long terms issues, focusing clearly on corporate and business (often competing) priorities, yet taking the time to invest in themselves and the development of individual team members. They were open and honest about the challenges and issues, while maintaining a positive attitude and concentrating on what they could influence and improve. As a team, they supported each other through the ambiguity and uncertainty that has become the norm in corporate life today. Their resilience came from a strong common purpose, belief in the value of every individual involved, and unwavering commitment to creating an environment in which everyone has the best chance possible to fulfil their own potential.

## **ABOUT THE AUTHORS**



**Arne Buthmann** is leading our Pharma Practice Area. As a trained industrial psychologist and specialist in operations improvement, Arne believes that changing how work gets done and learning to behave in new ways are two sides of the same coin.



**Amy Pott**

Amy Pott has over 15 years of experience in the areas of private and public healthcare. She is currently Head of North America at Sobi – an international rare disease company.

Her past experience includes positions at Shire such as Head of US Commercial Operations as well as US Franchise Head Internal Medicine & Oncology. At Baxalta, she was Vice President of Strategy, Planning, & Analytics. At Baxter she was a Director for Business Model Innovation in Europe and Director for Market Access UK & Ireland. Her executive leadership and international roles have allowed her to support the growth of organizations to the fullest while working with both rare diseases and medical devices.